



Date: May 7, 2015

To: Patrick H. West, City Manager 

From: John Gross, Director of Financial Management 

For: Mayor and Members of the City Council

Subject: **Annual Underground Storage Tank Program Update**

Executive Summary

This report provides an annual update on the City's Underground Storage Tank (UST) Compliance Program rev 3.3 (Compliance Program). The highlights of this report are:

- The annual audit concluded that the UST Program is compliant.
- Although there is a substantial increase in reportable violations for 2014, there was no degradation in overall quality of operations. The violations are minor or unusual as summarized in this memo.
- The increase in "minor" violations noted during annual CUPA inspection was due to a new requirement to enter documents electronically, which took longer than planned.
- The two CUPA violations in the "major" category were equipment repairs that did not represent any significant environmental problems.
- The number of Corrective Action Reports (work orders) created to address "substandard or non-compliant issues" increased dramatically because the City decided to conduct a comprehensive inspection in response to a change in expectations from the State.
- The average days to close out a Corrective Action Report (work order) increased due to the extra time required to complete the electronic document submittals. All documents need to be "up-to-date" before any repair can be considered closed.
- The West Police Substation (Site 39) was not fully compliant as of 9/30/14 due to a repair that required additional time.
- While we believe the current requirements of the Compliance Program and the Consent Judgment have been successfully implemented to date, actions with the State are still being resolved. The City Attorney is moving forward with a motion to terminate the Consent Judgment because the five year probationary period expired in January 2015.

Background

On January 21, 2010, the City entered into a Consent Judgment and Permanent Injunction (Consent Judgment) with the State Water Resources Control Board (SWRCB) per the State Attorney General's Office stipulation. The Consent Judgment required the City to perform several specific tasks, as well as establish a Compliance Program to maintain compliance for five years. City staff has ensured that all required tasks have been performed in a timely manner and have been reported to the State Attorney General's Office in the proper format. Additionally, a group consisting of City staff and outside consultants developed and implemented the Compliance Program. This report (and other annual reports that preceded it) does not include the Alamitos Bay Marina tanks, as they are not owned or operated by the City and are not subject to the terms of the Consent Judgment.

Compliance Program

The Compliance Program provides a structure for:

1. Program Overview and Direction
2. Required Statutes and Regulations
3. Staffing and Organizational Structure
4. Procedures
5. Training
6. Monitoring and Information Systems
7. Auditing
8. Measurement and Accountability

The Compliance Program ensures effective oversight by dictating an organizational structure and reporting requirements that include the City Council, City Manager, Director of Public Works and Director of Financial Management, UST Executive Committee (Department Heads and City Manager representatives), and the UST Task Force (City staff and contractors). The UST Executive Committee convenes twice a year; the UST Task Force meets on a monthly basis; and Fleet's Operations' staff conducts status meetings as needed. The Fleet Operations staff uses extensive procedures, tracking systems and reports to ensure compliance with completing daily inspections, repairs, testing and reporting. Up-to-date tracking reports and status sheets are available on the City's intranet site http://clbnet/pw/fleet_services/lb_ust_program.asp.

Annual Status Report to State Water Resource Control Board

The Annual Status Report was submitted to the SWRCB and State Attorney General's Office in July 2014, and was made up of a matrix summary of actions taken and all monitoring and/or testing records generated from July 1, 2013 through June 30, 2014 in compliance with the Consent Judgment.

Annual Audit

The Compliance Program also requires that an annual audit be performed as of June of each year to ensure that the Compliance Program is being properly implemented and managed. The most recent audit was performed by the City

Auditor and covers the period from July 1, 2013 through June 30, 2014. The specific review is a performance audit to assess compliance with the UST Compliance Program. The Auditor's report, dated February 11, 2015, was favorable with a conclusion that, "the Department is in compliance with the UST Program." A few minor areas were noted for improvement, but were "not significant to the audit objective." These items are in a separate management letter. The Auditor's UST Program Compliance Opinion Letter is available on the UST intranet site.

Performance Metrics

The Compliance Program specifies seven performance criteria to be tracked. The criteria have been quantified for the period of FY14 (10/1/13 – 9/30/14).

