

0150-13096-0000

TRANSMITTAL

TO The City Council	DATE 05/26/2026	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT All	

PROPOSED PERSONAL SERVICES CONTRACT BETWEEN THE BUREAU OF SANITATION AND SYNAGRO WEST, LLC FOR BIOSOLIDS MANAGEMENT FOR A MAXIMUM POTENTIAL TERM OF EIGHT YEARS, NOT TO EXCEED \$88,280,581

Transmitted for your consideration.
See the City Administrative Officer report attached.



MAYOR
(Mitch Kamin for)

Attachment

MWS/JWW/JVW:JPQ/SG:10260100t

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

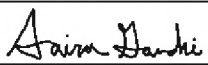
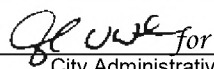
To: The Mayor	Date: 03-19-26	C.D. No. All	CAO File No.: 0150-13096-0000				
Contracting Department/Bureau: Public Works Bureau of Sanitation		Contact: Alan Tran (310) 648-5995 Nancy Lantin (213) 485-2158					
Reference: Transmittal from the Board of Public Works BPW-2025-0646 dated October 10, 2025; Bureau of Sanitation Report dated October 10, 2025.							
Purpose of Contract: Contractor to provide biosolids management through land application and composting.							
Type of Contract: (X) New contract () Amendment, Contract No.		Contract Term Dates: Five years from August 21, 2026, or the contract execution date if later, with one three-year renewal option, for a total potential term of eight years					
Contract/Amendment Amount: \$88,280,581 over the eight-year term							
Proposed amount \$ 88,280,581 + Prior award(s) \$0 = Total 88,280,581							
Source of funds: Sewer Construction Maintenance and Operation Fund							
Name of Contractor: Synagro West, LLC							
Address: 435 Williams Court, Suite 100, Baltimore, Maryland 21220							
	Yes	No	N/A	Contractor has complied with:	Yes	No	N/A
1. Council has approved the purpose	X			8. Business Inclusion Program	X		
2. Appropriated funds are available	X			9. Equal Benefits & First Source Hiring Ordinances	X		
3. Charter Section 1022 findings completed	X			10. Contractor Responsibility Ordinance	X		
4. Proposals have been requested	X			11. Disclosure Ordinances	X		
5. Risk Management review completed	X			12. Bidder Certification CEC Form 50	X		
6. Standard Provisions for City Contracts included	X			13. Prohibited Contributors (Bidders) CEC Form 55	X		
7. Workforce that resides in the City: 0%				14. California Iran Contracting Act of 2010	X		

RECOMMENDATION

That the City Council authorize the Board of Public Works (Board), or two members of the Board, on behalf of the Bureau of Sanitation, to execute a proposed service agreement for a not-to-exceed amount of \$88,280,581 with Synagro West, LLC for the management of biosolids, for a total potential eight-year term, consisting of one initial five-year term with one three-year renewal option, to be effective upon execution, but not earlier than August 21, 2026 to approximately August 20, 2034, as approved by the Board of Public Works, subject to approval by the City Attorney as to form.

SUMMARY

In accordance with Executive Directive No. 3 (Villaraigosa Series), the Board of Public Works (Board), on behalf of the Bureau of Sanitation (Bureau), requests authority to execute the proposed Service Agreement (Agreement) with Synagro West, LLC (Synagro; Contractor) for management of the City's biosolids. In 2024, the Board approved the Bureau to issue a solicitation to replace its current contract for biosolids management services set to expire August 20, 2026. The Bureau issued the solicitation, received and considered proposals, engaged in negotiations, and now requests authority to execute the new Agreement. To avoid overlap with the current agreement which expires August 20, 2026, the

		
SG	Analyst	10260100 City Administrative Officer

proposed term cannot begin earlier than August 21, 2026. The total potential term of the new Agreement is eight years and consists of one initial five-year term and one three-year renewal option, with an estimated final date of August 20, 2034. The not-to-exceed amount of the Agreement is \$88,280,581. Council approval is required pursuant to Los Angeles City Administrative Code Section 10.5(a) because the term exceeds three years. Our office has reviewed the request and recommends approval.

BACKGROUND

Biosolids are nutrient-rich organic materials resulting from the wastewater treatment process. The City's four water reclamation plants treat an average of 280 million gallons of wastewater per day and produce an average of 750 wet tons per day (WTPD) of biosolids. One wet ton is equal to 2,000 pounds. The City is committed to maintaining 100 percent beneficial use of biosolids produced at its water reclamation plants and applies all but 125 WTPD for beneficial use on City-owned facilities and properties. The Bureau, on behalf of the City, has achieved and maintains United States Environmental Protection Agency's Class A "Exceptional Quality" biosolids standards. This high standard of biosolids treatment far exceeds the Class B standard typically met by the majority of wastewater treatment agencies. Only in rare occasions are Class B biosolids also produced at the City's reclamation plants.

The Hyperion Water Reclamation Plant (HWRP) generates 715 WTPD of biosolids. The majority of the biosolids are reused as follows:

- 500 WTPD are land applied at City-owned Green Acres Farm in Kern County;
- 85 WTPD are hauled to Terminal Island Water Reclamation Plant for deep well injection;
- 5 WTPD are used for composting at the Griffith Park Composting Facility; and
- 125 WTPD are beneficially reused through composting and land application at sites not owned or operated by the City.

Prior Agreements – The City has held service agreements for biosolids management since 2006. The first agreement was established with Terra Renewal, LLC from June 2006 to August 2018 (C-110634). In 2018, the City conducted a solicitation process and awarded two agreements, one with Nursery, LLC (C-0131728) and the other with Denali Water Solutions, LLC (C-121727), formerly known as Terra Renewal, LLC. The term for each Agreement was for eight years from August 21, 2018 through August 20, 2026. Recently, Denali Water Solutions, LLC changed its name to Synagro West, LLC and submitted its proposal under the new name. Synagro acquired Nursery, LLC in 2018.

Request for Proposals (RFP) process – On May 24, 2024, the Board authorized the Bureau to distribute a Request for Proposals (RFP) for management of the City's biosolids. Six potential proposers attended the pre-proposal conference on August 7, 2024. The Bureau received four proposals; however, only two proposers fully complied with the City's contracting requirements. Two firms failed to submit a proposal via the City's required portal, the Regional Alliance Marketplace for Procurement, or perform and complete the mandatory Business Inclusion Program (BIP) outreach. The Bureau invited the two compliant bidders to make presentations and evaluated both proposals based on criteria set forth in the RFP, including the company's financial strength, location of facilities, and biosolids management experience. The evaluation panel selected Synagro and entered into negotiations. Refer to the Board report for more detail on the RFP and selection process (Attachment).

Scope of Work – Article 3 of the Agreement provides a detailed description of the project as follows:

- Article 3.1-3.3 – Loading biosolids generated at Hyperion Water Reclamation Plant (HWRP) and Terminal Island Water Reclamation Plant (TIWRP) onto the Contractor's transport trucks, transporting the biosolids to the Contractor's Site(s), and unloading them at that location;
- Article 3.4 – The beneficial use of the biosolids by Contractor at Contractor's Site(s), through composting and other technologies approved by the City;
- Article 3.5 – The loading, transporting and unloading of biosolids and/or Grit and Screenings from HWRP and TIWRP, to sites designated by the City in the event of an emergency
- Article 3.6 - The loading, transporting, and unloading of biosolids from HWRP to the Terminal Island Renewable Energy (TIRE) project site and,
- Article 3.7 - The monitoring, documenting, and reporting by Contractor of all project-related activities performed by Contractor as provided in this Agreement

Responsibilities, Roles and Tasks – Article 4 of the Agreement details the responsibilities and tasks of the Contractor, while Article 5 of the Agreement specifies those of the City. The Contractor's responsibilities include, but are not limited to, compliance with applicable laws, best business practices, and the City's Environmental Management System, which prohibits blending the City's biosolids with biosolids from any other source. Article 4.6 requires the Contractor to maintain capacity to receive biosolids 24 hours per day, seven days per week. Article 4.11.4 specifically requires the Contractor to notify the City as soon as possible, but no later than 24 hours, should a local, state or federal regulatory official find the Contractor in violation of its permits(s). The City may assess damages for non-compliance as detailed in Article 9.3.1.

Term – Per Article 7 of the Agreement and unless terminated, as allowed for under Article 8 of the Agreement, the term shall be five years with one three-year renewal option to be exercised at the City's sole discretion. To avoid overlap with the current agreement, which expires August 20, 2026, the proposed start date of the new Agreement will be upon execution between the City and Synagro, but no earlier than August 21, 2026 following expiration of the current agreement.

Compensation, Invoicing and Payment – Article 9 of the Agreement details the cost ceiling, manner, frequency, and rate for individual services, liquidated damages, payment adjustments, fuel cost adjustments among other compensation items. Synagro shall submit a detailed invoice once or twice per month. The City shall compensate Synagro in accordance with daily scale tickets and wet tonnage for the duration of the billing period, calculated by the number of days within that period.

Hauling and tipping fee rates vary based on location and the amount of tonnage received. These rates range from \$39.62 to \$107.30 per wet ton as detailed in Article 9.2 of the Agreement. To calculate an annual estimate, the Bureau estimated that the average range would be from \$73.90 per wet ton to \$82.51 per wet ton. The rate for hauling to the TIRE Project is set at \$19.96 per wet ton. Assuming an average of 250 tons per day transported to various non-city owned composting facilities and 200 tons per day transported to TIRE, the annual cost for the 2026-27 Fiscal Year is approximately \$9.2 million. Rates shall be adjusted annually based on changes in the Consumer Price Index, capped at three percent per year. The not-to-exceed maximum contract amount for the eight-year term including all fees and services is \$88,280,580. Table 1 provides a breakdown of the Agreement's annual cost estimates for composting, hauling and land application at non-City locations and TIRE.

Table 1 – Synagro West, LLC Proposed Agreement for Biosolids Management Annual Cost Estimates - Composting, Hauling and Land Application			
Year	Composting Annual Estimate	TIRE Hauling Annual Estimate	Total Annual Estimate
August 2026 – August 2027	\$7,787,823	\$1,457,080	\$9,244,903
August 2027 – August 2028	8,177,214	1,529,934	9,707,148
August 2028 – August 2029	8,586,074	1,606,431	10,192,505
August 2029 – August 2030	9,015,378	1,686,752	10,702,130
August 2030 – August 2031	9,466,147	1,771,090	11,237,237
August 2031 – August 2032*	9,939,454	1,859,643	11,799,098
August 2032 – August 2033*	10,436,427	1,952,627	12,389,054
August 2033 – August 2034*	10,958,248	2,050,258	13,008,506
Total	\$74,366,765	\$13,913,815	\$88,280,580

*Note: Renewal options from August 2031 to August 2034 are at the sole discretion of the City.

Business Inclusion Program (BIP) – In accordance with Executive Directive No. 14 (Villaraigosa Series), the following participation levels were set for the Bureau and this solicitation: 18 percent for Minority Business Enterprises (MBE), four percent for Women Business Enterprises, 25 percent for Small Business Enterprise, eight percent for Emerging Business Enterprises, and three percent for Disabled Veteran Business Enterprises. In an effort to meet these goals, Synagro has pledged specific annual amounts to three subcontractors as shown in Table 2, totaling \$512,946 for MBE utilization and \$1,652,826 for Other Business Enterprises (OBE) annually. The actual BIP participation percentages cannot yet be calculated as the total tonnage of biosolids diverted to Synagro and use of their subcontractors are entirely dependent on tonnage generated by the City and after provision of services. As a result, Synagro agreed to continue performing additional subcontractor outreach efforts for the BIP during the Contracting Term.

Table 2 – Synagro Subcontractors - BIP Pledged Amounts and Participation			
Synagro Subcontractors	BIP Enterprises	Pledged Amount	BIP Participation %
Camland, Inc	MBE	\$ 512,946	TBD
GIC Transport, Inc.	OBE	1,139,880	TBD
TCI Environmental Services		512,946	TBD
Total		\$ 2,165,772	

Community-Level Contracting (CLC) – Pursuant to the City’s CLC Board Motion issued on May 19, 2021, the Bureau evaluated the work under this opportunity to determine if there was an opportunity for small contractors to work directly with the Bureau as the prime contractors. The Bureau found that this opportunity would be most feasible and cost effective to work with one prime contractor.

CITY COMPLIANCE

The proposed Agreement and the Vendor comply with the City’s competitive contracting requirements. In accordance with Charter Section 1022, the Bureau filed a Notice of Intent to Contract October 14, 2022. The Personnel Department determined that there was insufficient City staff and that the City does not have available classifications to perform these services. Further CAO analysis is not required.

The City Attorney has approved the proposed Agreement as to form. The proposed Agreement exceeds three years and requires Council approval in accordance with Charter Section 373 and the Los Angeles City Administrative Code Section 10.5(a).

FISCAL IMPACT STATEMENT

Approval of the proposed service agreement for the not-to-exceed amount of \$88,280,581 with Synagro West, LLC will have no General Fund impact. The 2025-26 Adopted Budget provides \$4,500,000 in the Sewer Construction and Maintenance Fund (SCM) to support the current year operations. Funding for 2026-27 costs and subsequent years is anticipated to be provided from SCM funds and is subject to approval through the annual budgeting process. The proposed service agreement contains a financial liability clause which limits the City's obligation to the extent that funds have been appropriated for this purpose.

FINANCIAL POLICIES STATEMENT

The recommendation in this report complies with the City's Financial Policies that special funds are used to fund applicable expenditures and are limited to the mandates of the funding source.

Attachment – October 10, 2025 transmittal from the Board of Public Works (BPW-2025-0646), Bureau of Sanitation Board Report, and Service Agreement with Synagro West, LLC.

**BOARD OF PUBLIC WORKS
MEMBERS****STEVE S. KANG**
PRESIDENT**JENNY CHAVEZ**
VICE PRESIDENT**JOHN GRANT**
PRESIDENT PRO TEMPORE**FAITH I. MITCHELL**
COMMISSIONER**ERNESTO CARDENAS**
COMMISSIONER**CITY OF LOS ANGELES**

CALIFORNIA

**KAREN BASS**
MAYOR**OFFICE OF THE
BOARD OF PUBLIC WORKS****ELYSE MATSON**
EXECUTIVE OFFICER200 NORTH SPRING STREET
ROOM 361, CITY HALL
LOS ANGELES, CA 90012TEL: (213) 978-0261
TDD: (213) 978-2310
FAX: (213) 978-0278<http://bpw.lacity.org>

October 10, 2025

BPW-2025-0646The Honorable Mayor Bass
City Hall – Room 320
Los Angeles, CA 90012**PERSONAL SERVICES CONTRACTS – SYNAGRO WEST, LLC (SYNAGRO)**

As recommended in the accompanying report from the Directors of the Bureaus of Sanitation and Contract Administration, which this Board has adopted, the Board of Public Works (Board) recommends that the Mayor and City Council:

1. AUTHORIZE to execute a contract for a term of five years with one three-year renewal option with Synagro for the City of Los Angeles' biosolids management. The ceiling cost for this contract is \$88,280,581.00 for the total possible term of eight years; and
2. AUTHORIZE, the President or two members of the Board will execute the contract.

Fiscal Impact: There is no impact to the General Fund.

Sincerely,

TJ KNIGHT,
Asst. Executive Officer, Board of Public Works

TK:lc

DEPARTMENT OF PUBLIC WORKS
BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO.1
OCTOBER 10, 2025

ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California
AND REFERRED TO THE MAYOR
OCT 10 2025
AND REFERRED TO THE CITY COUNCIL
S. V. [Signature]
Executive Officer
Board of Public Works

CD: ALL

AUTHORITY TO EXECUTE PERSONAL SERVICES CONTRACTS WITH SYNAGRO WEST, LLC FOR MANAGEMENT OF THE CITY OF LOS ANGELES'S BIOSOLIDS (W.O. NO. S10FPURC)

RECOMMENDATIONS

1. Approve and forward this report with transmittals to the Mayor and the City Council with the request that the Board of Public Works (Board) be authorized to execute a contract for a term of five (5) years with one (1) three (3)-year renewal option with Synagro West, LLC (Synagro) for the City of Los Angeles (City)'s biosolids management. The ceiling cost for this contract is \$88,280,581.00 for the total possible term of eight (8) years.
2. Upon the Mayor's and Council's authorization, the President or two (2) members of the Board will execute the contract.

