



AGENDA ITEM
CITY COUNCIL MEETING DATE – NOVEMBER 20, 2018
BUSINESS ITEM

TO : City Manager

FROM : Fire Chief

SUBJECT : **UPDATE AND REPORT TO CITY COUNCIL ON VALERO'S PROGRESS TOWARDS INSTALLATION OF AIR MONITORING EQUIPMENT AND RELATED ITEMS INCLUDED IN THE JUNE 19, 2018 CITY COUNCIL MOTION**

EXECUTIVE SUMMARY:

At the June 19, 2018 City Council meeting, Council deliberated the request to discuss adopting an Industrial Safety Ordinance (ISO). After lengthy discussion and public comment, Council took action to:

1. Direct staff to monitor Solano County's implementation of the California Accidental Release Prevention (CalARP) Program 4 regulations;
2. Direct staff to meet with Valero and the appropriate regulatory agencies to address the few gaps that exist between Contra Costa County's ISO and Program 4, including more effective and frequent communications with the City, Valero, and the community;
3. Require Valero to have fenceline monitors installed within six months while continuing to negotiate the installation of additional community monitors;
4. Develop an evacuation plan; and
5. Report back at the first City Council meeting in November on Valero's progress and Council's direction.

This provides the information requested by the City Council.

RECOMMENDATION:

Receive report on the progress to date and, direct staff to take the following actions:

- Continue working with Valero to expand its current fenceline monitoring program to add fenceline monitoring along the west area of the refinery (called Path-4 by Valero). If Council makes this recommendation, staff suggests allowing enough time to secure permits and complete construction without requiring a streamlined process from City staff.
- Continue working with Valero to implement additional community monitoring. If Council makes this recommendation, staff suggests allowing enough time to secure

permits and complete construction without requiring a streamlined process from city staff.

- Continue regular communications with the Solano County Environmental Health Services Division to monitor the County's implementation of CalARP Program 4 at the Valero refinery.

BUDGET INFORMATION:

The costs associated with these items are in staff time and are partially recovered through fees charged to Valero.

BACKGROUND:

At the May 23, 2017, City Council meeting, Mayor Patterson brought forward a two-step process request to the Council to discuss consideration of adopting an Industrial Safety Ordinance (ISO) based on the success of a similar ISO in Contra Costa. The Council directed staff to agendize the item for future discussion. The item was brought back to Council on June 19, 2018. [Click here to view the June 19, 2018 Staff Report](#). During the June 19, 2018 meeting, Council heard from the public and deliberated the merits of adopting an Industrial Safety Ordinance in the City of Benicia. The item concluded with Council taking action to:

1. Direct staff to monitor Solano County's implementation of the California Accidental Release Prevention (CalARP) Program 4 regulations;
2. Direct staff to meet with Valero and the appropriate regulatory agencies to address the few gaps that exist between Contra Costa County's ISO and Program 4, including more effective and frequent communications with the City, Valero, and the community;
3. Require Valero to have fence-line monitors installed within six months while continuing to negotiate the installation of additional community monitors;
4. Develop an evacuation plan; and
5. Report back at the first City Council meeting in November on Valero's progress and Council's direction.

REPORT ON THE FIVE ITEMS INCLUDED IN THE JUNE 19TH MOTION:

1. Direct staff to monitor Solano County's implementation of the California Accidental Release Prevention (CalARP) Program 4 regulations.

Effective October 1, 2017, the State of California updated its refinery regulations to align with, and in some cases, exceed those in the Contra Costa County Industrial Safety Ordinance. On November 7, 2017, the Solano County Environmental Health Services Division began the thorough process of implementing Program 4 at the Benicia Valero refinery. The focus of the County's efforts was on utilities that include electrical system, fire water system, fuel-fired packaged boilers, cooling towers, flare stack, waste water treatment, raw material storage, anhydrous ammonia system, aqueous ammonia system, sulfuric acid system, sulfur recovery unit, and molten sulfur loading. Between November 2017 and April 2018 Solano County spent 485 hours inspecting, preparing, reviewing and documenting the regulatory process with 276 hours of the inspection process onsite at the Valero Benicia

Refinery. They reviewed over 1000 pages of program documentation, conducted field audits, and interviewed 22 subject matter experts. An inspection summary report prepared by Solano County is included as Attachment 1. The summary outlines Valero's Program 4 implementation as well as key findings in relation to the May 5, 2017 power outage and flaring incident.