	Performance Criteria	FY10	FY11	FY12	FY13	FY14
1	No. of Minor Violations Recorded during the annual CUPA inspection.	12	8	7	3	54
2	No. of Major Violations Recorded during the annual CUPA inspection.	7	1	2	1	2
3	No. of substandard or non-compliant issues resulting in an actionable Corrective Action Report (CAR)	21	30	20	12	45
4	Average # of days required to close out each Corrective Action Report (CAR).	5	7	21	4.25	35.7
5	No. of sites certified as fully compliant on September 30 th of each year.	15 (All)	15 (All)	15 (All)	15 (All)	14
6	No. of consecutive days between unauthorized releases.	821	133	499	864	1,229
7	# of (tank) leak alarms per year	4	4	0	0	0

Performance Criteria #1 and #2: The violations were found during the annual inspection performed by the Long Beach Certified Unified Program Agency (CUPA). The violations can be classified as minor or major depending on theoretical worst-case environmental impact. Most of the above violations are due to the new electronic document submittal requirements, which the City was not able to complete by the time of the annual inspections. The electronic submittals were completed by September 29, 2014. None of the violations posed a threat to the environment. The attached 2014 CUPA Violations report provides details of the CUPA violations (Attachment A).

Performance Criteria #3: This metric measures the number of Corrective Action Reports (work orders) created to address "substandard or non-compliant issues." This number increased dramatically because the City decided to conduct a comprehensive inspection at City facilities in August 2014, after it received a list of 29 violations from the State Attorney General in July 2014. The list included new interpretations of existing regulations from SWRCB that included, for example, the verticality of sensors and their placement. The SWRCB and our local CUPA joined the comprehensive inspection being conducted by a consultant hired by the City. Twenty-six Corrective Action Items (CARs) were opened as a result of these inspections. The action items included verification

that all of the City's monitoring equipment was installed to meet the new interpretations from SWRCB, including sensor verticality and placement.

Performance Criteria #4: The average days to close a Corrective Action Report (work order) went up dramatically due to the electronic submittal requirements. When a Corrective Action Report was opened, for either the January CUPA inspections or the August 2014 comprehensive inspections, it could not be closed until the electronic submittal into the California Environmental Reporting system (CERS) was completed. The document input into CERS was completed on 9/29/2014. None of the action items posed any threat to the environment.

Performance Criteria #5: West Police Substation (Site 39) was not compliant by September 30, 2014 due to a complicated replacement of the UST annular sensor. During the annual monitor certification, the Long Beach CUPA Inspector identified that the annular sensor was not third party certified to be connected to the monitoring panel. The sensor was able to detect a release from the primary tank, but the CUPA Inspector's note on the inspection report resulted in a failed monitor certification. Due to the pending replacement of the UST system, both the CUPA and the City did not start the annular sensor replacement process until late August 2014. The replacement of the annular sensor required breaking concrete to replace the UST annular riser at the same time, which is a more complicated repair. The CUPA conducted a re-inspection on 10/31/2014 and approved the new sensor and riser installation.

A summary of all tests and certifications amounting to full compliance for all covered sites is attached (Attachment B).

Performance Criteria #6: The last unauthorized release was in FY11 and was the result of a fuel tank being overfilled. The release was minimal and was immediately stopped by the fuel delivery truck driver.

Performance Criteria #7: These alarms are from sensors in the main fuel tank. The alarms at the beginning of the program were from problem sensors, not leaks. Those sensors have been replaced and the problems have not repeated. This also means there have been no fuel leaks from the tanks.

SWRCB Consent Judgment Status:

The City has been notified that SWRCB has identified additional issues at some of the covered facilities. The City does not agree with SWRCB's allegations and is deciding how to respond. The term of the Consent Judgment ended in January 2015, but due to ongoing legal actions, the status of the Consent Judgment has not been resolved.

Conclusion

While we believe the current requirements of the UST Compliance Program and the Consent Judgment have been successfully implemented to date, actions with the State are still being resolved. The support and commitment of all departments and levels of management have made this UST Compliance Program a success and ensured the safety of the employees and the local environment.

JG:DH:RS:BH.
K:\Exec\John Gross\TTF re Annual Underground Storage Tank Program Update - Revised.docx

ATTACHMENTS

CC: TOM MODICA, ASSISTANT CITY MANAGER
ARTURO SANCHEZ, DEPUTY CITY MANAGER
CHARLES PARKIN, CITY ATTORNEY
LAURA L. DOUD, CITY AUDITOR
JYL MARDEN, ASSISTANT TO THE CITY MANAGER

City of Long Beach UST Fuel Sites 2014 CUPA Violations

Performance Metrics

The UST Compliance Program specifies seven performance criteria to be tracked. One aspect of the metrics is the CUPA violations. CUPA performs annual inspections usually in January. The violations for FY14 are summarized below.

