

Cooperative Agreement
Between
the City of Statesville
and
[Metal Finisher Company]
on the
City of Statesville Common Sense Initiative Program

This Cooperative Agreement is entered into by the City of Statesville (City) and [Metal Finisher Company] (Company).

I. INTRODUCTION: The EPA Common Sense Initiative

The goal of US Environmental Protection Agency's (EPA) Common Sense Initiative (CSI) is to test "cleaner, cheaper and smarter" methods to improve environmental protection. As a CSI participant, the City of Statesville, working cooperatively with the North Carolina Department of Environment and Natural Resources (NCDENR), local metal finishers that are Significant Industrial Users (SIU), and other participating stakeholders, has developed a series of incentives designed to help industries improve environmental performance by providing technical assistance, recognition, cost savings, and decreased regulatory burdens on both participating industries and the wastewater pretreatment staff. This voluntary initiative is designed to recognize past environmental improvements by metal finishers and to provide step-wise incentives that encourage further environmental performance achievements consistent with the national performance goals set forth below.

II. NATIONAL PERFORMANCE GOALS

The Strategic Goals Programs (SGP) of the CSI established the following set of "industry-wide," National Performance Goals for the metal finishing sector. These goals are intended to help meet the overall program objectives of a 50-percent reduction in unnecessary reporting, permitting and monitoring as well as less long-term liability and reduced worker and community exposure. Companies participating in the City of Statesville CSI program will also sign the "Statement of Commitment as CSI Charter 100 Company." under the Nation CSI-Strategic Goals Program. Signature to that commitment document expresses the participating company's "good faith" efforts to making significant progress towards the National Performance Goals by the year 2002. Goals are established on a baseline year of 1992.

The quantitative National Performance Goals are summarized below:

- Goal 1 50 % reduction in metals emissions to air & water;
- Goal 2 90 % reduction of organic Toxic Release Inventory (TRI) releases;
- Goal 3 50% reduction in hazardous sludge disposal/Substantial reduction in sludge generation;
- Goal 4 98% metal utilization on products;
- Goal 5 50 % reduction in water usage;
- Goal 6 25 % reduction in energy use.

III. AGREEMENTS

The City and Company agree that:

A. “Sign-up” Incentives:

If requested, the following technical assistance incentives are available to metal finishers that "sign up" to City's CSI Program under this agreement:

1. Pollution Prevention Audit – A site visit will be conducted by the Division of Pollution Prevention and Environmental Assistance (DPPEA). This Division is a non-regulatory agency within the NCDENR. All DPPEA services are free and offer limited confidentiality under the “Confidentiality Policy of the Office of Waste Reduction.” A report outlining potential waste reduction opportunities will be developed for facilities requesting the Pollution Prevention Audit.
2. CSI Baseline/Reporting Assistance - If requested, the DPPEA will also help participating companies establish environmental performance baselines for 1992 and the present year. DPPEA can assist companies with reporting requirements of the national CSI program.
3. Energy Audit –A preliminary energy survey coordinated through the North Carolina State University's (NCSU) Industrial Extension Service (IES) or the Industrial Assessment Center (IAC) will be available to all participating facilities meeting NCSU's eligibility requirements. Preliminary energy diagnostic surveys provided by IES and on-site assistance provided by NCSU's IAC are free of charge. Specialized energy assessments are also offered through NCSU at reduced costs.
4. Hazardous Waste Compliance Assistance – For metal finishers that request hazardous waste compliance assistance, the Hazardous Waste Section of NCDENR can provide, in accordance with its RCRA Small Business Assistance Policy, on-site technical compliance assistance for any metal finisher that is participating in the CSI Strategic Goals Program in Statesville.
5. Other future incentives addressing environmental, health, safety, energy efficiency, and financial assistance will be included within this agreement as they may become available.

B. Establishing an Environmental Baseline

Company agrees to determine environmental baselines based on 1992 performance for each of the six National Performance Goals. Company will provide a comparison of the environmental performance of the current year to the 1992 baseline. This information will be compiled by combining City's monitoring records with additional Company information such as monitoring data, water bills, energy bills, etc.

C. Performance Improvement Project Proposal

Company will submit a brief written project proposal to City that seeks to achieve improved environmental performance and progress toward the national performance goals. The project proposal will include, at a minimum, a scope of work, the performance goals to be addressed, an estimate of expected results, and an estimate of the project completion date. Proposed projects must address media-transfers of pollutants so that there is no net increase in pollutant releases or exposure. Companies submitting a written Performance Improvement Project proposal meeting these requirements will receive a 10% reduction in monitoring fees for City's wastewater sampling.

D. Progress Towards Goals and Award of Incentives

1. City will review the environmental baseline data to determine Company's eligibility for incentives. The Progress/Incentive Chart (shown below) will be used as a guideline to determine levels and types of incentive to be granted, based upon past and current progress toward the National Performance Goals. Incentives can be awarded based on previously achieved progress since 1992, as well as current progress. The available incentives at each level 1-4 are summarized on City's CSI Incentives Table (attached).

Progress/Incentive Chart

No. of National Goals Addressed	Incentive Level – awarded upon achievement of addressed goals*
Presentation of a Project	1
2	2
4	3
6	4

*Performance criteria for goals are defined by the Nation Performance Goal percentages or equivalent performance goal appropriate for unique company processes. Separate projects addressing additional performance improvements beyond the national goal level will be viewed as distinct goals in the Progress/Incentive Chart. Proposed projects must not result in any net increase in pollutant releases or exposure.

2. The appropriate incentive level will be determined and incentives awarded upon submission of the company's environmental baseline, and then every 6 months as any progress reports are submitted to the City or tracked using national data.