In addition, both CalARP Program 4 and an ISO require public access to reports and incorporate community engagement requirements. City staff met with Solano County personnel to suggest implementing a public outreach program to provide information on both County implementation of CalARP Program 4 and the results of the root cause analysis report from the May 5, 2017 flaring incident. Solano County Environmental Health personnel subsequently secured a booth at the August 11, 2018 Benicia Peddlers Fair with the goal of providing public outreach. They reported that 82 individuals stopped at the booth to discuss the refinery operations and approximately 10 individuals wanted to discuss the recent Program 4 inspection and violations in detail. Many of these individuals took copies of the detailed Program 4 Inspection Report or the shortened Summary Inspection Report. In addition, multiple individuals wanted to discuss the differences between Program 4 and the Contra Costa County ISO and took copies of the Program 4/ISO comparison document. Additionally, Solano County continues to update its public website with information related to implementation of CalARP Program 4 and made their reports available at www.solanocounty.com/depts/rm/environmental_health/hazmat/default.as. Finally, Solano County Environmental Health personnel continue to communicate regularly with City staff on the implementation of CalARP Program 4.

2. Direct staff to meet with Valero and the appropriate regulatory agencies to address the few gaps that exist between Contra Costa County's ISO and Program 4, including more effective and frequent communications with the City, Valero, and the community.

In reviewing the gaps between the Contra Costa County ISO and Program 4, it appears the only significant gap is related to the public release of documentation. In reading the Contra Costa ISO and speaking with their Chief Environmental Health and Hazardous Materials Officer, Randy Sawyer, the Contra Costa ISO requires all root cause analysis reports and 3-year facility audits to be publicly available. Conversely, Solano County releases a summary of their reports but only releases the full reports upon request. Benicia staff is currently in discussions with Solano County and have requested that the full reports be made available on the County's website.

Regarding more effective and frequent communications between the City, Valero, and the community, various steps have been taken to improve communication. One of the biggest steps was to re-engage the Valero Benicia Refinery Community Advisory Panel (CAP). The CAP provides an on-going means of communication between the community and Valero Benicia Refinery. The CAP identifies and addresses issues of mutual concern such as air quality, air monitoring, and reliability of refinery operations. The CAP is a citizen forum that encourages dialogue and an exchange of information. CAP members provide feedback to Valero on Refinery operations and is comprised of:

- Benicia City Council Member (1)
- Benicia Chamber of Commerce Member (1)
- Benicia Industrial Park Association Member (1)
- Benicia Unified School District Member (1)
- Good Neighbor Steering Committee Member (1)
- Community-at-Large Members (2)

Technical experts are available to assist the CAP in its activities.

Although the CAP is not new, it had not met in some time. On July 31, 2018 a CAP meeting was held. The agenda for this meeting included discussion of panel membership, fenceline monitoring, and a refinery update. The next meeting was held on October 9, 2018. At the October 9th meeting, members received updates on refinery operations and viewed the new CAP website. In addition, they held a discussion about progress towards filling the vacant Member-at-Large position. Additionally, presentations were made by the City's Fire Chief and Police Chief on the Benicia Community Alert System, Emergency Operations Center coordination between Valero and the City, and progress towards developing an updated citywide emergency evacuation plan. The Power Point presentations given by Chief Chadwick on the Community Alert System and EOC coordination are included as attachments 2 and 3.

The CAP website is now live. Agendas, minutes, and general information on CAP activities can be found at www.beniciacap.com.

Finally, after numerous discussion between City Emergency Response staff and Valero Refinery staff, Valero has committed to the following items:

- Provide the city with a “72-hour follow-up notification report” when a major incident or event occurs. City staff and Valero are currently working to build a matrix to determine what types of events would trigger the report.
- Provide a representative to participate at the City of Benicia EOC when an activation may impact the Refinery. In addition, the City has committed to having a City representative present in the Valero EOC whenever an activation may impact the City.
- Participate with the City of Benicia during incident response drills/training.

3. Require Valero to have fenceline monitors installed within six months while continuing to negotiate the installation of additional community monitoring.

For many years there have been discussions in Benicia about the need for a more robust air monitoring program. Air monitoring generally falls under the purview of the Bay Area Air Quality Management District (BAAQMD) and the California Air Resources Board (CARB). Both BAAQMD and CARB are currently making advances in required air monitoring for refineries. One advancement was a new regulation requiring Valero to implement a fenceline air monitoring plan. Valero submitted its fenceline air monitoring plan to BAAQMD on September 7, 2017. This plan was conditionally approved on June 8, 2018 and Valero was

given one year to complete the project. Since the conditional approval, Valero submitted a revised plan on July 23, 2018 to reflect these conditions and other minor changes per the Air District requests. At the June 19, 2018 City Council meeting, the motion that passed included language that Valero complete installation of their fenceline air monitoring project in six months.

Fenceline Monitors

Immediately after the June 19th City Council meeting, Valero approached City staff and requested assistance with the installation of their Bay Area Air Quality Management District (BAAQMD) approved fenceline air monitoring project. Staff worked with Valero on construction permitting in a streamlined process. Staff received regular updates on the project and on November 2nd staff was informed that construction was complete, and the project was awaiting a final inspection from the City. Additionally, City staff and Valero have discussed plans to add an additional fenceline monitor path across the west end of the Valero property. This was not required by the BAAQMD plan due to the wind direction analysis, but Valero appears willing to work towards expanding the fenceline monitoring to this area. They have identified this as path four.