	Performance Criteria	Actual
1	No. of Minor Violations Recorded during the annual CUPA inspection	54
2	No. of Major Violations Recorded during the annual CUPA inspection	2

Minor Violations:

- 52 violations were because of a new requirement from the State Water Resources Control Board (SWRCB) to submit existing UST documents electronically. The electronic entry took longer than planned because this was the initial year to move to electronic entry. A violation was counted for each individual document that was delayed and each site had between two to six documents. The change required all of the UST facility paperwork to be submitted electronically into the California Environmental Reporting Systems (CERS) or the Long Beach CUPA web page. Due to implementation issues, at the time of the annual inspections in January 2014, all of the electronic submittals were not complete. After meeting with the CUPA in July 2014, it was determined that standard paper submittals could be made to the CUPA and the City would make all electronic submittals into CERS. The Long Beach CUPA approved all of the document submittals by 7/17/2014 and the electronic submittal into CERS was completed by 9/29/2014. The facilities missing information are as follows: Site #11 – 2 documents; Site #13 – 3 documents; Site #14 – 2 documents; Site #16 – 4 documents; Site #23 – 4 documents; Site #29 – 3 documents; Site #34 – 4 documents; Site #35 – 6 documents; Site #38 – 3 documents; Site #39 – 3 documents; Site #41 – 6 documents; Site #59 – 4 documents; Site #ECOC – 3 documents; Site #WD1 – 2 documents; Site #WD2 – 3 documents. Preventative Action: Use a consultant to verify the UST documents and upload them into CERS.
- Site 29 (Line 15). The inspector identified that one or more of the monitoring system components were missing the annual sticker from the previous certification. The technician was able to certify all of the monitoring components and place new certifications as required. Preventative Action: Perform a detailed inspection at all facilities prior to the next annual certification.
- Site 41 (line 14). During the annual monitor certification, the external enunciator was not operational. The item was corrected subsequent to the next inspection. Preventative Action: Perform a detailed inspection at all facilities prior to the next annual certification.

Major Violation:

- Site 29 (Line 13): The s1 Vacuum Sensor was in "No Vacuum" alarm prior to the annual monitor certification. This alarm condition was investigated and corrected by the maintenance contractor. The Inspector approved the repair on 7/17/2014. Preventative Action: This was a maintenance issue that could not have been corrected before the annual monitor certification.
- Site 39. This was a note on the last page of the CUPA inspection report and not listed as a violation on the first page of the inspection report. The Inspector verified that the monitoring system was operational and able to detect a release from the primary tank into the annular space, but the sensor manufacturer was not approved to be connected to the monitoring panel. The approved sensor could not be installed into the UST annular space at the time of the annual monitor certification due to the internal diameter of the annular space riser. The UST system was scheduled to be replaced in early to mid-2014 and the CUPA would allow the facility to function

until then. Due to the cost of the new construction, the Police Department was given the option to install an Aboveground Storage Tank instead of an Underground Storage Tank, which was approved in mid-2014. The CUPA required the annular sensor to be replaced with an approved sensor by October 2014. The UST annular riser was replaced and the new sensor installed by October 14, 2014, and the CUPA signed off on the construction by October 31, 2014. This is the cause of the site not being compliant by September 30, 2014. Preventative Action: This was a condition that has existed since the UST system was installed. Due to the heightened visibility of the Long Beach facilities and SWRCB's scrutiny of the CUPA program, the inspector required the sensor replacement even though it was functional.

Number of Sites Certified as Fully Compliant on September 30th of Each Year (2014)