3. Positive recognition in the form of case studies, news releases and/or recognition awards may be provided for Company upon its reaching incentive levels 2-4, if Company desires these forms of recognition.

IV. CONDITIONS

City and Company further agree that:

A. By entering into this Cooperative Agreement to participate in City's CSI Program, Company agrees to "sign-up" through the National Strategic Goal Program and to provide all environmental baseline information and progress reports as requested by the national program.

B. Because the SGP is a "beyond compliance program", Company must currently have a "good" compliance history to participate with no significant incidents of non-compliance during the past year as determined by an environmental compliance review by EPA/State and Local Authorities. It is recognized that companies rarely have 100 percent perfect compliance records. For these reasons, a "good" compliance record will be determined by the City and participating stakeholders based on the following factors: cause of the violation (negligence versus unforeseen circumstance), response to the violation (self-disclosure and corrective action), and nature of the violation (e.g. emission related vs. administrative). Should Company fail to maintain a "good" compliance record, this Cooperative Agreement shall terminate and Company will no longer be allowed to participate in City's CSI program. Compliance histories shall include health and safety records.

C. By entering into this Cooperative Agreement, City does not waive, limit or reduce Company's compliance with any local, state, or federal requirements to which Company is or may be subject. City recognizes that this agreement is a voluntary initiative, which provides no additional regulatory authority over Company's operations beyond existing local, state, and federal requirements. All offers of incentives or assistance presented in this agreement are valid only to the extent they are within the regulatory authority of City, and do not violate any local, state, or federal requirements.

D. Company shall save, release, indemnify and hold City harmless for any injury, liability, loss or claim of damage arising (1) from any act or omission of City, its agents or employees under this Cooperative Agreement; or (2) from any from any act or omission of Company, its agents or employees under this Cooperative Agreement.

E. City shall save, release, indemnify and hold Company harmless for any injury, liability, loss or claim of damage arising (1) from any act or omission of Company, its agents or employees under this Cooperative Agreement; or (2) from any from any act or omission of City, its agents or employees under this Cooperative Agreement.

F. It is understood and agreed that City will provide the enumerated incentives or assistance only if requested by Company, and that City, in its sole discretion, will determine the reasonable limits of the incentives or assistance to be provided under this Cooperative Agreement.

G. This Cooperative Agreement shall have full force and effect beginning on the date last executed, and terminates ____ months after that date. Either party may, upon written notice, terminate this Cooperate Agreement at any time. Whether or not incentives will be maintained for companies exiting the program will be negotiated between the City and Company at the time of exit. City reserves the right to discontinue this program at any time, and reserves the right to cancel any incentives or assistance with due cause.

H. This Cooperative Agreement shall be executed in duplicate counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

ACCEPTED ON BEHALF OF [Metal Finisher Company]:

Signature

Title

Date

ACCEPTED ON BEHALF OF THE CITY OF STATESVILLE:

Signature

Title

Date

City of Statesville - CSI Incentive Table

Company Discharge	Sign-Up	Level 1	Level 2¹	Level 3¹	Level 4¹
No Discharge	<ol style="list-style-type: none"> 1. Pollution Prevention Audit 2. Hazardous Waste Compliance Audit 3. North Carolina State University (NCSU) Energy Audit 		<ol style="list-style-type: none"> 1. Report Quarterly to City of Statesville Pretreatment Program 	<ol style="list-style-type: none"> 1. Report Semi-Annually to Statesville's Pretreatment Program 2. Positive recognition – case study presented on Website 	<ol style="list-style-type: none"> 1. Drop IUP (Possibly Only Drop Reporting Altogether if SIU wants to keep Permit) 2. Positive Recognition –City environmental award.
Discharge <10,000 gpd	<ol style="list-style-type: none"> 1. Pollution Prevention Audit 2. Hazardous Waste Compliance Audit 3. NCSU Energy Audit 	<ol style="list-style-type: none"> 1. 10% Reduction in Monitoring Fees from City of Statesville's Pretreatment Program. 	<ol style="list-style-type: none"> 1. SIU Pretreatment Monitoring Reduced to Quarterly. 	<ol style="list-style-type: none"> 1. SIU Pretreatment Monitoring Reduced to Semi-Annually 2. No Charge for POTW Below Detection Limit (BDL) Monitoring 3. Waive Fine for First NOV issued by Statesville's Pretreatment Program² 	<ol style="list-style-type: none"> 1. SIU Monitoring Eliminated 2. POTW Pretreatment Monitoring Reduced from Quarterly 1-Day to Semi-Annually 3. Positive Recognition –City Environmental Award.
Discharge >=10,000 gpd	<ol style="list-style-type: none"> 1. Pollution Prevention Audit 2. Hazardous Waste Compliance Audit 3. NCSU Energy Audit 	<ol style="list-style-type: none"> 1. 10% Reduction in Monitoring Fees from City of Statesville's Pretreatment Program. 	<ol style="list-style-type: none"> 1. Significant Industrial User (SIU) Pretreatment Monitoring Reduced to Quarterly 	<ol style="list-style-type: none"> 1. SIU Pretreatment Monitoring Reduced to Semi-Annually 2. No Charge for POTW Below Detection Limit (BDL) Monitoring 3. Waive Fine for First NOV issued by Statesville's Pretreatment Program² 	<ol style="list-style-type: none"> 1. SIU Monitoring Eliminated 2. POTW Pretreatment Monitoring Reduced from Quarterly 4-Day to Quarterly 1-Day 3. Positive Recognition –City Environmental Award.

¹ A project addressing National Goal # 1, "A 50% reduction in metals emissions to water", must be implemented before incentives are awarded at levels 2, 3, and 4.

² NOV must be for a inadvertent limits violation under the City of Statesville Pretreatment Program. Limits violation must also be no more than 40 CFR 433 categorical levels.