TRANSMITTALS

1. Copy of LASAN and Bureau of Contract Administration Joint Board Report No. 1, adopted May 24, 2024, authorizing LASAN to distribute a Request for Proposals (RFP) and negotiate contract(s) for the management of the City's biosolids.
2. Copy of the proposed contract with Synagro for the City's biosolids management.
3. Copy of the letter sent by LASAN to GIC Corporation (GIC), dated December 5, 2024.
4. Copy of the letter sent by LASAN to Nuway Express, Inc. (Nuway), dated December 5, 2024.

FISCAL IMPACT STATEMENT

Financing for these contracts will be requested through the Hyperion Water Reclamation Plant (HWRP) budget. There will be no impact to the General Fund as a result of the proposed contract. This contract will be funded by the Sewer Construction Maintenance and Operation Fund.

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DISCUSSION

Background

The City of Los Angeles (City) operates four (4) water reclamation plants which together treat an average of 280 million gallons of wastewater per day. The treatment of wastewater generates biosolids, which are an organic byproduct of wastewater treatment processes that can be beneficially used. The City's wastewater treatment generates an average of 750 wet tons per day (WTPD) of dewatered biosolids (approximately 715 WTPD at the HWRP and 35 WTPD at the Terminal Island Water Reclamation Plant (TIWRP)). Both HWRP and TIWRP treat their biosolids to conform to the Class A "Exceptional Quality" ("EQ") biosolids standard defined by the U.S. Environmental Protection Agency in the Code of Federal Regulations (CFR), CFR Part 503. This standard of biosolids far exceeds the typical Class B biosolids generated by a majority of wastewater treatment agencies nationwide.

The City is committed to maintaining 100% beneficial use of biosolids produced at its water reclamation plants that comply with all federal, state, and local regulations. To meet this commitment, LASAN has adopted a diversified beneficial use biosolids program that incorporates feasible, innovative and cost-effective resource recovery options for biosolids. Of the 715 WTPD produced at HWRP, approximately 500 WTPD are land applied at the City-owned Green Acres Farm (GAF) in Kern County, 85 WTPD are hauled to TIWRP for deep well injection, and 5 WTPD are used for composting at the Griffith Park Composting facility. The remaining 125 WTPD is beneficially used (composting and/or land application) at alternative sites not owned or operated by the City through the contracts with Nursery Products, LLC (Contract C-131728) and Synagro (Formerly Denali Water Solutions, LLC, Contract C-131727), which will expire on August 20, 2026.

Proposal/Evaluation Process

On May 24, 2024, the Board authorized LASAN to distribute an RFP for the City's biosolids management (Transmittal No. 1). LASAN advertised the RFP on the RAMP, a pre-proposal meeting was held on August 7, 2024 at HWRP, and six (6) potential proposers attended the meeting.

On September 18, 2024, LASAN received proposals from GIC, Synagro, Ecology Organics dba Ecology Auto Parts, Inc. (Ecology), and Nuway. Neither GIC nor Nuway could be considered for award, as GIC failed to use the RAMP to perform the mandatory BIP Outreach, and Nuway failed to include multiple mandatory City-required forms with its proposal. On October 29 and 31, 2024, Synagro and Ecology were invited to make an oral presentation on their proposals before a selection panel composed of staff from HWRP of LASAN.

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After the interview and a thorough evaluation by LASAN, Synagro was selected for contracting based on the evaluation criteria set forth in the RFP and the company's financial strength, location of facilities, and biosolids management experience. Synagro also has extensive experience with hauling and beneficial use of the City's biosolids at sites other than GAF by working with the City through an existing contract (Contract C-131727).

Synagro will provide the City with various beneficial use sites that could be utilized in the City's Biosolids Diversification Program. They have teamed with experienced and responsive hauling companies that can provide consistently reliable services to accommodate the City's needs on a daily basis and in emergencies. Their biosolids management operations have been inspected and audited to ensure that they are using biosolids beneficially in compliance with all applicable regulations and best management practices.

Term of Agreement

The contract with Synagro will be for a term of five (5) years with one (1) three (3)-year renewal option, which will commence on the later of August 21, 2026 or full execution of the agreement (Transmittal No. 2).

Business Inclusion Program (BIP) Outreach Requirements

On January 12, 2011, the Mayor issued Executive Directive No. 14 (ED14) which created the Business Inclusion Program (BIP). It is the policy of the City to provide Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and all Other Business Enterprise (OBE) firms an equal opportunity to participate in the performance of all City contracts in accordance with ED14. For this RFP, the City set anticipated participation levels of eighteen percent (18.00%) MBE, four percent (4.00%) WBE, twenty-five percent (25.00%) SBE, eight percent (8.00%) EBE and three percent (3.00%) DVBE.

After a detailed review and evaluation by LASAN's Centralized Contracts Unit (CCU), Synagro and Ecology were determined to have met the City's BIP requirements. GIC did not use the RAMP to perform the mandatory BIP outreach and so failed to pass their BIP evaluation. As Nuway could not be considered for award due to their failure to include multiple, mandatory forms with their Proposal, CCU did not conduct a BIP evaluation of Nuway. On December 5, 2024, LASAN emailed a notification to GIC (Transmittal No. 3) and Nuway (Transmittal No. 4) that they were not being considered for the award. To date, LASAN has not received a response from either GIC or Nuway.

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In the RFP and during the pre-proposal meeting, LASAN staff informed the prospective proposers that the City reserves the right to select one or more qualified proposers to work on this project. Therefore, Synagro could not project the tonnage of biosolids that would be given to them, if selected, and subsequently estimated the subcontractor utilization amount on their Schedule A. As such, their pledged subcontractor percentages cannot be accurately calculated or even estimated at this time.

Gender/Ethnicity Codes:

AA = African American	HA = Hispanic American
SAA = Subcontinent Asian American	APA = Asian Pacific American
C = Caucasian	NA = Native American
M = Male	F = Female

Table 1 – Pledged MBE/WBE/SBE/EBE/DVBE/OBE subcontractor utilization for Synagro.

Subcontractors	MBE/WBE/SBE/EBE/DVBE/OBE	Gender/Ethnicity	% of Contract	Dollar Amount Pledged
Camland, Inc.	MBE	M/HA	TBD%	\$ 512,946.00
GIC Transport, Inc.	OBE	-	TBD%	\$ 1,139,880.00
TCI Environmental Services	OBE	-	TBD%	\$ 512,946.00
Total MBE Participation (per year)			TBD%	\$ 512,946.00
Total WBE Participation (per year)			0.00%	\$ 0.00
Total SBE Participation (per year)			0.00%	\$ 0.00
Total EBE Participation (per year)			0.00%	\$ 0.00
Total DVBE Participation (per year)			0.00%	\$ 0.00
Total OBE Participation (per year)			TBD%	\$ 1,652,826.00
Total Contract Amount (per year)				\$ TBD

Synagro has been encouraged and has agreed to continue performing additional MBE/WBE/SBE/EBE/DVBE/OBE subcontractor outreach efforts during the contract term.

Community-Level Contracting (CLC)

As part of the City’s CLC initiative led by the Department of Public Works (DPW) as per the CLC Board Motion issued on May 19, 2021, LASAN seeks to help make City contracting more accessible and equitable by providing small contractors the opportunity to work directly with the City as Prime contractors on smaller, more manageable projects. LASAN staff evaluated the work to be performed under this opportunity and determined it would be most feasible and cost effective to work with a single Prime contractor.

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Notification of Intent to Contract

The Notification of Intent to Contract was filed with the CAO Clearinghouse on October 14, 2022.

Charter Section 1022

The Personnel Department made a Charter 1022 Determination on December 7, 2022 and concluded that there was an insufficient number of City staff to perform these services.

Approved as to Form

The proposed contract has been reviewed and approved as to form by the Office of the City Attorney.

Other Policies and Requirements

Synagro shall be required to comply with all of the City's requirements including:

- Nondiscrimination/Equal Employment Practices/Affirmative Action
- Living Wage and Worker Retention Ordinances
- Americans with Disabilities Act
- Insurance and Performance Bond Requirements
- Child Support Obligations Ordinance
- Business Tax Registration Certificate
- Equal Benefits Ordinance
- Slavery Disclosure Ordinance
- Municipal Lobbying Ordinance
- Non-collusion Affidavit
- City of Los Angeles Contract History
- Los Angeles Residence Information
- First Source Hiring Ordinance
- Contract Bidder Campaign Contribution and Fundraising Restrictions
- Iran Contracting Act of 2010
- City Contractor's Use of Criminal History for Consideration of Employment Applications Ordinance
- Disclosure of Border Wall Contracting Ordinance
- Contractor Data Reporting

Local Business Preference (LBP) Program

Los Angeles Administrative Code Division 10, Chapter 1, Article 4, Section 10.25 adopted the Local Business Preference (LBP) Program which was designed to increase local employment and expenditures in the local private sector. All Proposers are eligible to participate in the LBP Program by qualifying as a Local Business Enterprise (LBE) or City Business Enterprise (CBE).

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The City shall grant a six percent (6%) of the total possible evaluation points added to their evaluation score to those Proposers who are certified as an LBE firm. If the LBE is also a Local Small Business (LSB) and/or Local Transitional Employer (LTE), they may be granted an additional two percent (2%) of the total possible evaluation points added to their evaluation score for each of those certifications, up to a total of ten percent (10%).

The City shall grant a ten percent (10%) of the total possible evaluation points added to their evaluation score to those Proposers who are certified as a City Business Enterprise (CBE) firm. If the CBE is also a Local Small Business (LSB) and/or Local Transitional Employer (LTE), they may be granted an additional two percent (2%) of the total possible evaluation points added to their evaluation score for each of those certifications, up to a maximum of twelve percent (12%).

Additionally, all non-LBE/CBE Proposers may be granted an additional percentage, up to a total of five percent (5%), of the total possible evaluations' points added to their evaluation score for each of those certifications, for every ten percent (10%) of their proposal that is to be performed by a LBE, CBE, LSB, and/or LTE subcontractor.

For this opportunity, LASAN determined that neither Synagro nor Ecology were certified LBE nor CBE; therefore, the LBP Program did not affect the award and selection process.

Prevailing Wage

The California Labor Code requires that prevailing wages must be paid on all City of Los Angeles Public Works' Projects. All personnel employed in actual construction on this project must be paid at least the prevailing wage for the craft they are working in. Current prevailing wage rates may be obtained by contacting the Office of Contract Compliance at (213) 847-1922. Information on prevailing wages can also be obtained from the California Department of Industrial Relations' website at <http://www.dir.ca.gov/DLSR/PWD>.

Contractor Responsibility Ordinance

All contractors participating in this project are subject to compliance with the requirements specified in the City of Los Angeles' Contractor Responsibility Ordinance #173677, [Article 14, Chapter 1, Division 10, L.A.A.C.]. Failure to comply with all requirements specified in the Ordinance will render the bidder's contract subject to termination pursuant to the conditions expressed therein.

Contractor Performance Evaluation Ordinance

In accordance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code, the appropriate City personnel responsible for the quality control of this personal services contract shall submit Contractor Performance Evaluation Reports to the Department of Public Works, Bureau of Contract Administration upon completion of this contract.

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Contract Administration

Responsibility for the administration and management of the contract will be with the HWRP Division, LASAN.

Headquarters Address and Workforce Information

The headquarters address of Synagro West, LLC is 435 Williams Court, Suite 100, Baltimore, Maryland 21220. The contractor does not have any staff assigned to this contract who reside in the City of Los Angeles.

PROJECT REVIEW BY DIRECTOR (PRD) APPROVAL

The project budget was approved by PRD on February 19, 2025, in the amount of \$88,280,581 (PRD No. WW228).

STATUS OF FINANCING

There is no impact to the General Fund. The total funding for this contract is not to exceed \$88,280,581 for the full potential 8-year term, which will be funded by the Fund No. 760, Sewer Operations and Maintenance Fund.

Funds and appropriations for future fiscal years are not yet identified and existing appropriations may change based on available cash balances. Therefore, funds and appropriations will be determined by the Director and General Manager of LASAN.

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to the Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract.

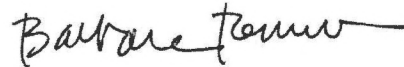
The Contractor agrees that any services provided by the Contractor, purchases made by the Contractor or expenses incurred by the Contractor in excess of the appropriation(s) shall be free and without charge to the City and the City shall have no obligation to pay for the services, purchases or expenses. The Contractor shall have no obligation to provide any services, provide any equipment, or incur any expense in excess of the appropriation, amount(s) until the City appropriates additional funds for this Contract.

(Signature page follows)

BUREAU OF SANITATION
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OCTOBER 10, 2025

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Respectfully submitted,



BARBARA ROMERO
Director and General Manager
Bureau of Sanitation

COMPLIANCE REVIEW PERFORMED
AND APPROVED BY:



Lynda McGlinchey (Sep 24, 2025 10:44:35 PDT)

LYNDA McGLINCHEY, Program Manager II
Office of Contract Compliance
Bureau of Contract Administration



JOHN L. REAMER, JR.
Inspector of Public Works
Bureau of Contract Administration

REVIEWED AND APPROVED BY:



Sarai Bhaga (Sep 16, 2025 18:37:17 PDT)

SARAI BHAGA, Chief Financial Officer
Bureau of Sanitation

Prepared by:
Alan Tran, Biosolids Section, HWRP
(310) 648-5995

ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California

MAY 24 2024


Executive Officer
Board of Public Works

DEPARTMENT OF PUBLIC WORKS

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO. 2
MAY 24, 2024

CD: ALL

AUTHORITY TO DISTRIBUTE A REQUEST FOR PROPOSALS AND NEGOTIATE
CONTRACT(S) FOR BIOSOLIDS MANAGEMENT FOR THE CITY OF LOS ANGELES
(WO# S10FPURC)

RECOMMENDATIONS

Authorize the Director and General Manager of LA Sanitation and Environment (LASAN) to:

1. Distribute and advertise the transmitted Request for Proposals (RFP) for the Biosolids Management of the City of Los Angeles (City).
2. Evaluate the proposals and select the most qualified proposer(s) based on established evaluation criteria as set forth in the RFP.
3. Negotiate a contract(s) with the selected proposer(s).
4. Return to the Board of Public Works (Board) for authority to award and execute the contract(s).

TRANSMITTALS

1. Copy of the RFP for the Management of City's Biosolids.

DISCUSSION

Request for Proposals

This Request for Proposals (RFP) is a solicitation for proposals from experienced contractors for the management of approximately 210 wet tons per day (wtpd) of City biosolids, distributed as follows: (1) loading and hauling, only, of 85 wtpd of biosolids from Hyperion Water Reclamation Plant (HWRP) to Terminal Island Water Reclamation Plant (TIWRP) and (2) loading, hauling, and beneficial use at other sites, not including City-owned Green Acres Farm (GAF) in Kern County, of 125 wtpd of biosolids from HWRP and/or TIWRP.

(Continued on next page)

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Background

The City operates four (4) water reclamation plants which treat an average of 320 million gallons of wastewater per day. The treatment of wastewater generates an average of 750 wet tons of dewatered digested biosolids per day (approximately 715 wtpd at HWRP and 35 wtpd at TIWRP). Biosolids are the organic byproduct of wastewater treatment processes and can be beneficially used. Both HWRP and TIWRP treat their biosolids to conform to the U.S. Environmental Protection Agency's (EPA) Class A "Exceptional Quality" (EQ) biosolids standard as defined in Title 40, Part 503 of the Code of Federal Regulations (CFR). This high standard of biosolids treatment far exceeds the Class B standard typically met by the majority of wastewater treatment agencies. In very rare occasions, Class B Biosolids are also produced at the City's water reclamation plants.

