Council Meeting: July 17, 2012

SUBJECT: Authorization for the City Manager to Execute the Agreement Between the City of Sunnyvale and the City of Cupertino for Industrial Wastewater Treatment Services in Rancho Rinconada

BACKGROUND
Federal regulations require the City of Sunnyvale to have authority to apply and enforce sections of the Clean Water Act, to implement and enforce a pretreatment program, and to control discharges from all existing and future industrial users of its sewer system, including those located in contributing jurisdictions.

The City of Cupertino currently utilizes the City of Sunnyvale sewerage system to serve the areas within Cupertino referred to as “Rancho Rinconada.” The Rancho Rinconada area is generally bound by Bollinger Road, Lawrence Expressway, Stevens Creek Boulevard, and Blaney Avenue. The specific sewer parcels are shown on the map as Attachment B to this report. There are no facilities currently located in the Rancho Rinconada area considered to be “Significant Industrial Users,” subject to Federal Pretreatment regulations. Properties located in Rancho Rinconada currently consist of residential and commercial users, which primarily contribute domestic sewage to the Sunnyvale system.

EXISTING POLICY
The “Rancho Rinconada Sewer District Agreement” between the developers of the Rancho Rinconada area and the City of Sunnyvale dated April 19, 1954, established the provision of sewer services for the area, but does not specifically address the implementation of pretreatment regulations for industrial users. The 1954 Agreement and associated documents are included as Attachment C.

DISCUSSION
The subject “Agreement Between the City of Sunnyvale and the City of Cupertino for Industrial Wastewater Treatment Services in Rancho Rinconada” was drafted to meet the requirement for the City of Sunnyvale to demonstrate adequate authority to implement the industrial pretreatment program to the Regional Water Quality Control Board (Water Board) and the Environmental Protection Agency. The need for such an agreement was identified in a previous Water Board inspection of Sunnyvale’s Pretreatment Program. The agreement has been reviewed and deemed sufficient for regulatory compliance by the City of Sunnyvale Office of the City Attorney, as well as the City of Cupertino. The Cupertino City Council approved the Agreement on June 19, 2012.

The agreement requires the City of Cupertino to notify and follow up with Sunnyvale should development of industrial facilities be proposed in the Rancho Rinconada area. Cupertino would provide notification within 10 days of receipt of a development
recommendation to Sunnyvale City Council to authorize the City Manager to execute the "Agreement Between the City of Sunnyvale and the City of Cupertino for Industrial Wastewater Treatment Services in Rancho Rinconada"
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application that proposes industrial uses that would discharge wastewater into the Sunnyvale sewerage system. This will afford the City of Sunnyvale the opportunity to comment on the application with respect to Federal Pretreatment regulations and, if necessary, to recommend imposing relevant conditions. The agreement provides a 60-day period to allow for the development of a new agreement between the City of Cupertino and the City of Sunnyvale, which would address implementation and enforcement of Pretreatment regulations prior to facility operation.

FISCAL IMPACT
None.

PUBLIC CONTACT
Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

RECOMMENDATION
Staff recommends that Sunnyvale City Council authorize the City Manager to execute the agreement as presented. Approval for this authorization will ensure compliance with federal regulations regarding pretreatment program implementation.

Reviewed by:

John Stufflebean, Director, Environmental Services
Prepared by: Melody Tovar, Regulatory Programs Division Manager

Approved by:

Gary M. Luebbers
City Manager

Attachments
A. Agreement Between the City of Sunnyvale and the City of Cupertino for Industrial Wastewater Treatment Services in Rancho Rinconada
B. Rancho Rinconada Sewer Parcel Map (Exhibit B of the Agreement)
C. Rancho Rinconada Sewer District Agreement – April 19, 1954 and City of Sunnyvale Sewer Responsibilities Rancho Rinconada Area (Exhibit A of the Agreement)
AGREEMENT BETWEEN THE CITY OF SUNNYVALE
and THE CITY OF CUPERTINO FOR INDUSTRIAL WASTEWATER
TREATMENT SERVICES IN RANCHO RINCONADA.

This Agreement is entered into this ___ day of __________, 2012, between the City of Sunnyvale and the City of Cupertino (hereinafter jointly referred to as the “Parties”),

RECITALS

A. The City of Sunnyvale owns and operates a sanitary sewerage system and is thus deemed a “Control Authority” for purposes of providing such services to Industrial Users.

B. The City of Cupertino currently utilizes this sewerage system to serve an area within the City of Cupertino known as Rancho Rinconada pursuant to an Agreement between the developers of Rancho Rinconada and the City of Sunnyvale dated April 19, 1954.

