



**CITY OF PALO ALTO
CITY COUNCIL
Special Meeting
Monday, March 24, 2025
Council Chambers & Hybrid
5:30 PM**

Agenda Item

4. Approval of General Services Contract No. C25192791 with Synagro-WTT, Inc for Sludge Hauling Services for a Term of Three Years in an Amount Not to Exceed \$2,584,756, for the Regional Water Quality Control Plant; CEQA Status – Not a Project



City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR

Lead Department: Public Works

Meeting Date: March 24, 2025

Report #:2409-3501

TITLE

Approval of General Services Contract No. C25192791 with Synagro-WTT, Inc for Sludge Hauling Services for a Term of Three Years in an Amount Not to Exceed \$2,584,756, for the Regional Water Quality Control Plant; CEQA Status – Not a Project

RECOMMENDATION

Staff recommends that Council approve and authorize the City Manager or their designee to execute Contract No. C25192791 with Synagro-WTT, Inc for Sludge Hauling Services for the Regional Water Quality Control Plant (RWQCP) for a term of three years, in an amount not to exceed \$2,584,756.

EXECUTIVE SUMMARY

Since 2019, the City has relied on contracted services to meet the sludge hauling needs of the RWQCP. The existing sludge hauling services contract, C22183016A, ends on March 31, 2025. A formal solicitation of bids was conducted through a request for quotation. Following this competitive solicitation process, staff recommends that Synagro-WTT, Inc (Synagro) be awarded the contract for sludge hauling services at the RWQCP. This contract is only for hauling sludge from the City to the two different locations that treat the sludge; the RWQCP has two separate contracts for treatment of biosolids.

BACKGROUND

The City Council approved retiring the City's two 46-year-old sewage sludge incinerators as a measure to reduce carbon dioxide emissions by over 12,000 metric tons annually.¹ The incinerators operated from 1972 until their replacement in March 2019 with a new sludge dewatering and truck loadout facility. Since March 2019, the sludge has been hauled to two

¹ City Council, December 11, 2017; SR #8487;

<https://portal.laserfiche.com/Portal/DocView.aspx?id=50892&repo=r-704298fc&searchid=b39fdc30-2d56-4f1a-9bd5-8071b932d3e7>

different regional treatment facilities. To prepare for hauling and treatment, the City solicited requests for proposals for sludge hauling and treatment services in 2017. Council approved a contract with Denali Water Solutions, LLC (Denali) in an amount not to exceed \$2,181,000 for hauling services through March 31, 2022.² Council approved a second contract with Denali in an amount not to exceed \$2,427,084 through March 31, 2025.³ As part of a corporate acquisition, the Denali contract was reassigned to Synagro on September 4, 2024.³ A new contract is needed to begin three more years of hauling services beginning April 1, 2025. Five-year contracts for sludge treatment services with Lystek International Limited (Lystek) and Synagro were originally approved with a term through March 31, 2024.⁴ The current contracts with Lystek and Synagro on expire March 31, 2029.⁵

ANALYSIS

Staff recommends award of the sludge hauling contract to Synagro. Hauling unit prices relate to distance and route logistics from RWQCP to the treatment facility (e.g., bridge tolls, weigh stations, traffic, driver start/end location, drive time restrictions per driver, etc.). A breakdown of total contract cost is shown in Table 1.

Table 1: Contract Cost and Estimated Sludge Production Details			
Dates	Cost	Estimated Maximum Sludge Production	Comment
4/1/25 – 3/31/26	\$826,735	21,424	1
4/1/26 – 3/31/27	\$857,571	22,281	2
4/1/27 – 3/31/28	\$900,450	25,089	2, 3
Note 1: 15,624 wet tons * \$38.94 / wet ton to Synagro CVC = \$608,398.56 5,800 wet tons * \$35.92 / wet ton to Lystek International = \$208,336.00 safety program expenses in year one only = \$10,000			

² City Council, June 18, 2018; SR #8913; <https://portal.laserfiche.com/Portal/DocView.aspx?id=134741&repo=r-704298fc&searchid=9de9f837-42f3-452c-b3ab-23a8a8c93c1b>

³ City Council, January 24, 2022; SR #13520; <https://portal.laserfiche.com/Portal/DocView.aspx?id=59319&repo=r-704298fc>

³ Fully Executed Reassigned Sludge Hauling Contract, September 4, 2024; www.cityofpaloalto.org/files/assets/public/v/1/public-works/rwqcp/contracts/synagro_denali_aa_fullyexecuted_20250226180956.446_x.pdf