The City is committed to maintaining 100 percent beneficial use of biosolids produced at its water reclamation plants, in compliance with all federal, state, and local regulations. To meet this commitment, LASAN has adopted a diversified beneficial use biosolids program that incorporates feasible, innovative and cost-effective resource recovery options for biosolids. Of the 715 wtpd produced at HWRP, approximately 495 wtpd is beneficially used through land application at GAF, 10 wtpd is beneficially used through composting at the Griffith Park Composting facility, and 85 wtpd is beneficially used through deep well injection at TIWRP. The remaining 125 wtpd is beneficially used (i.e., composting and/or land application) at alternative sites not owned or operated by the City.

The City's current contracts with Denali Water Solutions (Contract C-131727) and Nursery Products, LLC (Contract C-131728) for loading, transporting, and beneficial use of biosolids will expire on August 20, 2026. LASAN is requesting authority to release an RFP to solicit proposals to continue managing the City's biosolids in the most innovative and economical ways. Any contract(s) awarded pursuant to this proposal will be for loading, transporting, and beneficial use of biosolids from HWRP and TIWRP (with the City's approval) to sites other than the City-owned GAF. An estimate of approximately 210 wtpd is projected to be managed under this RFP as follows:

- 125 wtpd will require transportation from HWRP and/or TIWRP to another site for beneficial use.
- 85 wtpd will require transportation only from HWRP to the City's Terminal Island Renewable Energy (TIRE) facility at TIWRP.
- Emergencies as determined necessary by the City, additional tonnage may be requested to be hauled and beneficially used.

The City intends to select one or more qualified proposers, negotiate contract(s), and work cooperatively toward implementing a sound and diversified management plan for its biosolids.

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Proposed Term of Contract

The contract(s) will be for a term of five (5) years with one, three (3)-year renewal option.

Rationale for Using an RFP

The RFP process is being used instead of the bid process to solicit the best available services at the most competitive price. An evaluation panel of LASAN staff will evaluate all proposals in order to determine which proposal(s) will bring the greatest benefits to the City.

Selection Process and Evaluation Criteria

The evaluation panel will evaluate and rate all proposals. Based upon the evaluation panel's final report, the Bureau will engage in contract negotiations and then submit a report to the Board recommending contract award and execution with the selected Proposer(s). Contract(s) will then be submitted to the Board, the Mayor, and the City Council for approval.

The main criteria for the selection of the respondents are outlined in the RFP and are summarized as follows (See Article 5.8 in Transmittal 1 for more detail):

Evaluation Criteria	Percentage
<input checked="" type="checkbox"/> Technical Proposal & Schedule	20%
<input checked="" type="checkbox"/> Qualifications	20%
<input checked="" type="checkbox"/> Cost Control	40%
<input checked="" type="checkbox"/> Responsiveness	20%
Total	100%

RFP Posting Requirement

The RFP will be posted on the City's Regional Alliance Marketplace for Procurement (RAMP) website in compliance with City Council motion 95-1060S2. RAMP is the centralized portal to access the City's contracting opportunities. The RFP, addenda, and all other related documents will be available for download on <https://www.rampla.org>.

Notification of Intent to Contract

The original Notification of Intent (NOI) to Contract was filed with the CAO Clearinghouse on October 14, 2022.

Charter Section 1022

The Personnel Department made a Charter 1022 determination on December 7, 2022 and concluded that there was an insufficient number of City staff to perform these services.

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Business Inclusion Program (BIP) Outreach Requirements

On January 12, 2011, the Mayor issued Executive Directive No. 14 which created the BIP. The BIP provides Minority Business Enterprise (MBE), Woman Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and Other Business Enterprise (OBE) firms an equal opportunity to compete for, and participate in, City contracts.

LASAN has established anticipated participation levels of eighteen percent (18%) MBE, four percent (4%) WBE, twenty-five percent (25%) SBE, eight percent (8%) EBE, and three percent (3%) DVBE.

Proposers submitting a proposal in response to this RFP are required to perform a BIP Outreach using the City's RAMP system. Failure to comply with the City's BIP Outreach requirements will render the proposal non-responsive.

In addition to BIP Outreach, Proposers are required to complete and submit the MBE/WBE/SBE/EBE/DVBE/OBE Subcontractors Information Form (Schedule A). Schedule A must be submitted with each Proposer's proposal. Additionally, during the term of the contract(s), the contractor(s) must submit the MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile (Schedule B) when submitting an invoice to the City.

Community-Level Contracting (CLC)

As part of the City's CLC initiative led by the Department of Public Works (DPW) as per the CLC Board Motion issued on May 19, 2021, LASAN seeks to help make City contracting more accessible and equitable by providing small contractors the opportunity to work directly with the City as Prime contractors on smaller, more manageable projects. LASAN staff evaluated the work to be performed under this opportunity and determined it would be most feasible and cost effective to work with a single Prime contractor.

Compliance with Board RFP Policy

As per Board policy, this RFP was delivered to the Secretary of the Board prior to Board consideration thereof.

(Continued on next page)

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Other City Policies and Requirements

The proposers shall be required to comply with the City's requirements including the following:

- Nondiscrimination/Equal Employment Practices/Affirmative Action
- Equal Benefits Ordinance
- Living Wage and Worker Retention Ordinances
- Slavery Disclosure Ordinance
- Americans with Disabilities Act
- Child Support Obligations Policy
- Municipal Lobbying Ordinance
- Los Angeles Residence Information
- Non-Collusion Affidavit
- Performance Bond and Insurance requirements
- Business Tax Registration Certificate
- City of Los Angeles Contract History
- First Source Hiring Ordinance
- Contract Bidder Campaign Contribution and Fundraising Restrictions
- Iran Contracting Act of 2010 Compliance Affidavit
- City Contractor's Use of Criminal History for Consideration of Employment Applications
- Disclosure of Border Wall Contracting Ordinance
- COVID-19 Requirements
- Contractor Data Reporting

Attachments and forms pertaining to these requirements are included in the RFP and on rampla.org.

Local Business Preference (LBP) Program

Los Angeles Administrative Code Division 10, Chapter 1, Article 4, Section 10.25 adopted the Local Business Preference (LBP) Program which was designed to increase local employment and expenditures in the local private sector. All Proposers are eligible to participate in the LBP Program by qualifying as a Local Business Enterprise (LBE). The City shall grant a six percent (6%) of the total possible evaluation points added to their evaluation score to those Proposers who are certified as an LBE firm. If the LBE is also a Local Small Business (LSB) and/or Local Transitional Employer (LTE), they may be granted an additional two percent (2%) of the total possible evaluation points added to their evaluation score for each of those certifications, up to a total of ten percent (10%). The City shall grant a ten percent (10%) of the total possible evaluation points added to their evaluation score to those Proposers who are certified as a City Business Enterprise (CBE) firm. If the CBE is also a Local Small Business (LSB) and/or Local Transitional Employer (LTE), they may be granted an additional two percent (2%) of the total possible evaluation points added to their evaluation score for each of those certifications, up to a maximum of twelve percent (12%). Additionally, all non-LBE/CBE Proposers may be granted an additional

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percentage, up to a total of five percent (5%), of the total possible evaluations points added to their evaluation score for each of those certifications, for every ten percent (10%) of their proposal that is to be performed by a LBE, CBE, LSB, and/or LTE subcontractor.

Prevailing Wage

The California Labor Code requires that prevailing wages must be paid on all City of Los Angeles Public Works' Projects. All personnel employed in actual construction on this project must be paid at least the prevailing wage for the craft they are working in. Current prevailing wage rates may be obtained by contacting the Office of Contract Compliance at (213) 847-1922. Information on prevailing wages can also be obtained from the California Department of Industrial Relations' website at <http://www.dir.ca.gov/DLSR/PWD>.

Contractor Responsibility Ordinance

All contractors participating in this project are subject to compliance with the requirements specified in the City of Los Angeles' Contractor Responsibility Ordinance #173677, [City of Los Angeles Administrative Code Article 14, Chapter 1, Division 10]. Failure to comply with all requirements specified in this Ordinance will render the proposer's contract subject to termination pursuant to the conditions expressed therein.

Contractor Performance Evaluation

In accordance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code, the appropriate City personnel responsible for the quality control of this personal services contract shall submit Contractor Performance Evaluation Reports to the Department of Public Works, Bureau of Contract Administration upon completion of this contract.

Contract Administration

Responsibility for the administration and management of the contract will be with the HWRP Division, LASAN.

PROJECT REVIEW BY DIRECTOR (PRD) APPROVAL

The project budget was approved by PRD on April 5, 2023, in the amount of \$43,031,936.

STATUS OF FINANCING

There is no impact to the General Fund. No funding is required at this time. Specific funding information will be provided at the time of approval of the project award. Funding sources may include, but are not limited to the Fund No.760, Sewer Operations and Maintenance Fund.

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Existing appropriations may change based on available cash balances. Therefore, funds and appropriations will be determined by the Director and General Manager of LASAN.

The City's liability under this contract shall only be to the extent of the present City appropriation to fund the contract. However, if the City shall appropriate funds for any succeeding years, the City's liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contract.

FUTURE ACTIONS

Upon authorization by the Board, the RFP and attachments will be posted on www.rampla.org.

An evaluation panel will evaluate the proposals. The most qualified proposer(s), who submitted the best proposal(s) in response to the RFP, will be interviewed, ranked, and selected. The Bureau will then negotiate a personal services contract or contracts with the highest rated proposer(s) to provide the required services. Subsequent to the negotiation of the contract, the Bureau will request the Board for authority to award and execute a contract with the selected proposer.

(Signature page follows)

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BUREAU OF CONTRACT ADMINISTRATION
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MAY 24, 2024

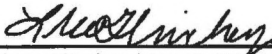
PAGE 8

Respectfully submitted,



BARBARA ROMERO
Director and General Manager
Bureau of Sanitation

COMPLIANCE REVIEW PERFORMED
AND APPROVED BY:



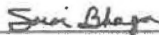
Lynda McGlinchey (May 16, 2024 10:47 PDT)

LYNDA McGLINCHEY, Program Manager II
Office of Contract Compliance
Bureau of Contract Administration



JOHN L. REAMER, JR.,
Inspector of Public Works
Bureau of Contract Administration

REVIEWED AND APPROVED BY:



Sarai Bhaga (May 6, 2024 14:03 PDT)

SARAI BHAGA, Chief Financial Officer
Bureau of Sanitation
Date: _____

Prepared by:
Alan Tran, HWRP
(310) 648-5995

CONTRACT NO. (C - _____)

SERVICE AGREEMENT

BETWEEN

THE CITY OF LOS ANGELES

AND

SYNAGRO WEST, LLC.

FOR

THE CITY'S BIOSOLIDS MANAGEMENT



City of Los Angeles
Department of Public Works
Los Angeles Sanitation and Environment

Barbara Romero, Director and General Manager

Hyperion Water Reclamation Plant
12000 Vista Del Mar
Playa Del Rey, CA 90293

CITY OF LOS ANGELES - DEPARTMENT OF PUBLIC WORKS - LA SANITATION AND ENVIRONMENT

AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND SYNAGRO WEST, LLC. FOR THE CITY'S
BIOSOLIDS MANAGEMENT

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Attachment 3	Insurance Requirement Package
Attachment 4	City of Los Angeles Contract History Form
Attachment 5	Worker Retention Ordinance/Living Wage Ordinance
Attachment 6	Standard Provisions for City Contracts
Attachment 7	Los Angeles Residence Information Form
Attachment 8	Non Collusion Affidavit
Attachment 9	Municipal Lobbying Ordinance/Contract Bidder Certification of Compliance Form
Attachment 10	Maps of Hyperion and Terminal Island Water Reclamation Plants
Attachment 11	Business Inclusion Program
Attachment 12	Contract Bidder Campaign Contribution and Fundraising Restrictions
Attachment 13	Local Business Preference Program
Attachment 14	Iran Contracting Act of 2010 Compliance Affidavit
Attachment 15	Equal Benefits Ordinance
Attachment 16	Slavery Disclosure Ordinance
Attachment 17	First Source Hiring Ordinance
Attachment 18	Disclosure of Border Wall Contracting Ordinance
Attachment 19	Labor Compliance Manual

AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND SYNAGRO WEST, LLC. FOR
THE CITY'S BIOSOLIDS MANAGEMENT

This AGREEMENT, made and entered into by and between the City of Los Angeles, a municipal corporation, acting by order of and through its Board of Public Works (hereinafter referred to as the "CITY") and SYNAGRO WEST, LLC. (hereinafter referred to as "CONTRACTOR"), is set forth as follows:

WITNESSETH

WHEREAS, the CITY currently produces approximately 750 wet tons per day of biosolids at its Hyperion and Terminal Island water reclamation plants; and

WHEREAS, biosolids are a nutrient rich organic material, generated in the treatment of wastewater, that can be beneficially used; and

WHEREAS, the CITY's biosolids are known to contain nitrogen and other nutrients making it rich in organic matter and thereby making it a highly desirable soil amendment; and

WHEREAS, the CITY's biosolids meet U.S. EPA's regulations and state guidelines for composting, land application, and other beneficial uses; and

WHEREAS, the CITY is committed to finding innovative and creative means of beneficially using its biosolids; and

WHEREAS, the existing contracts for the CITY's biosolids management will expire on August 20, 2026; and

WHEREAS, on May 24, 2024, the Board of Public Works authorized the Bureau of Sanitation (LASAN) to distribute a Request for Proposals (RFP) for the CITY's biosolids management and to negotiate a contract with qualified proposer(s); and

WHEREAS, on September 18, 2024, LASAN received four (4) proposals in response to the RFP for the CITY's biosolids management; and

WHEREAS, the CONTRACTOR was deemed the most qualified proposer with the experience and expertise to perform said services as determined by CITY staff based on the evaluation criteria set forth in the RFP; and

WHEREAS, the CONTRACTOR has extensive experience in managing and beneficially using biosolids; and

WHEREAS, the CONTRACTOR has offered to beneficially use of the CITY's biosolids by means of composting at the CONTRACTOR's permitted composting facilities in San Bernardino County and Kern County in California and other sites as mutually agreed upon in writing; and

WHEREAS, the CONTRACTOR has agreed to perform the above-referenced tasks in an environmentally sound manner in accordance with all applicable laws, regulations, rules and other requirements of local, state and federal governments; and

WHEREAS, the term of this AGREEMENT is for five (5) years with one (1), three (3)-year renewal option and the ceiling cost for all the fees and services identified in this AGREEMENT is \$88,280,580; and

WHEREAS, the services to be provided by the CONTRACTOR are of an expert and technical nature;

NOW, THEREFORE, in consideration of the promises, covenants, and AGREEMENTs hereinafter set forth, the parties hereby agree as follows:

ARTICLE 1 - SECTION HEADINGS AND CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles, subtitles, and/or section headings appearing herein have been inserted for convenience and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning, intent or construction of any of the terms or provisions hereof. The language of this CONTRACT shall be construed according to its fair meaning and not strictly for or against the CITY or the CONTRACTOR. The singular shall include the plural; use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used. The terms "include" and "including" do not exclude items not enumerated that are in the same general class.