C. The agreement between the City of Sunnyvale and the Rancho Rinconada Sewer District from 1954 and an associated document titled “City of Sunnyvale Sewer Responsibilities Rancho Rinconada Area” specifies that “the City of Sunnyvale will provide sewer services at the rates, including connection fees, and in accordance with the rules and regulations of the City now in force by the City of Sunnyvale, or that hereafter and from time to time may be established by the City Council of the City of Sunnyvale.” The Agreement and associated documents are attached hereto as Exhibit “A”.

D. A schematic diagram of the areas served is attached hereto as Exhibit “B”.

E. The federal regulations at 40 CFR 403.8(f)(1) require the City of Sunnyvale to have the legal authority to apply and enforce the requirements of sections 307(b) and (c) and 402(b)(8) of the Clean Water Act, to implement and enforce a pretreatment program, and to control discharges from all existing and future industrial users of its sewerage system, including those located in contributing jurisdictions (Rancho Rinconada).

F. Facilities located in Rancho Rinconada currently consist of residential users and commercial users, who primarily contribute domestic sewage to the City of Sunnyvale sewerage system.

G. There are no facilities currently located in Rancho Rinconada considered to be “Industrial Users” or “Significant Industrial Users”.

AGREEMENT

A. The City of Cupertino shall notify the City of Sunnyvale within 10 days of receipt of a development application that proposes to develop industrial uses which would discharge into the Rancho Rinconada area, to afford the City of Sunnyvale the opportunity to comment on the application, and if necessary, to impose conditions appropriate to
providing wastewater treatment services.

B. No industrial users shall be allowed to operate within Rancho Rinconada and discharge to the Sunnyvale sewerage system unless the City of Cupertino provides 60 day prior notification to the City of Sunnyvale and an agreement is entered into between the parties addressing implementation and enforcement of the pretreatment program for the proposed industrial user.

C. If any term of this Agreement is held to be invalid in any judicial action, the remaining terms will be unaffected.

D. The Parties will review and revise this Agreement to ensure compliance with the Federal Clean Water Act (42 U.S.C. §1251 et. seq.) and rules and regulations (see 40 CFR Part 403) issued thereunder, as necessary, but at least once every five years on a date to be determined by the Parties.

E. The City of Sunnyvale may terminate this Agreement by providing 90 days written notice to the City of Cupertino. All benefits and obligations under this Agreement will cease following 90 days from receipt of such notice.

City of Sunnyvale

By: __________________________
Name: Gary Luebbers
City Manager

Dated: ________________________

City of Cupertino

By: __________________________
Name: _______________________
City Manager

Dated: ________________________
ATTACHMENT C

RANCHO RINCONADA SEWER DISTRICT

AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of April, 1954, by and between the City of Sunnyvale, a municipal corporation, hereinafter designated as "CITY" and Quito Creek Home Builders, Inc., Permanente Home Builders, Inc., Sunnyvale Home Builders, Inc., Western Contemporary Home Builders, Inc., whose principal address is Box 188, Cupertino, California, hereinafter designated as "SUBDIVIDERS".

W I T N E S S E T H :

That, WHEREAS, said Subdividers desire to subdivide certain land within the County of Santa Clara, State of California, in accordance with the map heretofore filed with the City of Sunnyvale, marked and designated Rancho Rinconada, Tract # 1287 in the County of Santa Clara, California; and

WHEREAS, the Subdividers propose to sell the lots and/or improvements in said subdivision in the near future and are desirous of having sewage collection and disposal service available for the purchasers thereof, through and by means of a trunk sewer constructed from the vicinity of the above mentioned tract to the existing outfall sewer of the City of Sunnyvale; and

WHEREAS, THE furnishing of sewage collection and disposal service to said property by means of said trunk sewer are a necessary and valuable adjunct to the use and sale of said property; and

WHEREAS, the City is willing to furnish sewage collection and disposal service to said property through and by means of said trunk sewer main at the rates, including connection fees, and in accordance with the rules and regulations of the City now in force by the City of Sunnyvale, or that hereafter and from time to time may be established by the City Council of the City of Sunnyvale, but upon the terms, conditions and provisions hereinafter in this agreement set forth;

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants, agreements, terms and provisions herein contained it is agreed as follows, to-wit:

1) The Subdividers agree to construct and install at their own expense within a period not to exceed one year from the date of recordation of the map of said Tract No. 1287, a V.C. sewage pipe collection system, together with V.C. wye branches and 1/8 bends for house sewer laterals, manholes complete with City of Sunnyvale standard castings, steps, etc.

2) A house sewer lateral for each lot shall be constructed from the main sewer in the street to the property line before the street is paved or sidewalks constructed. Said house sewer lateral shall be four (4") inch V.C. Pipe connected to the main sewer with a V.C. wye branch and one-eighth (1/8) bend and shall have a four (4") inch wye clean out located at the property line.