Community Monitors

Staff has had various discussions with Valero regarding the possibility of adding additional community air monitors. Community air monitors differ from fenceline monitors in that they are single site monitors located outside of Valero property. Currently, there are three older style monitors in place. There has been interest in adding additional monitors in a few strategic locations. Selecting a location, securing property, and accessing power are all challenges related to additional monitors. These challenges are all surmountable and City staff will continue to work with Valero to develop a plan.

Air Monitoring Website

The data from the previously mentioned fenceline and community air monitors will have little value to the public unless it is made easily accessible. Therefore, as part of the comprehensive air monitoring project, Valero has agreed to develop a public facing website with real time data from both the fenceline monitors as well as the community monitors. A beta version of the website was presented to the Valero Benicia Refinery Community Advisory Panel on October 9, 2018. The website is now live and available to the public at www.beniciarefineryairmonitors.org. More information will be available from Valero staff at the November 20, 2018 Council meeting.

Portable Monitors

While fenceline and community air monitors are helpful in providing information to the public, they have little value to emergency responders during an incident. From an emergency response standpoint, the most important monitors are portable monitors located on fire department vehicles that can be quickly deployed in the field. This gives fire personnel real time data at specific locations allowing for more informed decisions to be made. Although Benicia Firefighters are trained to read and interpret data from our current portable monitors, our current monitors only measure an atmosphere for the presence of Oxygen, Flammable Gasses, Hydrogen Sulfide, Carbon Monoxide, Hydrogen Cyanide, and

Chlorine. While these monitors provide a good baseline, Benicia Fire Department personnel have historically requested a response from Valero's Industrial Hygienist department to assist with determining potential releases from the Valero facility. It would be far more efficient to have highly sensitive portable air monitoring equipment available in Benicia Fire Department's inventory. This would allow Benicia Fire personnel to drive to the exact area of concern, obtain real time air sampling, and make informed decisions on the need to alert, shelter, and/or evacuate the public.

A request has been made for Valero to supply the Benicia Fire Department with three ChemPro100i handheld gas and vapor detectors. These units can detect a wide variety of Toxic Industrial Chemicals and are far more sensitive than the current fire department portable air monitors. The cost of three ChemPro100i handheld gas and vapor detectors is approximately \$50,000. On November 2, 2018, Valero indicated that they would be willing to purchase these units and donate them to the Benicia Fire Department.

4. Develop an Evacuation Plan

During the May 5th, 2017 flaring incident, a decision was made by City staff to evacuate a large portion of the Benicia Industrial Park. Additionally, due to the difficulty associated with the evacuation of elementary schools and the potential for a sudden wind shift, the decision was made to order a "shelter-in-place" at two local elementary schools. These decisions were made with an understanding of the negative implications weighted against responsibility for public safety and were ultimately made by erring on the side of caution.

The logistics of performing such a large evacuation with the City's limited resources created some challenges. Police and Fire personnel quickly realized that the current evacuation plan was outdated and vague. The appropriate location for a City evacuation plan is within the City's Emergency Operations Plan (EOP). In January 2018, Fire Department staff began a comprehensive update of the City's EOP. Preparation of a Benicia-specific Evacuation Annex to the EOP necessitated the support of the Benicia Police Department and other experts in the field. Benicia Police staff took the lead on the Evacuation Annex and it is currently under development with plans to have the final plan completed by April 2019.

As a point of clarification, the development and implementation of an evacuation plan is a responsibility of the City, not Valero.

5. Have a report back to the first City Council meeting in November.

This serves as the report back to council.

NEXT STEPS:

Implement Council's direction.

ALTERNATIVE ACTIONS:

Council may direct staff to develop and implement an Industrial Safety Ordinance or provide any other direction it determines appropriate.

General Plan	The overarching goal of the General Plan is Sustainability
	Goal 4.1: Make community health and safety a high priority for Benicia.
	Goal 4.9: Ensure clean air for Benicia residents.

Strategic Plan	Strategic Issue #1: Protecting Community Health and Safety
	Strategy #3: Provide a high state of preparedness for disasters/emergencies
	Strategy #5: Promote community and personal health
	Strategic Issue #2: Protecting and Enhancing the Environment
	Strategy #4: Protect air quality

CEQA Analysis	The proposed action is not a Project per Section 15378 of the California Environmental Quality Act (CEQA), because it will not result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.
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Attachments:

1. Solano County CalARP Inspection Summary Report
2. Benicia Community Alert System (PowerPoint Presentation)
3. Emergency Operations Center coordination (PowerPoint Presentation)

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