Sites	Site Address	CUPA Annual Inspection Report		CUPA		Annual Monitoring Certification		Secondary Containment Test		AQMD Vapor Recovery Test Date (Gasoline Only)		Hazardous Material Business Emergency Plan HM/BEP Inventory		Fully Compliant Site
		Inspection Report Date	Violation(s) (If applicable)	CUPA Permit Print Date	Permit Exp. Date	Testing Date	Retest Date for Correction(s) (If applicable)	Last Full System Testing Date	Retest Date for Correction(s) (If applicable)	Testing Date	Retest Date for Correction(s) (If applicable)	Submittal Date	Certification Statement Date	
11	160 Market St.	1/16/2014	N/A	10/22/2013	11/30/2014	1/16/2014	N/A	1/13/2012	1/19/2012	N/A (Diesel)	N/A	9/29/2014	9/29/2015	Yes
13	2475 Adriatic Ave.	1/21/2014	N/A	10/22/2013	11/30/2014	1/21/2014	N/A	1/4/2012	N/A	N/A (Diesel)	N/A	9/29/2014	9/29/2015	Yes
14	5200 Eliot St.	1/21/2014	N/A	10/22/2013	11/30/2014	1/21/2014	N/A	1/9/2012	2/2/2012	1/8/2014	N/A	9/29/2014	9/29/2015	Yes
16	2890 E. Wardlow Rd.	1/14/2014	N/A	10/22/2013	11/30/2014	1/14/2014	N/A	1/13/2012	N/A	N/A (Diesel)	N/A	9/29/2014	9/29/2015	Yes
23	333 W. Ocean Blvd.	1/21/2014	N/A	10/22/2013	11/30/2014	1/21/2014	N/A	1/10/2012	N/A	N/A (Diesel)	N/A	9/29/2014	9/29/2015	Yes
29	4105 E. Douglas Dr.	1/15/2014	7/17/2014	10/22/2013	11/30/2014	1/15/2014	N/A	1/16/2012	N/A	N/A (Diesel)	N/A	9/29/2014	9/29/2015	Yes
34	400 W. Broadway	1/22/2014	N/A	10/22/2013	11/30/2014	1/22/2014	N/A	1/9/2012	N/A	1/9/2014	N/A	9/29/2014	9/29/2015	Yes
35	4891 N. Atlantic Ave.	1/21/2014	N/A	10/22/2013	11/30/2014	1/21/2014	N/A	1/10/2012	N/A	1/7/2014	N/A	9/29/2014	9/29/2015	Yes
38	2400 E. Spring St.	1/23/2014	N/A	10/22/2013	11/30/2014	1/23/2014	N/A	1/12/2012	6/25/2012	1/9/2014	N/A	9/29/2014	9/29/2015	Yes
39	1835 Santa Fe Ave.	1/23/2014	10/31/2014	10/22/2013	11/30/2014	1/23/2014	10/31/2014	1/11/2012	N/A	1/7/2014	N/A	9/29/2014	9/29/2015	No*
41	700 E. Shoreline Dr.	1/16/2014	1/22/2014	8/1/2013	8/1/2014	1/16/2014	1/22/2014	N/A	N/A	6/4/2014	N/A	9/29/2014	9/29/2015	Yes
59	2249 Argonne Ave.	1/14/2014	N/A	10/22/2013	11/30/2014	1/14/2014	N/A	1/11/2012	N/A	1/14/2014	N/A	9/29/2014	9/29/2015	Yes
ECOC	2990 Redondo	1/15/2014	N/A	10/22/2013	11/30/2014	1/15/2014	N/A	1/17/2012	3/26/2012	N/A (Diesel)	N/A	9/29/2014	9/29/2015	Yes
WD1	2950 Redondo	1/15/2014	N/A	10/22/2013	11/30/2014	1/15/2014	N/A	1/17/2012	N/A	N/A (Diesel)	N/A	9/29/2014	9/29/2015	Yes
WD2	1800 Wardlow	1/28/2014	N/A	10/22/2013	11/30/2014	1/28/2014	N/A	1/16/2012	N/A	1/8/2014	N/A	9/29/2014	9/29/2015	Yes

CUPA Inspection Report:

Logic Statement: We are compliant as of September 30, if the annual CUPA Inspection Report was completed within the previous 12 months. "October 1 through September 30". Compliant is defined as the date of inspection with no issue(s) or the date of when the issue(s) were reinspected after being corrected.

The CUPA inspection Report form is based off of Title 23 of the California Code of Regulations (CCR), Chapter 6.7 of the Health and Safety Code (CHSC) and California Fire Code. The CUPA Form is used on-site annually by a CUPA Inspector in order to determine UST site compliance. The CUPA form is categorized by code sections that are inspected and demonstrate that each section is either in violation of, or in compliance with, underground storage tank laws and regulations. The inspection dates shown on this spread sheet are the dates of when the CUPA Inspector signed the form and certified the site as being fully compliant for elements on the form. A "N/A" will be in the correction date column if no corrections are needed.

CUPA Permit:

Logic Statement: If print date is less than September 30 and permit expiration date is after September 30 that proves a valid permit is in hand as of September 30.

The CUPA Permit is issued by the local Agency (CUPA) on an annual basis and grants the City a permit to operate in conformity with existing federal and state laws, and local ordinances. The dates on this spread sheet are the print date of the permit, which is located on the upper right hand side of the permit and the expiration date which is located in the center.