⁴ City Council, June 18, 2018; SR #8913; <https://portal.laserfiche.com/Portal/DocView.aspx?id=134741&repo=r-704298fc&searchid=9de9f837-42f3-452c-b3ab-23a8a8c93c1b>

⁵ City Council, February 12, 2024; Agenda Item #4, SR#2309-2048; <https://portal.laserfiche.com/Portal/DocView.aspx?id=70369&repo=r-704298fc>

Note 2: Annual increase assumed to be a 5% Consumer Price Index for Urban Wage Earners and Clerical Workers for the San Francisco-Oakland-San Jose Area per Contract Section 6

Note 3: Additional sludge production is expected with upgraded Secondary Treatment system, which is expected to produce an estimated 34% additional waste activated sludge or about 10% additional total sludge production beginning in June 2027

The recommended contract, not to exceed \$2,584,756, is based on a combination of the unit prices per wet ton and the annual increase assumed to be 5% per Contract Section 6. Additional sludge production is anticipated in contract year 3. The unit prices from Synagro for hauling to each treatment site are shown in Table 2.

Table 2: Comparison of Unit Prices in \$/Wet Ton in Current and New Contract		
	Current Contract	New Contract
Exhibit C Rates	4/1/24 - 3/31/25	4/1/25 - 3/31/26
To Lystek	\$32.62	\$35.92
To Synagro	\$36.67	\$38.94

The hauling services involve three years of daily loadouts and hauling commencing April 1, 2025, one day after the end of the term of the existing contract with Synagro on March 31, 2025. Pricing reflects current market conditions as they relate to inflation, diesel prices, and prices for truck drivers, including rising costs for diesel fuel and drivers that commenced during the last contract term.

Solicitation Process

On October 24, 2024, a request for quotation (RFQ) for Sludge Hauling Services was posted on OpenGov, the City's eProcurement platform. The bidding period was 40 calendar days. Quotes were received from three contractors on December 3, 2024.

Table 3: Summary of Request for Quotations	
Project Bid Name/Number	Sludge Hauling Services for the Regional Water Quality Control Plant/RFQ192791
Proposed Length of Project	36 Months
Number of Bidders Notified	3346
Number of Bid Packages Downloaded	28
Public Link to Solicitation	https://procurement.opengov.com/portal/palo-alto-ca/projects/123220
Total Days to Respond to Bid	40 days

Mandatory Pre-bid Meeting	Tuesday, November 13, 2024 at 9:00 a.m. PST
Number of Providers at Pre-bid Meeting	Five
Number of Bids Received	Three
Base Bid Price Range	\$810,000 to \$1,026,506.80

Staff reviewed the bids submitted and initially recommended Burton and Son Trucking LLC because they were the lowest bid with a Year One total of \$810,000. On January 9, 2025, Burton and Son Trucking formally requested to withdraw their bid for unknown reasons. The second lowest bidder, Synagro-WWT, Inc. was issued a notice of intent to award on January 21, 2025.

Contingency for Force Majeure Situations

A force majeure may limit sludge disposal options (e.g., damaged roadways, earthquake damage, process breakdowns, new regulatory constraints, etc.). In using multiple treatment contracts with Synagro and Lystek, Palo Alto is benefiting from diversified disposal options, as well as two landfill sites identified by Burton and Son Trucking LLC. In the event sludge deliveries must be suddenly increased to one of the two treatment facilities, notification timelines for each agency are constrained. The RWQCP's 24/7 production of sludge requires a disposal option to be activated and available within one to two days, depending on RWQCP's available onsite storage. The contracted hauler, Synagro, can deliver sludge to two landfills as an emergency backup should the two treatment facilities be unavailable. Since the commencement of hauling services in 2019, emergency use of a landfill has not been required, with both Lystek and Synagro providing reliable daily treatment services. Synagro and Lystek's reliability is expected to continue during the term of the hauling contract. In the event of a potential future emergency requiring use of a landfill, every effort will be made to limit landfill use. Use of landfills is problematic because it conflicts with City zero waste policies; landfill disposal prices are not guaranteed; there are operational and regulatory constraints against using a landfill for sludge disposal; and the landfill would only consider sludge disposal acceptable in short-term emergency situations due to limited ongoing capacity and regulatory limitations to landfilling biosolids.

Ongoing Regulatory Concerns

The City has participated in regional studies⁶ to analyze pollutants in the sludge, including Per- and Poly- Fluoralkyl Substances (PFAS), a family of chemicals found in consumer and industrial products that are known as "forever chemicals". PFAS in biosolids are a concern because they are used as an agricultural soil amendment. California has no regulatory limits for PFAS in biosolids, and PFAS levels monitored in RWQCP biosolids are below the lowest regulatory limits

⁶ Bay Area Clean Water Agencies PFAS Documents; bacwa.org/pfas-links/.

set by Michigan, New York, Wisconsin, and Colorado. In addition, Palo Alto's biosolids are applied only to land used for rangeland, not edible, crops.