3) All above mentioned sewer mains and laterals shall be constructed and installed in accordance with the Standard Specifications of the City of Sunnyvale pertaining to said work, and in accordance with the plans prepared by Frost and Brian, Civil Engineers, as approved by the Director of Public Works and Utilities for the City of Sunnyvale, therefore and attached hereto as Exhibit A, and by this reference made a part hereof. Such construction
and installation shall be under the supervision and subject to the approval of the Director of Public Works and Utilities of the City of Sunnyvale or his authorized representative.

4) All mains, appurtenances, equipment and property of whatever kind of character constructed or installed pursuant to the provisions of this agreement shall be the sole and exclusive property of the City of Sunnyvale and shall be delivered to the City of Sunnyvale, free and clear of all liens and encumbrances whatever.

5) It is further understood and agreed that the Subdividers will give on the date of the execution of this agreement a good and valid bond in the amount of Fourteen Thousand and No/100 ($14,000.00) Dollars for the faithful performance of all the terms and conditions of this agreement, and for the payment for all work, labor and materials, the said bond to be approved by the City Attorney of the City of Sunnyvale.

6) It is further agreed that the Subdividers shall indemnify and save harmless the City of Sunnyvale, the City Council and the Director of Public Works and Utilities from any suits, claims or actions brought by any person or persons for or on account of any injuries or damages sustained or arising in the construction of the work or in consequence thereof.

7) It is further understood and agreed that the Subdividers shall pay to the City of Sunnyvale on the date of execution of this agreement the sum of Two Hundred Ten and No/100 ($210.00) Dollars. Said sum being the engineering inspection fee for the installation of said sewers. Said fee being 1½% of the estimated cost of the construction of said sewer mains.

8) It is further agreed and understood that all lots or dwelling units within said Tract No. 1287 shall be subject to a monthly sewer service charge at the rates and in accordance with the rules and regulations of the City of Sunnyvale now in force or that hereafter and from time to time may be established by the City Council of the City of Sunnyvale for such service.

IN WITNESS WHEREOF, the parties have hereunto caused their names to be subscribed and their seals affixed pursuant to authority theretofore granted, the day and year first above written.

SUBDIVIDER
Quito Creek Home Builders, Inc.
/s/ AJD - Sec'y Treas.

CITY OF SUNNYVALE

By /s/ R. B. Gilmore, Mayor

By /s/ Ida Trubschenck, City Clerk

Permanente Home Builders, Inc.,
By ?

Sunnyvale Home Builders, Inc.,
/s/ Richard C. Price, VP

Western Contemporary Home Builders, Inc.,
/s/ John E. Klawin
Read by:

B. Wilcox
W. S. Cranston
J. R. Campbell
W. L. Kranz
Joe Dazzo
E. Nelson
C. Long
E. Robinson
F. Carter
M. Carrillo
Jim Mathews

(In writing by B. L. Wilcox:
Mr. Abbott:
Those employees most likely to
answer over-time calls for Sewer
problems have been shown this:
agreement and have signed on the
back page being aware that all sewer
complaints of Rancho Rinconado &
Los Altos are to be handled as
Sunnyvale Calls:

Namely: Check main and if clear,
hand the complainant a card
with instructions to call
plumber, etc.

/s/ BLW 1/7/66
CITY OF SUNNYVALE
SEWER RESPONSIBILITIES
RANCHO RINCONADA AREA

The City of Sunnyvale provides the following services to the residences and businesses located in the Rancho Rinconada area of the City of Cupertino:

- The City of Sunnyvale owns and maintains all sewer mains located in the Rancho Rinconada area serviced by Sunnyvale and will maintain, remove stoppages and make all required repairs to the mains as needed.

- The City of Sunnyvale's wastewater crews will respond to all sewer-related calls received from the area served by Sunnyvale. The crews will determine where the problem is located and will deal with it accordingly.

- Any problems determined to be in private sewer laterals will be forwarded to the reporting parties for them to correct.

The City of Sunnyvale will not do any of the following:

- Clean and clear any blockages in private sewer laterals.

- Inspect or make any repairs to private sewer laterals.

- Assist in any mechanical cleaning, clearing of blockages or repairs to any private sewer laterals damaged by trees or roots.

THE HOMEOWNERS AND BUSINESSES IN THE RANCHO RINCONADA AREA OWN THE ENTIRE SEWER LATERAL, FROM THE BUILDING TO THE MAIN, AND ARE RESPONSIBLE FOR ALL MAINTENANCE AND REPAIRS NEEDED TO KEEP THE LINE CLEAR.

The attached drawing clarifies the terms used above.