ARTICLE 2 - DEFINITIONS

It is understood that the following words and phrases are used herein; each shall have the meaning set forth opposite the same:

AGREEMENT or CONTRACT This AGREEMENT between the CITY and CONTRACTOR for the City Biosolids Management

APPLICABLE LAW	All statutes, rules, regulations, permits, orders, or requirements of the United States, State of California, CITY, County, regional, and local government authorities and agencies, as well as their subordinate agencies, that have jurisdiction over the facility, the site, or the performance of the CONTRACTOR'S and CITY'S respective obligations under this CONTRACT.
BIOSOLIDS	Digested sewage sludge which can be beneficially recycled/used, and normally consisting of 15% to 30% solids content.
BOARD	The Board of Public Works of the City of Los Angeles.
CALENDAR DAY	Each day beginning at 12:01 AM and ending twenty-four (24) hours thereafter at 12:00 midnight
Certified Weigh Station	Weighing station certified by the State of California Department of Food and Agriculture Division of Measurement Standards, the Los Angeles County Department of Weights and Measures as applicable, and/or any other applicable entity having jurisdiction.
CITY	The City of Los Angeles, Board of Public Works or its subordinate bureaus. Depending on the context in which it is used, the term CITY may also refer to the geographic area known as the City of Los Angeles, the City Council, other Departments of the City of Los Angeles, or any person employed by the City of Los Angeles who is authorized to represent the City of Los Angeles in manners concerning this document.
CITY PROJECT MANAGER	CITY's designated representative for all issues related to this AGREEMENT.
CONTRACTOR	Synagro West, LLC.
CONTRACTOR PROJECT MANAGER	CONTRACTOR's representative for all issues related to this AGREEMENT.
Grit and Screenings	Materials composed of inorganic and organic non-hazardous materials captured by mechanical or

	hydraulic methods from the HWRP and TIWRP locations.
Gross Weight	The weight of the collection vehicle or other container including any loaded material
Holidays	New Year's Day, Independence Day, Labor Day, Thanksgiving, Christmas and other holidays officially designated and observed as such by the CITY
HWRP	City of Los Angeles Hyperion Water Reclamation Plant 12000 Vista Del Mar Playa Del Rey, CA 90293
LASAN	The Bureau of Sanitation of the City of Los Angeles, also known as LA Sanitation and Environment
MBE/WBE/SBE/EBE/DVBE/OBE	CITY's Subcontractor Outreach Program for Minority/Women/Small/Emerging/Disabled Veterans/Other Business Enterprises.
OPERATING DAYS	Any CALENDAR DAY for which CONTRACTOR is obligated, pursuant to this AGREEMENT, to manage the CITY's BIOSOLIDS.
PERMITS	All federal, State of California, local or any other pertinent governmental unit permits, orders, licenses, and approvals required by APPLICABLE LAW (including, but not limited to, California Environmental Quality Act (CEQA)), for the modifications, operations and maintenance of the beneficial use site.
Project, Project Services	The beneficial use of BIOSOLIDS in accordance with all applicable permits, environmental laws, and CITY approvals.
SERVICE FEE	Has the meaning specified in Section 9.1 of ARTICLE 9, hereof.
SITE	A site used by Synagro West, LLC. to beneficially use the CITY's BIOSOLIDS.

SUBCONTRACTORS	An individual or company having an agreement with CONTRACTOR to provide services, equipment, or materials to CONTRACTOR
Tare Weight	The weight of an empty collection vehicle or container. Tare Weight is deducted from Gross Weight to obtain the net weight or gross tons of the delivered materials
TIWRP	Terminal Island Water Reclamation Plant 445 Ferry Street San Pedro, CA 90731
TRUCK	Tractor and trailer
Wet Ton	2000 pounds
Wtpd	Wet tons per day

ARTICLE 3 - PROJECT DESCRIPTION

The project shall consist of the following:

- 3.1 The loading of BIOSOLIDS generated by the CITY at HWRP and TIWRP onto CONTRACTOR’s trucks for transport to CONTRACTOR’s SITE(s);
- 3.2 The transportation of the BIOSOLIDS by CONTRACTOR from HWRP and TIWRP to CONTRACTOR’s SITE(s);
- 3.3 The unloading of the BIOSOLIDS from CONTRACTOR’s transport trucks at CONTRACTOR’s SITE(s);
- 3.4 The beneficial use of the BIOSOLIDS by CONTRACTOR at CONTRACTOR’s SITE(s), through composting and other technologies approved by the CITY;
- 3.5 The loading, transporting, and unloading of BIOSOLIDS and/or Grit and Screenings from HWRP and TIWRP, to sites designated by the CITY in the event of an emergency;
- 3.6 The loading, transporting, and unloading of BIOSOLIDS from HWRP to the Terminal Island Renewable Energy (TIRE) project site.
- 3.7 The monitoring, documenting, and reporting by CONTRACTOR of all project-related activities performed by CONTRACTOR as provided in this AGREEMENT;

ARTICLE 4 - RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY CONTRACTOR

Services shall include, but not be limited to the following:

- 4.1 CONTRACTOR shall perform the services described in Article 4.6. CONTRACTOR shall perform such work with a degree of skill and diligence normally employed by professional analysts or contractors performing the same or similar services.
- 4.2 CONTRACTOR warrants that the services will be performed consistent with generally accepted industry standards.
- 4.3 CONTRACTOR shall maintain all records, in their original form, pertaining to the performance of this CONTRACT, including records of financial transactions. These records shall be retained for a period of no less than four (4) years following final payment made by the CITY hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized CITY personnel or by the CITY'S representative at any time during the term of this CONTRACT and within the four (4) years following final payment made by the CITY hereunder or the expiration date of this CONTRACT, whichever occurs last. CONTRACTOR shall provide any reports requested by the CITY regarding performance of this Contract within thirty (30) business days of the request by the CITY. Any subcontract entered into by CONTRACTOR, as authorized under the terms of this CONTRACT, shall include a like provision for work to be performed under this CONTRACT.
- 4.4 For BIOSOLIDS CONTRACTOR loads at TIWRP or HWRP for transport to CONTRACTOR SITES, CONTRACTOR shall assume full title to and complete responsibility for the BIOSOLIDS from the time they are loaded onto the CONTRACTOR'S trucks. For BIOSOLIDS transported by the CITY in its certified vehicles to the CONTRACTOR'S SITES, the BIOSOLIDS shall become the CONTRACTOR'S responsibility from the time they are unloaded at the CONTRACTOR'S SITE. BIOSOLIDS transported by the CONTRACTOR in accordance with Section 4.6.2 shall become the CONTRACTOR'S responsibility from the time they are loaded onto the CONTRACTOR'S transport trucks to the time they are unloaded at the site designated by the CITY, unless the unloading occurs at a CONTRACTOR'S SITE, in which case CONTRACTOR'S title to and responsibility for such BIOSOLIDS shall continue.
- 4.5 CONTRACTOR shall perform all activities relating to its responsibilities under this AGREEMENT in accordance with all APPLICABLE LAWS.

- 4.6 CONTRACTOR shall maintain capacity to receive BIOSOLIDS twenty four (24) hours per day, seven (7) days per week. CONTRACTOR shall be responsible for transporting and beneficially using a minimum of 50 Wtpd of CITY BIOSOLIDS per CALENDAR DAY after receiving 8 hours advanced notice of the applicable loading windows or hours, consistent with Article 5.2. Specific daily quotas shall be provided by the CITY consistent with Article 5. Failure of CONTRACTOR to provide these services shall result in assessment of liquidated damages as specified in Section 9.3.1.
- 4.6.1 CONTRACTOR shall accept BIOSOLIDS delivered to its SITE from CITY or CITY's contractor vehicles. These BIOSOLIDS will be counted toward meeting the quota requirements of Section 4.6. CONTRACTOR shall be compensated through the applicable fee specified in Sections 9.2.1, 9.2.2, 9.2.3, and 9.2.4.
- 4.6.2 CONTRACTOR shall be responsible for having available and supplying all equipment to transport BIOSOLIDS from HWRP and TIWRP to its SITE and other sites as approved by the CITY during emergencies, with 24 hours advance notice. The existence of an emergency shall be determined by the CITY at its sole discretion, and shall include, but not be limited to, earthquakes, hazardous weather conditions, availability of the CITY's Green Acres Farm, fires, floods, strikes, and civil unrest. CONTRACTOR shall be compensated through a fee specified in Sections 9.2.1 and 9.2.2. In addition, CONTRACTOR shall be available for emergency transportation of Grit and Screenings to CITY designated sites. Compensation shall be in accordance with Section 9.2.3.
- 4.6.3 CONTRACTOR shall be responsible for meeting the daily quota, which shall be prepared and provided by the CITY, and in the event of missing loads of BIOSOLIDS, the CONTRACTOR shall notify the CITY by phone or email the same day. CONTRACTOR shall inquire with the CITY if any extra loads of BIOSOLIDS need to be loaded and transported to the CONTRACTOR's SITE(s). Failure of the CONTRACTOR to provide these services shall result in assessment of liquidated damages as specified in Section 9.3.1.
- 4.7. CONTRACTOR shall be responsible for maintaining and providing trucks, drivers, and any other necessary personnel and equipment required for the transportation of BIOSOLIDS from HWRP and TIWRP to CONTRACTOR's SITE(s) pursuant to this AGREEMENT.
- 4.7.1 CONTRACTOR shall provide training to all drivers on policies and procedures provided by the CITY regarding HWRP and TIWRP (Plant Policies) and on the Spill Response Plan prepared by the CONTRACTOR as provided in Section 4.10. Non-compliance with Plant Policies shall result in assessment of liquidated damages pursuant to Section 9.3.1. Drivers

shall be subject to testing and certification pursuant to Section 4.11.3.

4.7.2 All trucks used for the transportation of BIOSOLIDS pursuant to this AGREEMENT shall be required to (a) have watertight sealing tailgates, (b) have spillage control, (c) be tarped, and (d) carry the CITY-approved spill response equipment in accordance with the Spill Response Plan prepared by the CONTRACTOR as provided in Section 4.10. All CONTRACTOR trucks loaded with BIOSOLIDS at HWRP must be washed and tarped within the loading facility at HWRP with the facility doors closed, and must be sprayed with the CITY-provided odor neutralizer prior to exiting the plant. All CONTRACTOR trucks loaded with BIOSOLIDS at TIWRP shall be washed with water and be externally clean of BIOSOLIDS before leaving TIWRP. Trucks shall be subject to inspection and certification by the CITY pursuant to Section 4.11.2.

4.7.3 The primary routes to be taken by all CONTRACTOR trucks to and from HWRP and TIWRP shall be submitted by CONTRACTOR to the CITY for approval. Said primary routes shall be followed by CONTRACTOR unless notified in writing by the CITY that the routes have been changed or modified. The CITY shall notify and provide CONTRACTOR with such modified routes at least twenty four (24) hours in advance. At all times when traveling on surface streets, CONTRACTOR trucks shall follow the authorized truck routes and shall avoid residential communities. All CONTRACTOR trucks are required to observe any restrictions imposed by the CITY.

a. CONTRACTOR' trucks shall take the modified truck routes provided by the CITY or follow appropriate civil authority routes during emergency situations.

b. Failure of CONTRACTOR or their agents to comply with the conditions contained in Sections 4.7.3 and 4.7.3.a shall result in assessment of liquidated damages as described in Section 9.3.1.

4.8 CONTRACTOR shall be responsible for operating its equipment properly, including positioning the equipment under the loading chutes, specifying to CITY the tonnage to be loaded, and complying with the loading procedures established by the CITY. CONTRACTOR shall ensure trucks do not exceed the maximum legal limit by unloading excess BIOSOLIDS (above 79,500 gross pounds) onto the grit pad. BIOSOLIDS spilled as a result of CONTRACTOR's negligence shall be assessed liquidated damages pursuant to Section 9.3.1.

4.8.1 CONTRACTOR shall be responsible for receiving a specified tonnage of BIOSOLIDS within the loading windows, which shall be at any time as directed by the City but typically between 10:30 PM and 1:30 PM the

following day, provided by the CITY. Trucks that are unable to be loaded due to the CITY's operational needs because they arrive before or after the specified windows shall be assessed liquidated damages pursuant to Section 9.3.1, except where factors outside CONTRACTOR's control affect its ability to meet the loading window.

4.8.2 CONTRACTOR is responsible for minimizing the total duration that a truck spends at HWRP or TIWRP, from time of entry into the plant to time of exiting the plant, by expediting the loading process and notifying the shift superintendent of any undue delays. Notwithstanding the foregoing, CONTRACTOR shall have the right to inspect and reject loads of BIOSOLIDS in accordance with Section 4.12.

4.9 CONTRACTOR shall be responsible for determining total tonnage of BIOSOLIDS loaded onto its transport trucks through the use of official weigh tickets. Insufficiently documented tickets shall be rejected and no payment shall be made for that portion of the BIOSOLIDS hauled. At all times in which the CITY's weigh station is operational, CONTRACTOR shall utilize CITY's weigh station to obtain official weight tickets. Should the CITY's weigh station become non-operational, CONTRACTOR shall be required to obtain weight tickets from an independent Certified Weigh Station and no additional charge shall be assessed to the CITY.

4.10 Prior to receiving its first truck load of CITY BIOSOLIDS under this AGREEMENT, CONTRACTOR shall submit a detailed, complete spill accident response plan (Spill Response Plan) to the CITY, and shall work cooperatively with the CITY on reaching a final plan acceptable to the CITY. The final plan shall be subject to approval by the CITY.

4.10.1 CONTRACTOR shall notify the CITY as soon as possible of any spill or accident while en route to or from HWRP or TIWRP in accordance with the CITY approved Spill Response Plan. Failure to notify CITY of a spill or accident shall result in assessment of liquidated damages pursuant to Section 9.3.1. As soon as possible but no later than one working day after an off-site spill, CONTRACTOR shall be responsible for submitting a detailed report summarizing the causes and effects of such spill.

4.10.2 Once the BIOSOLIDS have been loaded onto CONTRACTOR's trucks and any spillage or other accidental deposit of the BIOSOLIDS takes place anywhere en route to the destination, other than within HWRP/TIWRP perimeters, CONTRACTOR shall be responsible for taking immediate steps to remove and clean up the spilled BIOSOLIDS and the affected area.

4.10.3 Spills within HWRP/TIWRP perimeters shall be cleaned up by the CITY. CONTRACTOR shall not be held liable for spills at HWRP/TIWRP where it is determined CONTRACTOR was not at fault.

4.11 CONTRACTOR agrees that the site(s), equipment, reports, drivers and record keeping documentation used by it for the performance of this AGREEMENT are subject to inspection by CITY personnel or its agents at any time without prior notice. Said inspections shall be for the purpose of ensuring compliance with the terms of this AGREEMENT and all applicable laws, rules and regulations.

4.11.1 CONTRACTOR shall submit to the CITY weekly, monthly, and annual reports. The format for each type of report shall be provided by the CITY. Failure to submit reports on time shall result in assessment of liquidated damages specified in Section 9.3.1.

The weekly reports cover CONTRACTOR activities from Monday through Sunday, and shall be due on the immediately following Wednesday.

Monthly reports shall describe all phases of operation and performance of each calendar month. Each monthly report shall be due on the 25th day of the following month (e.g., monthly report for February is due March 25).

Annual summary reports shall summarize all the monthly data and shall include a statistical analysis of monitoring data, marketing data if applicable, and all other significant issues as requested by CITY. They shall be due March 1 for the previous year. The format for each type of report shall be provided by the CITY. Failure to submit reports on time shall result in assessment of liquidated damages specified in Section 9.3.1.

4.11.2 CONTRACTOR's trucks shall be required to be inspected by the CITY's inspector for compliance with Section 4.7.2 at HWRP. After passing inspection, trucks shall be certified and be allowed to transport BIOSOLIDS. CITY certification of trucks shall be for two (2) years or as otherwise determined by the CITY. However, certification can be revoked at any time should a truck not meet Section 4.7.2 requirements. Trucks without certification shall not be allowed to transport CITY BIOSOLIDS and shall be turned away with no charges assessed to the CITY. Trucks failing inspection shall be assessed liquidated damages pursuant to Section 9.3.1.

4.11.3 CONTRACTOR's drivers shall be required to be tested by the CITY's inspector for knowledge on Plant Policies and the Spill Response Plan. After passing said test, drivers shall be certified and be allowed to transport CITY BIOSOLIDS. Certification of drivers shall be for two (2) years or as otherwise determined by the CITY. Driver certification can be revoked at any time for not complying with Plant Policies or the Spill Response Plant. Drivers not certified will not be allowed to transport CITY BIOSOLIDS and shall be turned away with no charges assessed to the CITY.

