

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to a service agreement with Synagro West, LLC for the management of biosolids.

Recommendation for Council action:

AUTHORIZE the Board of Public Works (BPW), or two members, 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 BPW, subject to approval by the City Attorney as to form.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that 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 CAO reports that the above recommendation 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.

Community Impact Statement: None submitted

TIME LIMIT FILE – JULY 25, 2026

(LAST DAY FOR COUNCIL ACTION – JULY 1, 2026)

SUMMARY

At the meeting held on June 16, 2026, your Energy and Environment Committee considered a CAO report relative to a service agreement with Synagro West, LLC for the management of biosolids.

After an opportunity for public comment, the Committee moved to approve the recommendation stated in the CAO report, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
NAZARIAN	YES
YAROSLAVSKY	ABSENT
JURADO	YES
RAMAN	YES
PADILLA	YES

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-