Monitoring System Certification:

Logic Statement: We are compliant as of September 30, if the annual Monitoring System Certification was completed within the previous 12 months. "October 1 through September 30". Compliant is defined as the date of certification with no issue(s) or the date of when the issue(s) were retested after correction. A Monitoring Certification retest is only required when an issue(s) are unable to be corrected during an initial Monitoring Certification.

This form is used by all jurisdictions within California. Authority cited: Chapter 6.7, Health and Safety Code; Chapter 16, Division 3, Title 23, California Code of Regulations. This testing is performed on an annual basis. The form is used to document certification of testing and servicing of the on-site monitoring equipment. The dates shown on this spread sheet are the dates of when certification for testing/servicing of the equipment that is identified on the form was in accordance with the manufactures guidelines. A " N/A" will be in the correction date column if no corrections are needed.

Secondary Containment Testing :

Logic Statement: We are compliant if the Secondary Containment system testing was completed per the following:

Secondary containment systems installed on or after January 1, 2001 shall be tested upon installation, 6 months after installation, and every 36 months after original installation. Secondary containment systems installed prior to January 1, 2001 shall be tested by January 1, 2003 and every 36 months thereafter.

This 36 month counting definition is the most conservative.

The testing date is the last full system date.

The secondary containment form is based off of Title 23 of the California Code of Regulations (CCR), section § 2637. This form is intended for use by contractors performing periodic testing of UST secondary containment systems. The dates shown on this spread sheet are the dates of when the technician responsible for conducting the testing certified the secondary containment system. A " N/A" will be in the correction date column if no corrections are needed.

AQMD Vapor Recovery Test:

Logic Statement: We are compliant as of September 30, if the annual AQMD Vapor Recovery test was completed within the previous 12 months. "October 1 through September 30".

This testing is performed annually and applies to gasoline dispensing facilities (GDF) only. The testing is required by the California Air Resources Board (CARB). AQMD Rule 461 (e)(5) states that the owner /operator shall not operate or resume operation of a gasoline transfer and dispensing facility, unless the facility has successfully passed the applicable performance and re-verification tests. Continued operation of the GDF without passing the Vapor Recovery Test is a violation of South Coast AQMD regulations and California Health and Safety Code. The dates on this spread sheet are when the last Vapor Recovery test were performed (Bottom right of the pages, not the "Today's Date" on the top left of the summary.). A " N/A" will be in the correction date column if no corrections are needed.

Hazardous Materials Business Emergency Plan (HMBEP):

Logic Statement: We are compliant as of September 30, if the HMBEP or Inventory Certification Statement (ICS) was completed within the previous 12 months. "October 1 through September 30".

A business that handles hazardous material shall review, certify and resubmit their entire HMBEP once every three (3) years, regardless of whether changes have occurred. Once an entire HMBEP has been submitted, a business may comply with the annual chemical inventory reporting requirement by submitting a ICS to the Long Beach Fire Department for the 2nd and 3rd year. The dates on this spread sheet are the signature dates on the last HMBEP or ICS that was submitted to the Long Beach CUPA.

Source Documents:

The information that was provided for the CUPA annual inspection report, annual monitoring certification, secondary containment testing , AQMD vapor recovery testing, HMBEP, and UST site certification correction dates is located on the City of Long Beach's shared electronic "T" Drive. Each individual source document can be retrieved under their electronic fuel site number file folder by following the file path: (File path T:\Fleet Oper\Fuel\Fuel Sites\...).

*** Site 39 Noncompliance:**

This site is compliant except for the Annual Monitoring Certification. Due to a required annular sensor change, the certification was not able to be made until after September 30th, hence the site was not fully compliant. The existing annular sensor was operational and able to detect a release (there was no environmental risk), but the CUPA required the annular sensor to be changed. The correction was made and approved by CUPA 10/31/2014.

Details:

This was a condition that has existed since the UST system was installed. Due to the heightened visibility of the Long Beach facilities and SWRCB's scrutiny, the CUPA inspector required the sensor replacement even though it was functional. The Inspector verified that the monitoring system was operational and able to detect a release from the primary tank into the annular space, but the sensor manufacturer was not approved to be connected to the monitoring panel which is made by a different company. The approved sensor could not be installed into the existing riser for the UST annular space at the time of the annual monitor certification due to the riser's internal diameter. The UST system was scheduled to be replaced in early to mid-2014 and the CUPA was allowing the facility to function until then. However, due to the cost of the new construction, the replacement was delayed and a repair process with design, permitting, etc was required which caused the repair to go past September 30th. The UST annular riser was replaced and the new sensor installed by October 14, 2014 and the CUPA signed off on the construction by October 31, 2014.