- 4.11.4 CONTRACTOR shall notify the CITY as soon as possible but no later than 24 hours should a local, state, or federal regulatory official find CONTRACTOR in violation of its permit(s), CONTRACTOR shall inform the CITY within five (5) working days of an item of concern being noted in an inspection report by a local, state, or federal regulatory official or agency. CONTRACTOR shall provide the CITY, in writing, details to correct or mitigate the violation or the item of concern. Failure to notify the CITY within the time frames indicated in this paragraph shall result in assessment of liquidated damages pursuant to Section 9.3.1.
- 4.11.5 CONTRACTOR shall be issued a Notice of Deficiency (NOD) by the CITY for any violation of APPLICABLE LAWS. CONTRACTOR shall respond in writing within two (2) working days upon receipt of an NOD with its plan to resolve the deficiency. CONTRACTOR shall resolve the deficiency within a time frame mutually agreed upon with the CITY. Failure to correct the deficiency by the specified time frame shall result in assessment of liquidated damages in accordance with Section 9.3.1. CONTRACTOR's trucks or drivers may lose CITY certification when issued an NOD until the deficiency has been corrected and the truck or driver has passed re-inspection.
- 4.12 CONTRACTOR shall have the right to observe the CITY's loading of BIOSOLIDS at HWRP or TIWRP and to inspect and reject any load of BIOSOLIDS that does not comply with applicable state and federal regulations.
- 4.13 CONTRACTOR shall coordinate with the CITY any public relations effort associated with this CONTRACT.
- 4.14 CONTRACTOR shall notify the CITY immediately of conditions which would reasonably impair the safe delivery of BIOSOLIDS.
- 4.15 CONTRACTOR shall meet the following requirements when managing CITY BIOSOLIDS with BIOSOLIDS from other sources.
- 4.15.1 CONTRACTOR shall not combine or blend CITY BIOSOLIDS with BIOSOLIDS from other sources to create one mixture without receiving prior written approval from the CITY. Such approval shall not be unreasonably withheld. Failure to comply shall result in assessment of liquidated damages as specified in Section 9.3.1. The composting process shall be exempted from this provision.
- 4.16 CONTRACTOR shall comply with the requirements of the CITY's BIOSOLIDS Environmental Management Systems (EMS) as specified in Attachment 15 of this AGREEMENT.

ARTICLE 5 – RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY THE CITY

The CITY designates Shahrouzeh Saneie as the CITY PROJECT MANAGER to represent the CITY in all matters within the scope of the AGREEMENT. Whenever the term “approval of CITY,” “consult with CITY,” “confer with CITY,” or similar terms are used, they shall refer to the CITY PROJECT MANAGER. The CITY PROJECT MANAGER may designate an assistant to act in their stead or may designate another CITY employee to succeed them as CITY PROJECT MANAGER. CONTRACTOR will be notified in writing in such event.

- 5.1 CITY shall be responsible for providing CONTRACTOR with a trucking quota for each day during the term of this CONTRACT. This quota shall be based on the previous month’s average daily tonnage per truck but shall be referred to in truck loads per day. CITY will try to accommodate CONTRACTOR’s operations, although plant operations shall take priority in assigning the loading hours. CITY shall try to provide a reasonably constant number of loads of BIOSOLIDS on a daily basis to limit fluctuations.
- 5.2 CITY shall be responsible for issuing the weekly listing of daily quota before 2:00 PM on Tuesday for the week of Wednesday through Tuesday.
 - 5.2.1 CITY shall be responsible for providing loading windows or hours that CONTRACTOR can arrive at the CITY’s facilities to load BIOSOLIDS. Windows shall be at least 1 hour per two truckloads.
 - 5.2.2. CITY shall notify CONTRACTOR of any revisions to the trucking quota within a reasonable amount of time. Failure of the CITY to give the CONTRACTOR at a minimum 8 hours advanced notice of changes to the delivery window shall result in additional CITY payments to CONTRACTOR as specified in Section 9.3.2.
 - 5.2.3. CITY shall be responsible for performing the loading of a maximum of 79,500 gross pounds of BIOSOLIDS onto each CONTRACTOR truck, unless CONTRACTOR requests less. If the driver requests at least 34,000 net pounds (17 net tons) of BIOSOLIDS, then failure of CITY to provide at least 17 net tons shall result in additional CITY payments to CONTRACTOR as specified in Section 9.3.2.
- 5.3 CITY shall be responsible for providing and maintaining truck loading facilities at HWRP and TIWRP and shall be further responsible for providing CITY personnel to operate said facilities.
- 5.4 CITY shall test its BIOSOLIDS as required by federal, state, and local regulations and shall transmit said test results to CONTRACTOR.

- 5.5 CITY shall complete the process of loading the BIOSOLIDS onto CONTRACTOR truck within 4 hours. Failure of the CITY to meet this condition shall result in additional CITY payments to CONTRACTOR pursuant to 9.3.2.a.
- 5.6 CITY BIOSOLIDS shall meet U.S. EPA's regulations and state guidelines for land application.
- 5.7 CITY is responsible for notifying CONTRACTOR of Plant Policies that CONTRACTOR is to comply with.

ARTICLE 6 – KEY CONTRACTOR PERSONNEL

- 6.1 CONTRACTOR designates the following persons to represent CONTRACTOR in all matters pertaining to this AGREEMENT:

Robert Ford, Business Development Manager
Synagro West, LLC.
435 Williams Court, Suite 100
Baltimore, MD 21220
Direct Phone: (323) 843-7265
Email: robertford@synagro.com

- 6.2 CONTRACTOR agrees that personnel assigned to these positions at the commencement of services under this AGREEMENT shall serve in these positions as long as required by the CONTRACT, and CONTRACTOR shall not change personnel assigned to these positions without the prior consent and written approval of CITY PROJECT MANAGER, whose consent shall not be withheld unreasonably.
- 6.3 Unless otherwise provided or approved by the CITY in writing, CONTRACTOR shall use its own employees to perform the services described in this CONTRACT. The CITY shall have the right to review and approve any personnel who are assigned to work under this CONTRACT. CONTRACTOR agrees to remove personnel from performing work under this CONTRACT if requested to do so by the CITY within thirty (30) business days of the written request by the CITY.
- 6.4 CONTRACTOR shall not use SUBCONTRACTORS to assist in performance of this CONTRACT without the prior written approval of the CITY, pursuant to the provisions of Article 14. If the CITY permits the use of SUBCONTRACTORS, CONTRACTOR shall remain responsible for performing all aspects of this CONTRACT. The CITY has the right to approve CONTRACTOR'S SUBCONTRACTORS, and the CITY reserves the right to request replacement of

SUBCONTRACTORS. The CITY does not have any obligation to pay CONTRACTOR'S SUBCONTRACTORS, and nothing herein creates any privity of contract between the CITY and the SUBCONTRACTORS. The use of SUBCONTRACTORS shall be subject to written approval of the CITY, pursuant to the provisions of Article 14.

ARTICLE 7 – TERM OF AGREEMENT

Unless terminated as provided under Article 8, the term of this AGREEMENT shall be for five (5) years from full execution with one (1), three (3)-year renewal option, to be exercised at the CITY's sole discretion. This AGREEMENT shall be effective on August 21, 2026 or upon execution of the AGREEMENT by all parties hereto, whichever is later.

The date of full execution is deemed to be the date when all of the following events have occurred:

- A. This AGREEMENT has been signed on behalf of the CONTRACTOR by the person or persons authorized to bind the CONTRACTOR hereto;
- B. This AGREEMENT has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this AGREEMENT as to form;
- D. This AGREEMENT has been signed on behalf of the CITY by the City Council, or by the BOARD, officer, or employee authorized to enter into this AGREEMENT.

ARTICLE 8 – TERMINATION

8.1 This AGREEMENT may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this AGREEMENT through no fault of the terminating party ("Termination for Default"), provided that no termination may be effected unless the other party is given (1) not less than ten (10) CALENDAR DAYS' written notice (delivered by certified mail, return receipt requested) of intent to terminate, and (2) an opportunity for consultation with the terminating party prior to termination.

8.2 This AGREEMENT may be terminated in whole or in part in writing by the CITY for its convenience, provided that the CONTRACTOR is given not less than thirty (30) CALENDAR DAYS' written notice. Upon receipt of said written notice, CONTRACTOR shall immediately take action not to incur any additional obligations, cost or

expense, except as may be reasonably necessary to terminate its activities. The CITY and CONTRACTOR agree in advance that if the CITY exercises its discretionary right to terminate for convenience, the CITY shall pay CONTRACTOR for reasonable expenses incurred because of early termination. These expenses include, but are not limited to, recovery of direct cost, i.e., capital costs, demobilization, and costs to terminate subcontractors and equipment leases. These expenses should only be incurred within the AGREEMENT period, not prior contract execution or after contract termination. The supporting documents shall be required to be submitted to the CITY for review and approval.

8.3 This AGREEMENT may be immediately terminated in writing by the CITY if (1) a federal or state proceeding for relief of debtors is undertaken by or against CONTRACTOR, or if CONTRACTOR makes an assignment for the benefit of creditors or (2) CONTRACTOR engages in any dishonest conduct related to the performance or administration of this AGREEMENT or violates the CITY'S lobbying policies.

8.4 If Termination for Default is effected by the CITY, an equitable adjustment in the price provided for in this AGREEMENT shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due the CONTRACTOR at the time of termination may be adjusted to cover any additional costs to the CITY because of the CONTRACTOR'S default.

If Termination for Default is effected by the CONTRACTOR or if termination for convenience is effected by the CITY, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for any termination shall provide for payment to the CONTRACTOR for services rendered and expenses incurred prior to the termination, excluding attorney's fees, in addition to termination settlement costs reasonably incurred by the CONTRACTOR relating to written contracts that were executed prior to the termination. Thereafter, CONTRACTOR shall have no further claims against the CITY under this AGREEMENT.

8.5 Upon receipt of a termination action, the CONTRACTOR shall (1) promptly discontinue all affected work (unless the notice directs otherwise), and (2) deliver or otherwise make available to the CITY within thirty (30) business days of said termination action all finished or unfinished documents and materials produced or procured under this CONTRACT, including all intellectual property rights thereto, which shall become CITY property upon date of such termination. CONTRACTOR agrees to execute any documents necessary for the CITY to perfect, memorialize,

or record the CITY'S ownership of rights provided herein within thirty (30) business days of said termination.

- 8.6 Upon termination, the CITY may take over the work and may award another party an AGREEMENT to complete the work under this AGREEMENT.
- 8.7 If, after the termination for failure of the CONTRACTOR to fulfill contractual obligations, it is determined that the CONTRACTOR had not failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of the CITY. In such event, adjustment of the AGREEMENT price shall be made as provided in Article 8.4 of this article.
- 8.8 The rights and remedies of the CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this AGREEMENT.

ARTICLE 9 – COMPENSATION, INVOICING AND PAYMENT

- 9.1 For and in consideration of the services performed by CONTRACTOR as described in Article 4 herein, CONTRACTOR shall invoice CITY and CITY shall compensate CONTRACTOR pursuant to Sections 9.2, except as noted in Section 9.3.1, 9.3.2 or as otherwise agreed in writing by both parties. CONTRACTOR agrees that the compensation herein includes but is not limited to all its overhead, capital costs, permit fees, profits and any and all other costs of the project.
- 9.2 CONTRACTOR agrees that the cost to the CITY for the composting of BIOSOLIDS or other options, shall be based on daily scale tickets, Wet Ton, during the billing period, and the number of days in that period.
 - 9.2.1 The cost for composting at the facilities in San Bernardino County and Kern County in California, based on the minimum of 24 Wtpd, during the monthly billing period, shall be as follows (Table 1):

Table 1:

Synagro Item Description	Rate	Unit
Nursery Products Facility – Hauling and Tipping Fees – 24 to 100 Average Daily Tonnage	\$73.90	Wet Ton
Nursery Products Facility – Hauling and Tipping Fees – 101 to 400 Average Daily Tonnage	\$72.08	Wet Ton

Synagro Item Description	Rate	Unit
Nursery Products Facility – Hauling and Tipping Fees – 401 and above Average Daily Tonnage	\$71.40	Wet Ton
Nursery Products Facility – Tipping Fees – 24 to 100 Average Daily Tonnage	\$44.45	Wet Ton
Nursery Products Facility – Tipping Fees – 101 to 400 Average Daily Tonnage	\$41.51	Wet Ton
Nursery Products Facility – Tipping Fees – 401 and above Average Daily Tonnage	\$39.62	Wet Ton
South Kern Composting Facility – Hauling and Tipping Fees – 24 to 100 Average Daily Tonnage	\$75.30	Wet Ton
South Kern Composting Facility – Hauling and Tipping Fees – 101 to 400 Average Daily Tonnage	\$72.58	Wet Ton
South Kern Composting Facility – Hauling and Tipping Fees – 401 and above Average Daily Tonnage	\$69.51	Wet Ton
South Kern Composting Facility – Tipping Fees	\$49.97	Wet Ton
Liberty Composting Facility – Hauling and Tipping Fees for loads 1 – 5 loads/day	\$82.51	Wet Ton
Liberty Composting Facility – Tipping Fees for loads 1 – 5 loads/day	\$46.45	Wet Ton
Liberty Composting Facility – Hauling and Tipping Fees for emergency delivery of 12 loads or more per day with notice	\$85.87	Wet Ton
Liberty Composting Facility – Tipping Fees for emergency delivery of 12 loads or more per day with notice	\$48.81	Wet Ton

9.2.2 The discount cost for composting at the facilities in San Bernardino County and Kern County in California, based on the minimum of 124 Wtpd, during the monthly billing period, shall be as follows (Table 2):

Table 2:

Synagro Item Description – Volume Based *	Rate	Unit
Nursery Products Facility – Hauling and Tipping Fees – 124 and above Average Daily Tonnage	\$71.40	Wet Ton

Synagro Item Description – Volume Based *	Rate	Unit
Nursery Products Facility – Tipping Fees – 124 to 200 Average Daily Tonnage	\$41.51	Wet Ton
Nursery Products Facility – Tipping Fees – 424 and above Average Daily Tonnage	\$39.62	Wet Ton
South Kern Composting Facility – Hauling and Tipping Fees – 124 and above Average Daily Tonnage	\$70.35	Wet Ton
South Kern Composting Facility – Tipping Fees	\$48.97	Wet Ton
Liberty Composting Facility – Hauling and Tipping Fees for loads 5 – 10 loads/day	\$80.38	Wet Ton
Liberty Composting Facility – Tipping Fees for loads 5 – 10 loads/day	\$45.45	Wet Ton
Liberty Composting Facility – Hauling and Tipping Fees for emergency delivery of 12 loads or more per day with notice	\$83.25	Wet Ton
Liberty Composting Facility – Tipping Fees for emergency delivery of 12 loads or more per day with notice	\$47.81	Wet Ton

(*) LASAN shall provide CONTRACTOR with an official written documentation in commitment to the volume daily tonnage.

