



CITY OF LONG BEACH

C-12

DEPARTMENT OF HEALTH AND HUMAN SERVICES

2525 GRAND AVENUE • LONG BEACH, CALIFORNIA 90815 • (562) 570-4000 • FAX: (562) 570-4049

April 22, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute all necessary documents with the State of California Environmental Protection Agency in association with a \$77,262 grant awarded to the Department of Health and Human Services Certified Unified Program Agency (CUPA) for the implementation of the Aboveground Petroleum Storage Act, and increase appropriations in the CUPA Fund (SR 131) in the Department of Health and Human Services (HE) by \$77,262 over the two year grant period from January 1, 2008 through December 31, 2009. (Citywide)

DISCUSSION

On October 13, 2007, Governor Arnold Schwarzenegger signed Assembly Bill 1130 into law. This bill established the California Aboveground Petroleum Storage Act (APSA), which transferred authority for inspecting aboveground storage tanks (ASTs) from the State Water Regional Control Board (SWRCB) and Regional Water Quality Control Board (RWQCB) to the local CUPAs. Prior to this bill, businesses with ASTs containing petroleum were charged a permit fee by the SWCRB. Since inspections were not conducted by the SWRCB, the funds for this program were directed into the Environmental Protection Trust Fund (EPTF). The EPTF currently amounts to between \$7.5 and \$8.0 million dollars statewide. A portion of the EPTF revenue will be used for a California Environmental Protection Agency (Cal-EPA) administered AST training program and the remainder will be distributed to the local CUPAs throughout the State.

The revenue distribution formula for the AST Inspection Program is based, in part, on the number of ASTs within the CUPA's jurisdiction. The Long Beach CUPA has 94 ASTs under its jurisdiction. This translates into a total grant award of \$77,262. 80 percent of this award (\$61,810) will be disbursed immediately upon Cal-EPA receiving the signed agreement with the City of Long Beach; the remaining 20 percent (\$15,452) will be disbursed when the initial disbursement has been exhausted and the CUPA submits a supplemental invoice to Cal-EPA.

The funds will be used by the Long Beach CUPA for staffing, training, supplies and administrative support associated with the implementation of the program. Businesses in the AST Inspection Program will receive a "fee holiday" until January of 2010. After January of 2010, Long Beach CUPA will assess a permit fee for all businesses in the AST Inspection Program.

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This matter was reviewed by Deputy City Attorney Heather Mahood on April 1, 2008 and by Budget Division Officer Victoria Bell on April 11, 2008.

TIMING CONSIDERATIONS

City Council action on this matter is requested on April 22, 2008, since the funding period ends on June 30, 2008. The funds must be awarded by Cal-EPA prior to June 30, 2008 as a condition of the award.

FISCAL IMPACT

The total amount of the augmentation is \$77,262 and an appropriation increase for this amount is included in the recommendation. The department is estimated to spend 80 percent, or \$61,810, during fiscal year 2008. A budget adjustment is included in this action. Any remaining unspent balance will be rolled over into the following fiscal year. The remaining 20 percent, or \$15,452, will be included as part of the fiscal year 2009 budget. There is no City match, and no fiscal impact to the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



RONALD R. ARIAS
DIRECTOR
HEALTH AND HUMAN SERVICES

APPROVED:



PATRICK H. WEST
CITY MANAGER