9.2.3 The cost for other miscellaneous items typically not utilized would need validation as an option and adjusted to current market rates prior to use after August 31, 2027 except for related land fill fees which will be adjusted at time of service. Provided in table 3 for contract consistency

Table 3:

Item Description	Rate	Unit
Arizona Soils Composting, AZ – Hauling and Tipping Fees	\$99.74	Wet Ton
Land Application – Hauling and Tipping Fees	\$75.40	Wet Ton
Simi Valley Landfill – Hauling and Tipping Fees	\$100.80	Wet Ton
Laz Paz County Landfill	\$107.30	Wet Ton
Simi Valley Landfill (Grit and Screenings) – Hauling and Tipping Fees	\$100.80	Wet Ton

Item Description	Rate	Unit
Transportation only to Simi Valley Landfill	\$47.96	Wet Ton
Hauling Services only to TIWRP for TIRE Project	\$19.96	Wet Ton

9.2.4 The cost for composting at the facilities in San Bernardino County and Kern County in California, utilizing Compressed Natural Gas (CNG) trucks for hauling, shall be as follows (Table 4)

Table 4:

Synagro CNG Hauling and Tipping Rates by Site		
Item Description	Rate	Unit
South Kern Composting Facility	\$80.05	Wet Ton
Liberty Composting Facility	\$89.10	Wet Ton
Nursery Products Composting Facility	\$78.57	Wet Ton

9.3 Liquidated damages and additional CITY payments as provided in this section shall be accumulated every month, and shall be included on the invoice. The CITY shall provide the records of the liquidated damages to CONTRACTOR on a weekly basis for the invoice purposes. The CITY and CONTRACTOR agree in advance that liquidated damages and additional CITY payments shall be waived for this AGREEMENT if the delay in, or impossibility of performance by CONTRACTOR or the CITY is the result of Force Majeure Events as defined in Article 17.

The CITY and CONTRACTOR agree that the amounts identified as liquidated damages (section 9.3.1) and/or additional CITY payments (section 9.3.2) are presumed to be the amount of damages sustained by the affected party. These amounts represent a fair average compensation for any loss that may be sustained as to the circumstances identified herein for which it would be impracticable to calculate actual damage.

9.3.1. Failure of CONTRACTOR to comply with Article 4 shall result in the following liquidated damages.

- a. A missed quota shall be assessed \$200 for each truck load, or tonnage equivalent of a truck load, that a driver fails to pick up within the window or in accordance with Section 4.8.1.
- b. An off-site spill not reported to the CITY within the timeframe specified

in Section 4.10 shall be assessed \$500.

- c. A BIOSOLIDS spill shall be assessed \$200 each time that it is released from a truck. This includes both in plant spills and out-of-plant spills, but does not include BIOSOLIDS cleaned or washed off a truck before leaving the loading area or in plant spills that are determined not to result from CONTRACTOR's fault.
- d. No load shall be given for each truck that does not pass inspection or a driver that does not pass testing.
- e. A driver shall be assessed \$100 for violating any Plant Policies.
- f. Each annual or monthly report not received by the deadline specified in Section 4.11.1, or that is incomplete or inaccurate, shall be assessed \$200. Each weekly report not received by the deadline specified in Section 4.11.1, or that is incomplete or inaccurate, shall be assessed \$50.
- g. A route violation shall be assessed \$500 for CONTRACTOR trucks found on any unapproved route during en route inspection by CITY's inspector after CONTRACTOR trucks exit HWRP.
- h. An inadequate response to a NOD issued by the CITY shall be assessed \$100 for not resolved by the deadline established by the CITY.
- i. Each violation or item of concern that is not reported to the CITY within the time frame specified in 4.11.4 shall be assessed \$500.
- j. Failure of CONTRACTOR to segregate CITY BIOSOLIDS from BIOSOLIDS from other sources in accordance with Section 4.15.1 shall be assessed \$1000. The composting process shall be exempted from this provision.

9.3.2 Failure of the CITY to comply with Article 5 shall result in the following additional CITY payments to CONTRACTOR.

- a. The CITY shall compensate CONTRACTOR for a loading delay caused by the CITY. The compensation shall be \$50 for each hour or portion thereof that a driver is kept at HWRP or TIWRP, by CITY, in excess of 4 hours from entry time into the plant to time of exiting plant as verified by load ticket. The time before the loading window shall not count towards determining the loading delay. This additional CITY payment to CONTRACTOR shall not exceed \$200 per a single

occurrence of delay.

- b. The CITY shall compensate CONTRACTOR for a late cancellation. The compensation shall be \$50 for any load that is canceled 4 to 8 hours before the start of the quota window.
- c. The CITY shall compensate CONTRACTOR for a very late cancellation. The compensation shall be \$100 for any load that is canceled within less than 4 hours before the quota window.
- d. The CITY shall compensate CONTRACTOR for an onsite cancellation. The compensation shall be \$500 for a load that is canceled within the quota window and a driver, arriving within the window, is told to return empty or the driver returns with an empty truck after waiting 8 hours at HWRP or TIWRP.
- e. The CITY shall compensate CONTRACTOR \$100 per load for light loads. A light load is a load that contains less than 17 tons of BIOSOLIDS.

9.4 ADJUSTMENT TO PAYMENT

9.4.1 Should CONTRACTOR suffer substantial increased cost associated with the services it is providing pursuant to this AGREEMENT which are outside its control, CONTRACTOR can petition the CITY for an increase in the cost paid by the CITY. CONTRACTOR agrees to provide the CITY with substantiated written documentation supporting its request for any increase in the cost to the CITY. The CITY shall have the right to review the documentation and agree to pay either the requested increase, pay a different negotiated amount, or deny CONTRACTOR's request. Examples of increased costs outside of CONTRACTOR's control include changes in regulatory requirements, but not for new trucks purchasing or leasing. Any increase granted by the CITY shall be retroactive to the date the CONTRACTOR incurred the increased cost, but not retroactive to a date before CONTRACTOR notified the CITY of said increased cost.

9.4.2 The costs specified in Sections 9.2 will be adjusted on the anniversary of the contract AGREEMENT (i.e., the date the first load of BIOSOLIDS was hauled), and on each anniversary date thereafter to reflect changes in the Consumer Price Index (CPI-U). The cost-per-ton specified in Sections 9.2 of this Article will be adjusted by the CPI-U index annually with a cap of 3% each year during the term of this AGREEMENT and will be calculated as specified herein subject to the CITY's discretion under 9.4.1. The CPI-U will be the value published by the Bureau of Labor Statistics, U.S. for the Los Angeles-Long Beach area.

On each anniversary, the cost-per-ton specified in 9.2 shall be adjusted in accordance with the inflation factor as follows:

$$IN = [(CPI - U_1) / (CPI - U_B)]$$

Where:

IN = The annual inflation factor
CPI-U₁ = the published CPI-U as of the adjustment date
CPI-U_B = the published CPI-U as of the execution date

9.4.3 The cost-per-ton specified in Section 9.2 of this Article is the negotiated price and is all inclusive of CONTRACTOR's capital expenditures for equipment including trucks, tractors and/or other field equipment. No adjusting compensation is allowed for increases in equipment purchase price and/or vehicle leases.

9.5 FUEL COST ADJUSTMENT

The CITY shall compensate CONTRACTOR for costs due to increases in prices of fuel used for the transportation of BIOSOLIDS to SITES and for the land application of BIOSOLIDS. The amount shall be submitted by CONTRACTOR in unit price per ton of BIOSOLIDS. The base price shall be determined based on the price of diesel as of July 2026 (the average price of diesel in California according to the U.S. Department of Energy, Energy Information Administration (EIA) California Retail on-Highway Diesel Price Index). These values are available on the EIA website at: <http://www/eia.doe.gov>.

The beneficial reuse fuel adjustment will be based on the roundtrip miles to the site used, the difference of the fuel price, the average fuel use of a truck (1 gallon/5.5 miles), and the average load weight of the truck per trip (24.5 tons/load) and using the formula:

Per Ton Beneficial Reuse Fuel Adjustment = No. of miles/roundtrip x (Fuel Cost/Gallon - \$TBD July 2026) x (1 Gallon/5.5 miles) x (1 trip/24.5 tons)

The monthly cost of the Fuel Adjustment will be the computed per ton beneficial reuse fuel adjustment multiplied by the number of wet tons for the month. CONTRACTOR shall submit monthly an invoice for the Beneficial Reuse Fuel Adjustment, the computation of the adjustment, and a copy of the U.S. Department of Energy, Energy Information Administration (EIA) California Retail on-Highway Diesel Price Index). Monthly beneficial reuse fuel adjustment will be paid to CONTRACTOR for increase in fuel cost above the base price or rebated to the CITY for decrease below the base price.

9.6 CITY shall pay CONTRACTOR for services rendered hereunder in an amount to be calculated as provided herein. Such sums shall be paid in accordance with monthly or semi-monthly invoices prepared by CONTRACTOR and submitted to CITY. Separate invoices shall be prepared for each water reclamation plant (TIWRP and HWRP).

9.6.1. All invoices shall be submitted in triplicate and shall contain the following information:

- a. Summary of invoice - a summary of invoice will include: total number of loads by material, total tonnage by material, average daily tonnage by material, cost calculation by assessment of liquidated damages and/or additional CITY payments when applicable, and the total amount due.
- b. Summary of load - a summary of loads will be broken down by material and include: date, load number, ticket number, plant or origin, field or process locations, weight in pounds, weight in tons, total number of trucks, total weight in pounds, and total weight in tons.
- c. Additional documents: SUBCONTRACTORS utilization reports, statement of continued compliance with CITY contract policies, and any other documents the CITY requires.
- d. Weight tickets - original weight ticket for all loads invoiced.

Invoices not meeting these criteria are subject to rejection. Rejected invoices must be resubmitted.

9.6.2. CONTRACTOR shall submit invoices either once per month or twice per month (1st through 15th and 16th through the end of the month) to the CITY. CITY shall review CONTRACTOR' invoice(s) and notify CONTRACTOR in writing of any exception or any disputed information within fourteen (14) CALENDAR DAYS of receipt. If CONTRACTOR disagrees with the CITY's review, CONTRACTOR can submit the supporting documents to justify the disputed amounts. CITY shall review CONTRACTOR' additional submissions and notify CONTRACTOR in writing of any exception or disputed information within fourteen (14) CALENDAR DAYS of receipt. If the CITY is satisfied with the additional justification provided for the amounts, CITY shall pay in accordance with Article 9.6.3.

9.6.3. CITY shall make a good faith effort to pay CONTRACTOR all amounts due within 45 days of receipt of the complete and accurate invoice. If the invoice requires corrections or additional supporting documents, then the 45 days shall not apply.

9.6.4. The CITY shall not be responsible for the payment of invoices or supplemental invoices submitted to the CITY more than 90 days after the date of service. Resubmittals of invoices which were disputed may exceed this limit.

9.7 The ceiling cost for all fees and services identified in this AGREEMENT is \$88,280,580.

9.8 Upon request by the CITY, the CONTRACTOR shall provide documents on payments, certified weight records, and any other documents that can assist the CITY PROJECT MANAGER during an audit. The requested documentation shall be provided to the CITY within ten (10) CALENDAR DAYS of a request. Also, in addition to the above noted documentation, any other information reasonably requested shall be made available for audit by the CITY or designated representatives on behalf of the CITY. The CITY reserves the right to audit the above stated records for four (4) years after the end of the term of this CONTRACT. The CITY shall bear, at its sole expense, all significant audit costs.

9.9 CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the CITY under the California False Claims Act (Cal. Gov. Code 12650 et.seq.), including treble damages, costs of legal actions to recover payments and civil penalties of up to \$10,000 per false claim.

9.10 The CITY's obligation under this AGREEMENT shall only be to the extent of the present CITY appropriation to fund this AGREEMENT. No action, statement or omission of any officer, agent or employee of the CITY shall impose any obligation upon the CITY, such officer, agent or employee, except to the extent the CITY has appropriated funds and otherwise in accordance with the terms of this AGREEMENT. No work shall create an immediate indebtedness nor shall indebtedness arise against CITY for said work. However, if the CITY shall appropriate funds for any successive fiscal years, the CITY's liability shall be extended to the extent of such appropriation subject to the terms and conditions of this AGREEMENT.

ARTICLE 10 - AMENDMENTS, CHANGES OR MODIFICATIONS

Amendments, changes or modifications in the terms of this AGREEMENT may be made at any time by mutual written AGREEMENT between the parties hereto and shall be signed by the persons authorized to bind the parties thereto.

ARTICLE 11 - INDEMNIFICATION AND INSURANCE

11.1 Indemnification

Except for the active negligence or willful misconduct of the CITY, or any of its boards, officers, agents, employees, assigns and successors in interest, the CONTRACTOR shall defend, indemnify, and hold harmless the CITY and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including the CONTRACTOR'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by the CONTRACTOR, SUBCONTRACTORS, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of the CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this CONTRACT. This provision will survive expiration or termination of this CONTRACT.

11.2 Insurance

During the term of this CONTRACT and without limiting the CONTRACTOR'S indemnification of the CITY, the CONTRACTOR shall provide and maintain at its own expense a program of insurance having the coverage and limits customarily carried and actually arranged by the CONTRACTOR but not less than the amounts and types listed on the Insurance Requirements Sheet (Form Gen 146), in Attachment 3 hereto, covering its operations hereunder. Such insurance shall conform to CITY requirements as established by Charter, ordinance, or policy and shall comply with the instructions set forth in Attachment 3. The CONTRACTOR shall register and submit insurance information into the CITY'S KwikComply website (<https://kwikcomply.org>) which can be found on the Office of the City of Administrative Officer, Risk Management's internet site for review and acceptance in accordance with Division 11 of the Los Angeles Administrative Code. The CONTRACTOR shall comply with all insurance Contractual Requirements shown on Attachment 3 hereto. Attachment 3 is hereby incorporated by reference and made a part of this CONTRACT.

11.3 Bonds

All bonds which may be required hereunder shall conform to the CITY'S requirements established by Charter, ordinance or policy, and shall be filed with

the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

ARTICLE 12 - INDEPENDENT CONTRACTOR

The CONTRACTOR is acting hereunder as an independent contractor and not as an agent or employee of the CITY. The CONTRACTOR shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the CITY. CITY shall not represent or otherwise hold itself out or any of its directors, officers, partners, employees or agents to be an agent or employee of the CONTRACTOR.

ARTICLE 13 - WARRANTIES AND RESPONSIBILITY OF THE CONTRACTOR

- 13.1 CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within CONTRACTOR'S profession, doing the same or similar work under the same or similar circumstances.
- 13.2 CONTRACTOR shall be responsible for the professional quality, technical accuracy, timely completion, and the coordination of all designs, drawings, specifications, reports, and other services furnished by CONTRACTOR under this AGREEMENT. CONTRACTOR shall, at no additional cost to CITY, correct or revise any errors, omissions, or other deficiencies in its designs, drawings, specifications, reports, calculations, and other services.
- 13.3 The CONTRACTOR shall exhibit proper professional judgment in the use of information furnished by CITY. In the event that said information is not delivered timely or that it is discovered to be incorrect or misleading, CONTRACTOR will notify the CITY in a reasonable manner within three (3) business days after the discovery of such tardiness or incorrect or misleading information and promptly make a determination of its costs and schedule impact on this AGREEMENT, as well as recommendations for the correction of such incorrect or misleading information.
- 13.4 CONTRACTOR shall perform such professional services as may be necessary to accomplish the work required to be performed under this AGREEMENT in accordance with this AGREEMENT.

13.5 Except as specified in Article 11 and as otherwise provided in this AGREEMENT, the CONTRACTOR shall be and shall remain liable, in accordance with APPLICABLE LAW, for all damages to CITY caused by CONTRACTOR'S negligent performance of any of the services furnished under this AGREEMENT, except for errors, omissions, or other deficiencies to the extent attributable to CITY, CITY-furnished data, or any third party.

ARTICLE 14 - SUCCESSORS AND ASSIGNS

All of the terms, conditions, and provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns provided, however, that no assignment of the AGREEMENT shall be made without written consent of the parties to this AGREEMENT as required under Article 33.

ARTICLE 15 - CONTACT PERSONS - PROPER ADDRESSES - NOTIFICATION

All notices shall be made in writing and may be given by personal delivery, regular mail, facsimile transmission or electronic mail. Notices sent by regular mail should be registered or certified and sent to the designated contact person for each party and addressed as follows:

To CITY:

Shahrouzeh Saneie
Sr. Environmental Engineer
City of Los Angeles - LA Sanitation and Environment
Hyperion Water Reclamation Plant
12000 Vista Del Mar
Playa Del Rey, CA 90293
Fax: (310) 648-5070
Email: Shahrouzeh.saneie@lacity.org

To CONTRACTOR:

Robert Ford
Business Development Manager
Synagro West, LLC.
435 Williams Court, Suite 100
Baltimore, MD 21220
Direct Phone: (323) 843-7265
Email: robertford@synagro.com

ARTICLE 16 - OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all Work Products originated and prepared by CONTRACTOR or its subcontractors of any tier under this CONTRACT shall be and remain the exclusive property of the CITY for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this CONTRACT including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. CONTRACTOR hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by CONTRACTOR under this CONTRACT. CONTRACTOR further agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

For all Work Products delivered to the CITY that are not originated or prepared by CONTRACTOR or its subcontractors of any tier under this CONTRACT, CONTRACTOR hereby grants a non-exclusive perpetual license to use such Work Products for any CITY purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of the CITY.

Any subcontract entered into by CONTRACTOR relating to this CONTRACT, to the extent allowed hereunder, shall include a like provision for work to be performed under this CONTRACT to contractually bind or otherwise oblige its subcontractors performing work under this CONTRACT such that the CITY'S ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of CONTRACTOR to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject CONTRACTOR to the imposition of any and all sanctions allowed by law, including but not limited to termination of CONTRACTOR'S CONTRACT with the CITY.

ARTICLE 17 - EXCUSABLE DELAYS

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this CONTRACT, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's SUBCONTRACTORS),

freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a SUBCONTRACTOR of the CONTRACTOR shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both the CONTRACTOR and SUBCONTRACTOR, and without any fault or negligence of either of them. In such case, the CONTRACTOR shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the SUBCONTRACTOR were obtainable from other sources in sufficient time to permit the CONTRACTOR to perform timely. As used in this CONTRACT, the term "SUBCONTRACTOR" means a SUBCONTRACTOR at any tier.

In the event the CONTRACTOR'S delay or failure to perform arises out of a Force Majeure Event, the CONTRACTOR agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

ARTICLE 18 - SEVERABILITY

Should any portion of this AGREEMENT be determined to be void or unenforceable, such shall be severed from the whole and the AGREEMENT will continue as modified.

ARTICLE 19 - DISPUTES

Should a dispute or controversy arise concerning provisions of this AGREEMENT or the performance of work hereunder, the parties may elect to submit such to a court of competent jurisdiction.

ARTICLE 20 - ENTIRE AGREEMENT

This AGREEMENT contains all of the agreements, representations, and understandings of the parties hereto and supersedes and/or incorporates any previous understandings, proposals, commitments, or agreements, whether oral or written, and may be modified or amended only as herein provided.

ARTICLE 21 – INTELLECTUAL PROPERTY INDEMNIFICATION

The CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the CITY, and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and

outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by CONTRACTOR, or its subcontractors of any tier, in performing the work under this CONTRACT; or (2) as a result of the CITY'S actual or intended use of any Work Product furnished by CONTRACTOR, or its subcontractors of any tier, under the AGREEMENT. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this CONTRACT and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of this article shall survive expiration or termination of this CONTRACT.

ARTICLE 22 - INTELLECTUAL PROPERTY WARRANTY

The CONTRACTOR represents and warrants that its performance of all obligations under this CONTRACT do not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, right of publicity and proprietary information.

ARTICLE 23 – APPLICABLE LAW, INTERPRETATION, AND ENFORCEMENT

Each party's performance hereunder shall comply with all APPLICABLE LAWS of the United States of America, the State of California, and the CITY including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.

This AGREEMENT and its performance shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. None of the parties to this AGREEMENT shall be considered to be the drafter of this AGREEMENT or any provision hereof for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter. This AGREEMENT was drafted with substantial input by the parties.

All causes of action arising directly or indirectly from the business relationship evidenced by this AGREEMENT must be filed in the appropriate state or federal court located in Los Angeles County, California, and each party agrees to be subject to the jurisdiction of the State of California regardless of their residence. The CONTRACTOR shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this AGREEMENT with no additional compensation paid to the CONTRACTOR.

If any part, term, or provision of this AGREEMENT is held void, illegal, unenforceable, or in conflict with any law of a federal, state, or local government or regulation having jurisdiction over this AGREEMENT, the validity of the remaining parts, terms, or provisions of this AGREEMENT shall not be affected thereby.

ARTICLE 24 - SUBCONTRACT APPROVAL

All subcontracts that are one half of one percent (0.5%) of the total contract amount or \$10,000, whichever is greater, shall require submission to the Department of Public Works, Bureau of Contract Administration for approval. A copy of all subcontracts shall be submitted to the CITY PROJECT MANAGER showing the SUBCONTRACTOR's name and dollar amount of each subcontract. Wholly-owned subsidiaries of the CONTRACTOR shall not be considered subcontractors. The CONTRACTOR shall not change any of the designated subcontractors, or reduce their level of effort, listed in this AGREEMENT without the prior written approval of the CITY, provided that such approval will not be unreasonably withheld. The CONTRACTOR shall not add subcontractors to assist in the performance of this AGREEMENT without the prior written approval of the CITY. If the CITY permits the use of the subcontractors, the CONTRACTOR shall remain responsible for performing all aspects of this CONTRACT. The CITY has the right to approve the CONTRACTOR'S SUBCONTRACTORS, and the CITY reserves the right to request replacement of SUBCONTRACTORS. The CITY does not have any obligation to pay the CONTRACTOR'S SUBCONTRACTORS, and nothing herein creates any privity of contract between the CITY and the SUBCONTRACTORS

ARTICLE 25 - MANDATORY PROVISIONS PERTAINING TO NON-DISCRIMINATION EMPLOYMENT

Unless otherwise exempt, this CONTRACT is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. The CONTRACTOR shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and CITY. In performing this CONTRACT, the CONTRACTOR shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of

this CONTRACT by reference.

C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this CONTRACT by reference and will be known as the "Equal Employment Practices" provisions of this CONTRACT.

D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this CONTRACT by reference and will be known as the "Affirmative Action Program" provisions of this CONTRACT.

Any subcontract entered into by the CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 26 - CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE

If applicable, CONTRACTOR represents that it has obtained and presently holds the Business Tax Registration Certification(s) required by the CITY'S Business Tax Ordinance, section 21.00 *et seq.* of the Los Angeles Municipal Code (Attachment 2). For the term covered by this AGREEMENT, the CONTRACTOR shall maintain, or obtain as necessary, all such Certificates required of it under Business Tax Ordinance and shall not allow any such Certificate to be revoked or suspended. Should any such certificate(s) become suspended or revoked, it is the CONTRACTOR'S responsibility to report the matter immediately to the CITY PROJECT MANAGER.

ARTICLE 27 - CHILD SUPPORT ASSIGNMENT ORDERS

This CONTRACT is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, CONTRACTOR will fully comply with all applicable State and Federal employment reporting requirements for CONTRACTOR'S employees. CONTRACTOR shall also certify (1) that the Principal Owner(s) of CONTRACTOR are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that CONTRACTOR will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that CONTRACTOR will maintain such compliance throughout the term of this CONTRACT.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of CONTRACTOR to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the

failure of any Principal Owner(s) of CONTRACTOR to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the CONTRACTOR under this CONTRACT, subjecting this CONTRACT to termination if such default shall continue for more than ninety (90) days after notice of such default to CONTRACTOR by the CITY.

Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this CONTRACT. Failure of CONTRACTOR to obtain compliance of its subcontractors shall constitute a default by CONTRACTOR under this CONTRACT, subjecting this CONTRACT to termination where such default shall continue for more than ninety (90) days after notice of such default to CONTRACTOR by the CITY.

CONTRACTOR certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

ARTICLE 28 - WORKER RETENTION ORDINANCE/ LIVING WAGE ORDINANCE

- A. Unless otherwise exempt in accordance with the provisions of this Ordinance, this AGREEMENT is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 et seq. of the Los Angeles Administrative Code, as amended from time to time, and the Worker Retention Ordinance (WRO), Section 10.36 et seq., of the Los Angeles Administrative Code, as amended from time to time, which are attached hereto as Attachment 7 and incorporated herein by this reference. These Ordinances require the following:
1. The CONTRACTOR assures payment of a minimum initial wage rate to employees, as defined in the LWO and as may be adjusted each July 1, and provision of benefits of compensated and uncompensated days off and health benefits, as defined in the LWO.
 2. The CONTRACTOR further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. The CONTRACTOR shall require each of its SUBCONTRACTORS within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. The CONTRACTOR shall receive and retain on file the executed pledges from each such SUBCONTRACTOR within ninety (90) days of the execution of the subcontract. The CONTRACTOR'S evidence of executed pledges from each such SUBCONTRACTOR shall fully discharge the obligation of the

- CONTRACTOR to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
3. The CONTRACTOR, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the CITY with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. The CONTRACTOR shall post the Notice of Prohibition Against Retaliation provided by the CITY.
 4. Any subcontract entered into by the CONTRACTOR relating to this AGREEMENT, to the extent allowed hereunder, shall be subject to the provisions of LWO and the SCWRO, and shall incorporate the LWO and the WRO.
 5. The CONTRACTOR shall comply with all rules, regulations and policies promulgated by the CITY's DAA, which may be amended from time to time.
- B. Under the provisions of Section 10.36.3(c) and Section 10.37.6(c) of the Los Angeles Administrative Code, the CITY shall have the authority, under appropriate circumstances, to terminate this AGREEMENT and otherwise pursue legal remedies that may be available if the CITY determines that the subject CONTRACTOR has violated provisions of the LWO and the WRO or both.
- C. Where under the LWO Section 10.37.6(d), the CITY's DAA has determined (a) that CONTRACTOR is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the CITY in such circumstances may impound monies otherwise due the CONTRACTOR in accordance with the following procedures. Impoundment shall mean that from monies due the CONTRACTOR, the CITY may deduct the amount determined to be due and owing by the CONTRACTOR to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d) (3) and disposed of under procedures there described through final and binding arbitration. Whether the CONTRACTOR is to continue work following an impoundment shall remain in the sole discretion of the CITY. The CONTRACTOR may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. The CONTRACTOR shall inform employees of their possible right to the federal Earned Income Credit (EIC) under Section 32 of the Internal Revenue Code of 1954, 26 U.S.C § 32. The CONTRACTOR shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from the CONTRACTOR.

ARTICLE 29 – LOS ANGELES BUSINESS INCLUSION PROGRAM

CONTRACTOR agrees and obligates itself to utilize the services of Minority, Women, Small, Emerging, Disabled Veteran and Other Business Enterprise (MBE/WBE/SBE/EBE/DVBE/OBE) firms on a level so designated in its proposal, if any. CONTRACTOR certifies that it has complied with Mayoral Executive Directive 14 regarding the Outreach Program for Personal Services Contracts. CONTRACTOR shall not change any of these designated SUBCONTRACTORS, nor shall CONTRACTOR reduce their level of effort, without prior written approval of the CITY, provided that such approval shall not be unreasonably withheld.

CONTRACTOR agrees and obligates itself to submit a signed MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile, provided herein as [Attachment 11], for each invoice as described in Article 9, listing current MBE/WBE/SBE/EBE/DVBE/OBE amounts invoiced as part of the invoicing procedures.

ARTICLE 30 - SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt, in accordance with the provisions of this Ordinance, this AGREEMENT is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as may be amended from time to time, which is attached hereto as Attachment 8 and incorporated herein by this reference. The CONTRACTOR certifies that it has complied with the applicable provisions of this Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this AGREEMENT.

ARTICLE 31 - WAIVER

A waiver of a default of any part, term or provision of this AGREEMENT shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

ARTICLE 32 - PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

The CONTRACTOR may not, unless it has first obtained the written permission of the CITY;

- (a) Assign or otherwise alienate any of its rights hereunder, including the right to payment; or
- (b) Delegate, subcontract, or otherwise transfer any of its duties hereunder.

ARTICLE 33 - DISCOUNT TERMS

The CONTRACTOR agrees to offer the CITY any discount terms that are offered to its best customers for the like goods and services to be provided hereunder and apply such discounts to payments made under this AGREEMENT which meet the discount terms to the extent that is commercially reasonable without having a negative impact to Synagro's Business.

ARTICLE 34 - CONTRACTOR PERFORMANCE EVALUATION ORDINANCE

At the end of this AGREEMENT, the CITY will conduct an evaluation of the CONTRACTOR's performance. The CITY may also conduct evaluations of the CONTRACTOR's performance during the term of the AGREEMENT. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on a number of criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the CONTRACTOR assigns to the AGREEMENT. A contractor who receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final CITY evaluation and allowed fourteen (14) CALENDAR DAYS to respond. The CITY will use the final CITY evaluation, and any response from the CONTRACTOR, to evaluate proposals and to conduct reference checks when awarding other service contracts.

ARTICLE 35 - CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt, this CONTRACT is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of the Los Angeles Administrative Code, as amended from time to time, which requires the CONTRACTOR to update its responses to the responsibility questionnaire within thirty (30) CALENDAR DAYS after any change to the responses previously provided if such change would affect the CONTRACTOR'S fitness and ability to continue performing this CONTRACT. (Attachment 1)

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this CONTRACT, the CONTRACTOR pledges, under penalty of perjury, to comply with all applicable federal, state, and local laws in the performance of this CONTRACT, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. The CONTRACTOR further agrees to: (1) notify the CITY within thirty (30) CALENDAR DAYS after receiving notification that any government agency has initiated an investigation which may result in a finding that the CONTRACTOR is not in compliance with all applicable federal, state, and local laws in the performance of this CONTRACT; (2) notify the CITY within thirty (30) CALENDAR DAYS of all findings by a government agency or court of competent jurisdiction that the CONTRACTOR has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its SUBCONTRACTOR(s), as

defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the CITY; and (4) unless exempt, ensure that its SUBCONTRACTOR(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the CITY within thirty (30) CALENDAR DAYS after any government agency or court of competent jurisdiction has initiated an investigation or has found that the SUBCONTRACTOR has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

ARTICLE 36 - BREACH

Except for Force Majeure, if any party fails to perform, in whole or in part, any promise, covenant, or AGREEMENT set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

ARTICLE 37 - PERMITS

The CONTRACTOR and its directors, officers, partners, agents, employees, and SUBCONTRACTORS, to the extent allowed hereunder, shall obtain and maintain all PERMITS, licenses, certifications, and other documents necessary for the CONTRACTOR's performance of the services hereunder and shall pay any fees required therefore. The CONTRACTOR certifies to immediately notify, within two (2) business days, the CITY of any suspension, termination, lapses, non-renewals, or restrictions of licenses, PERMITS, certificates, or other documents that relate to the CONTRACTOR's performance of this CONTRACT.

ARTICLE 38 - CLAIMS FOR LABOR AND MATERIALS

The CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this AGREEMENT so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible or intangible matter produced by the CONTRACTOR hereunder), against the CONTRACTOR's rights to payments hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act or any other APPLICABLE LAW with respect to such labor used to perform under this CONTRACT.

ARTICLE 39 - MUNICIPAL LOBBYING ORDINANCE

The CONTRACTOR shall submit a certification, on a form prescribed by the City Ethics Commission, that the CONTRACTOR acknowledges and agrees to comply with the

disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance, Attachment 11, if the CONTRACTOR qualifies as a lobbying entity under the Ordinance. The exemptions contained in Los Angeles Administrative Code Section 10.40.4 shall not apply to this subsection.

ARTICLE 40 - FIRST SOURCE HIRING ORDINANCE

Unless otherwise exempt in accordance with the provisions of this Ordinance, this CONTRACT is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 et seq. of the Los Angeles Administrative Code, as amended from time to time. (Attachment 12)

The CONTRACTOR shall, prior to the execution of this CONTRACT, provide to the DAA a list of anticipated employment opportunities that the CONTRACTOR estimates it will need to fill in order to perform the services under this CONTRACT.

The CONTRACTOR further pledges that it shall, during the term of this CONTRACT, a) at least seven (7) business days prior to making an announcement of a specific employment opportunity, provide notifications of that employment opportunity to the Economic Workforce and Development Department (EWDD), which will refer individuals for interview; b) interview qualified individuals referred by EWDD; and c) Prior to filling any employment opportunity, the CONTRACTOR shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who the CONTRACTOR interviewed, and the reasons why referred individuals were not hired.

Any subcontract entered into by the CONTRACTOR relating to this AGREEMENT, to the extent allowed hereunder, shall be subject to the provisions of FSHO and shall incorporate the FSHO.

The CONTRACTOR shall comply with all rules, regulations, and policies promulgated by the DAA, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the Los Angeles Administrative Code the DAA has determined that the CONTRACTOR intentionally violated or used hiring practices for the purpose of avoiding the article, the determination must be documented in the Awarding Authority's Contractor Evaluation, required under Los Angeles Administrative Code Section 10.39 et seq., and must be documented in each of the CONTRACTOR's subsequent Contractor Responsibility Questionnaires submitted under Los Angeles Administrative Code Section 10.40 et seq. This measure does not limit the CITY's authority to act under this article.

Under the provisions of Section 10.44.8 of the Los Angeles Administrative Code, the

Awarding Authority shall, under appropriate circumstances, terminate this CONTRACT and otherwise pursue legal remedies that may be available if the DAA determines that the subject CONTRACTOR has violated provisions of the FSHO.

ARTICLE 41 - COMPLIANCE WITH LOS ANGELES CITY CHARTER SECTION 470(C)(12) FOR MEASURE H/CONTRACTOR CONTRIBUTIONS/FUNDRAISING

Unless otherwise exempt, if this AGREEMENT is valued at \$100,000 or more and requires approval by an elected CITY office, the CONTRACTOR, CONTRACTOR's principals, and the CONTRACTOR's SUBCONTRACTORS expected to receive at least \$100,000 for performance under this AGREEMENT, and the principals of those SUBCONTRACTORS (the "Restricted Persons") shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles the CITY to terminate this AGREEMENT and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected CITY officials or candidates for elected CITY office for twelve months after this AGREEMENT is signed. Additionally, the CONTRACTOR, subject to Charter Section 470(c)(12), is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any contractor subject to Charter Section 470(c)(12) shall include the following notice in any contract with any subcontractor expected to receive at least \$100,000 for performance under this AGREEMENT:

"Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on the City of Los Angeles Contract #_____. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles ("CITY") officials and candidates for elected CITY office for twelve months after the CITY contract is signed. You are required to provide the names and contact information of your principals to the CONTRACTOR and to amend that information within ten business days if it changes during the twelve-month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960."

ARTICLE 42 - IRAN CONTRACTING ACT OF 2010

In accordance with California Public Contract Code Sections 2200-2208, all bidders submitting proposals for, entering into, or renewing contracts with the City of Los Angeles for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the Iran Contracting Act of 2010 Compliance Affidavit. (Attachment 14)

ARTICLE 43 - CONTRACTORS' USE OF CRIMINAL HISTORY FOR CONSIDERATION OF EMPLOYMENT APPLICATIONS

The CONTRACTOR shall comply with the CITY's Contractors' Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 et seq., as amended from time to time. Any subcontract entered into by the CONTRACTOR for work to be performed under this AGREEMENT must include an identical provision.

ARTICLE 44 - CONFIDENTIALITY

All documents, information, and CITY-provided data or consumer-provided data acquired in the course and scope of this CONTRACT, including but not limited to customer lists and customer credit card or consumer data, materials provided to the CONTRACTOR by the CITY or developed by the CONTRACTOR pursuant to this AGREEMENT (collectively "Confidential Information") are confidential. The CONTRACTOR shall not provide, and shall prohibit its employees and subcontractors from providing or disclosing, any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by the CITY or as required by law. The CONTRACTOR shall immediately notify the CITY of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this AGREEMENT.

ARTICLE 45 - DISCLOSURE OF BORDER WALL CONTRACTING ORDINANCE

The CONTRACTOR shall comply with Los Angeles Administrative Code Section 10.50 et seq., 'Disclosure of Border Wall Contracting.' The CITY may terminate this AGREEMENT at any time if the CITY determines that the CONTRACTOR failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in LAAC Section 10.50.1.

ARTICLE 46 - LOCAL BUSINESS PREFERENCE ORDINANCE

The CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 et seq., as amended from time to time. Any subcontract entered into by the CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 47 - COMPLIANCE WITH IDENTITY THEFT LAWS AND PAYMENT CARD DATA SECURITY STANDARDS

The CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and

Accurate Credit Transactions Act ("FACTA"), including its requirement relating to the content of transaction receipts provided to Customers. The CONTRACTOR also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards ("PCI DSS"). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, the CONTRACTOR shall verify proper truncation of receipts in compliance with FACTA.

ARTICLE 48 - INTEGRATED CONTRACT

This CONTRACT sets forth all of the rights and duties of the parties with respect to the subject matter of this CONTRACT, and replaces any and all previous contracts or understandings, whether written or oral, relating thereto. This CONTRACT may be amended only as provided for in the provisions of Article 10 hereof.

ARTICLE 49 - COMPLIANCE WITH CALIFORNIA PUBLIC RESOURCES CODE SECTION 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, CONTRACTOR shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by CITY. CONTRACTOR is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of CONTRACTOR working on premises to pass a fingerprint and background check through the California Department of Justice at CONTRACTOR'S sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

ARTICLE 50 - POSSESSORY INTERESTS TAX

Rights granted to CONTRACTOR by CITY may create a possessory interest. CONTRACTOR agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, CONTRACTOR shall pay the property tax. CONTRACTOR acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

ARTICLE 51 - ACCESS AND ACCOMMODATIONS

CONTRACTOR represents and certifies that:

CONTRACTOR shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135; CONTRACTOR shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability; CONTRACTOR shall provide reasonable accommodation upon request to ensure equal access to CITY-funded programs, services and activities; Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and the buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that the CITY is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by CONTRACTOR for work to be performed under this Contract must include an identical provision.

ARTICLE 52 - SUSPENSION

At the CITY'S sole discretion, the CITY may suspend any or all services provided under this Contract by providing the CONTRACTOR with written notice of suspension. Upon receipt of the notice of suspension, the CONTRACTOR shall immediately cease the services suspended and shall not incur any additional obligations, costs, or expenses to the CITY until the CITY gives written notice to recommence the services.

ARTICLE 53 – COUNTERPARTS

This AGREEMENT may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the CITY) and sent by e-mail shall be deemed original signatures.

ARTICLE 54 - CONTRACTOR DATA REPORTING

If Contractor is a for-profit, privately owned business, Contractor shall, within 30 days of the effective date of the Contract and on an annual basis thereafter (i.e., within 30 days of the annual anniversary of the effective date of the Contract), report the following information to City via the Regional Alliance Marketplace for Procurement ("RAMP") or via another method specified by City: Contractor's and any Subcontractor's annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner ("Contractor/Subcontractor Information"). Contractor shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by City.

ARTICLE 55 – ADJUSTMENTS DUE TO CHANGE IN LAW

Subject to substantiation and approval by City, the CONTRACTOR may adjust the SERVICE FEE to recover any direct costs incurred as a result of any change in applicable Federal, State, or local laws, ordinances, regulations, or the issuance of any order, judgment, or directive by a governmental authority or court that adversely affects the rights, obligations, or performance of either party under this AGREEMENT ("CHANGE IN LAW"). It is specifically understood that a CHANGE IN LAW does not include: (i) the failure of a government authority to approve the CONTRACTOR's staffing plan or any changes therein over time; (ii) a change in the nature or severity of the actions taken by a governmental authority to enforce an APPLICABLE LAW which was effective as of the full execution of this AGREEMENT; (iii) changes in federal, state, or local minimum wage laws; (iv) changes in federal or state income tax laws.

No later than fifteen (15) CALENDAR DAYS after the CONTRACTOR determines that any CHANGE IN LAW will require an adjustment in the SERVICE FEE, CONTRACTOR shall send the CITY a written notice describing the CHANGE IN LAW, providing the reasons for the adjustment, and enclosing documentation substantiating the adjustment. The CITY shall complete its review of CONTRACTOR'S submittal within 30 days of receipt thereof, and respond in writing that the CONTRACTOR's request is accepted, rejected, or accepted with adjustments, and the reasons for the CITY's decision and any additional material required. If the adjustment is denied or adjusted, CONTRACTOR shall have the option to submit further evidence and/or material to support its adjustment and if necessary, the parties shall meet and confer in good faith to address the CONTRACTOR's request. CITY shall issue its final decision regarding the request no later than 60 days after CONTRACTOR's initial notice. Any adjustment granted by the CITY shall be retroactive to the date the CONTRACTOR incurred the increased cost, but not retroactive to a date before CONTRACTOR notified the CITY of said increased cost.

If at any time the adjustment in the SERVICE FEE for a single CHANGE IN LAW results in an increase in the SERVICE FEE of more than twenty-five percent (25%) over what the SERVICE FEE would have been had there been no such CHANGES IN LAW, then the CITY will have the option to terminate this AGREEMENT upon thirty (30) CALENDAR DAYS written notice to the CONTRACTOR. Furthermore, if at any time the total cumulative adjustment in the SERVICE FEE, results in an increase in the SERVICE FEE of more than fifty percent (50%) over what the SERVICE FEE would have been had there been no CHANGES IN LAW, then the CITY will have the option to terminate this AGREEMENT upon thirty (30) CALENDAR DAYS written notice to the CONTRACTOR. If a CHANGE IN LAW increases the CONTRACTOR costs by twenty-five percent (25%) or more, and the CITY does not accept the CONTRACTOR adjustment within 30 days of the CONTRACTOR notice, the CONTRACTOR can terminate this AGREEMENT. Notwithstanding, anything to the contrary in the foregoing, the CONTRACTOR, may, in its sole discretion, prior to any noticed termination date, choose to absorb all or a portion of the increased cost due to a CHANGE IN LAW to keep the increases paid by the CITY below these thresholds and in such case the CITY will not have the right to terminate this AGREEMENT in accordance with this.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on the day and year written below.

CITY OF LOS ANGELES

By: _____

Title: Commissioner, Board of Public Works

Date: _____

By: _____

Title: Commissioner, Board of Public Works

Date: _____

APPROVED AS TO FORM:

HYDEE FELDSTEIN SOTO, City Attorney

By: _____
Virginia Choi

Title: Deputy City Attorney

Date: _____

ATTEST:

PETTY F. SANTOS, Interim City Clerk

By: _____

Title: Deputy City Clerk

Date: _____

**FOR SYNAGRO WEST, LLC.
AGREED AND APPROVED TO:**

By: 
EMIL KNEIS
Sales support Manager

Title: Sales Support Manager

Date: 8/29/2025

ATTACHMENT 1

CONTRACTORS RESPONSIBILITY ORDINANCE

ATTACHMENT 2
BTRC NOTICE AND APPLICATION

ATTACHMENT 3
INSURANCE REQUIREMENT PACKAGE

ATTACHMENT 4

CITY OF LOS ANGELES CONTRACT HISTORY FORM

ATTACHMENT 5

WORKER RETENTION ORDINANCE/ LIVING WAGE
ORDINANCE

ATTACHMENT 6

STANDARD PROVISIONS FOR CITY CONTRACTS

ATTACHMENT 7

LOS ANGELES RESIDENCE INFORMATION FORM

ATTACHMENT 8
NON COLLUSION AFFIDAVIT

ATTACHMENT 9

MUNICIPAL LOBBYING ORDINANCE/ CONTRACT BIDDER
CERTIFICATION OF COMPLIANCE FORM

ATTACHMENT 10

MAPS OF HYPERION AND TERMINAL ISLAND WATER RECLAMATION PLANTS

ATTACHMENT 11
BUSINESS INCLUSION PROGRAM

ATTACHMENT 12

**CONTRACT BIDDER CAMPAIGN CONTRIBUTION AND
FUNDRAISING RESTRICTIONS**

ATTACHMENT 13
LOCAL BUSINESS PREFERENCE PROGRAM

ATTACHMENT 14

**IRAN CONTRACTING ACT OF 2010 COMPLIANCE
AFFIDAVIT**

ATTACHMENT 15
EQUAL BENEFITS ORDINANCE

ATTACHMENT 16
SLAVERY DISCLOSURE ORDINANCE

ATTACHMENT 17
FIRST SOURCE HIRING ORDINANCE

ATTACHMENT 18

DISCLOSURE OF BORDER WALL CONTRACTING
ORDINANCE

ATTACHMENT 19
LABOR COMPLIANCE MANUAL

CITY OF LOS ANGELES
CALIFORNIA



KAREN BASS
MAYOR

TRANSMITTAL NO. 3

BUREAU OF SANITATION

BARBARA ROMERO
DIRECTOR AND GENERAL MANAGER

VACANT
CHIEF OPERATING OFFICER

SARAI BHAGA
CHIEF FINANCIAL OFFICER

JULIE ALLEN
NICOLE BERNSON
MAS DOJIRI
ALEXANDER E. HELOU
ROBERT POTTER
ASSISTANT DIRECTORS

HI SANG KIM
HYPERION EXECUTIVE PLANT MANAGER

1149 SOUTH BROADWAY, 9TH FLOOR
LOS ANGELES, CA 90015
TEL: (213) 485-2210

BOARD OF PUBLIC WORKS
MEMBERS

VAHID KHORSAND
PRESIDENT

JENNY CHAVEZ
VICE PRESIDENT

JOHN GRANT
PRESIDENT PRO TEMPORE

STEVE KANG
COMMISSIONER

FAITH MITCHELL
COMMISSIONER

TJ KNIGHT
ACTING EXECUTIVE OFFICER

December 5, 2024

ELECTRONIC MAIL

Mr. Gabriel Cruz
GIC Corporation
4501 Kenmar Lane
Arvin, CA 93203

RE: RFP FOR THE MANAGEMENT OF THE CITY OF LOS ANGELES BIOSOLIDS

Dear Mr. Cruz.

As discussed during the mandatory Pre-proposal meeting on August 7, 2024, and as discussed in detail in the RFP Attachment 7 Business Inclusion Program, your firm was required to use the City's Regional Alliance Marketplace for Procurement (RAMP) to perform and complete the mandatory Business Inclusion Program (BIP) outreach.

Our records indicate GIC Corporation did not use RAMP to meet the mandatory BIP outreach requirements, and so your company cannot be considered for Award.

If you have any questions regarding this decision, please respond by email, as below, no later than 4 p.m., 12/12/2024.

Sincerely,

John Pattison
Centralized Contracting Unit
LA Sanitation and Environment

Email: John.Pattison@lacity.org

CITY OF LOS ANGELES TRANSMITTAL NO. 4

CALIFORNIA

BUREAU OF SANITATION

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DIRECTOR AND GENERAL MANAGER

VACANT
CHIEF OPERATING OFFICER

SARAI BHAGA
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MAS DOJIRI
ALEXANDER E. HELOU
ROBERT POTTER
ASSISTANT DIRECTORS

HI SANG KIM
ACTING HYPERION EXECUTIVE PLANT MANAGER

1148 SOUTH BROADWAY, 9TH FLOOR
LOS ANGELES, CA 90015
TEL: (213) 485-2210
WWW.LACITYSAN.ORG

December 5, 2024

ELECTRONIC MAIL

Mr. Josephine McMahan
Nuway Express
9221 Corbin Ave., Ste. 105
Northridge, CA 91324

RE: RFP FOR THE MANAGEMENT OF THE CITY OF LOS ANGELES BIOSOLIDS

Dear Mr. McMahan.

Thank you for submitting your proposal in response to Request for Proposal for the management of the City of Los Angeles biosolids. After thoroughly evaluation of your proposal, it's determined your organization cannot be considered for Award.

If you have any questions regarding this decision, please contact my staff, Shahrouzeh Saneie, at (310) 648-5239 or shahrouzeh.saneie@lacity.org.

Sincerely,

Hi Sang Kim
Acting Hyperion Executive Plant Manager
LA Sanitation and Environment