Long Range Facilities Plan Update to Look at Future Options for RWQCP Biosolids Treatment

Lystek and Synagro continue to provide an efficient and cost-effective solution for biosolids treatment; however, there may be other future options to better serve the City. A long-term biosolids treatment solution was established with the October 2014 Biosolids Facilities Plan. That plan was re-evaluated in a Biosolids Facilities Plan Update in October 2019, which was completed six months after startup of the new sludge dewatering and truck loadout facility.⁷ The 2019 Biosolids Facilities Plan update continued to show that offsite treatment was the best option in the interim.

The Long Range Facilities Plan⁸ (LRFP) was approved in 2012.⁹ The RWQCP is in the process of updating the LRFP. City Council approved a contract with Carollo Engineers for an LRFP Update including an update to the Biosolids Facilities Plan.¹⁰ The LRFP Update includes a task to develop an updated Biosolids Facility Plan. Development of the draft Plan and review by a Council committee is one of the Council Priority Objectives for 2025, with approval of the Plan expected in early 2026. The results of the evaluation will inform the future efficiency, environmental benefit, and cost effectiveness of sludge hauling and offsite sludge treatment services. As requested by City Council at the August 21, 2023 meeting on property acquisition adjacent to the RWQCP, the evaluation will include an analysis of the need for the Measure "E" site adjacent to the RWQCP.¹¹

FISCAL/RESOURCE IMPACT

Funding for April through June 2025 of this contract is available in the Wastewater Treatment Fund Fiscal Year 2025 Adopted Operating Budget. The last nine months of the first year of the contract and the first three months of second year of the contract are included in the FY 2026 Proposed Operating Budget, and the remaining funding for the contract will be subject to Council approval as part of the annual budget development process.

⁷ Palo Alto Regional Water Quality Control Plant Biosolids Facility Plan Update;
https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/water-quality-control-plant/sludge-dewatering-building/finaldraft_palo_alto_bfp_update.pdf?t=47012.05

⁸ The Long Range Facilities Plan for the Regional Water Quality Control Plant Final Report
<https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/water-quality-control-plant/lrfp-final-report-08-2012.pdf>

⁹ City Council, July 2, 2012; SR #2914; <https://portal.laserfiche.com/Portal/DocView.aspx?id=108061&repo=r-704298fc>

¹⁰ City Council, June 10, 2024; Agenda Item #6, SR #2405-2993
<https://portal.laserfiche.com/Portal/DocView.aspx?id=72805&repo=r-704298fc>

¹¹ City Council, August 21, 2023; Agenda Item #7, #SR 2304-1389;
<https://portal.laserfiche.com/Portal/DocView.aspx?id=67189&repo=r-704298fc&searchid=28067f0a-bccb-4497-8a7a-f5ca48147ac6>

Palo Alto RWQCP treats the combined wastewater from Palo Alto, Los Altos, Los Altos Hills, Mountain View, Stanford University, and the East Palo Alto Sanitary District. Palo Alto's cost share is approximately 37% and the other five agencies' share is approximately 63%.

STAKEHOLDER ENGAGEMENT

This service is part of the RWQCP's operating budget funded by Palo Alto and the five partner agencies who use the RWQCP for wastewater treatment. The five partner agencies are regularly updated on the need for wastewater treatment services. Updates are provided each year at an annual meeting and at other periodic meetings, as needed. With respect to Palo Alto itself, the open meetings on the budget process serve as the main vehicle for engaging the community on both projects and services, and the associated rate impacts.

ENVIRONMENTAL REVIEW

Council action on this item is categorically exempt from review under the California Environmental Quality Act (CEQA) in that awarding a contract for sludge hauling services review involves the operation of an existing facility with negligible or no expansion of use. CEQA Guidelines section 15301.

ATTACHMENTS

Attachment A: Synagro Contract C25192791

APPROVED BY:

Brad Eggleston, Director Public Works/City Engineer

CITY OF PALO ALTO CONTRACT NO. C25192791

GENERAL SERVICES AGREEMENT

THIS AGREEMENT made and entered into on the 24th day of March, 2025, by and between the **CITY OF PALO ALTO**, a California chartered municipal corporation ("**CITY**"), and **SYNAGRO-WWT, INC.**, a corporation, located at 435 Williams Court, Suite 100, Baltimore, MD 21220, Telephone Number: 510-890-7833 ("**CONTRACTOR**"). In consideration of their mutual covenants, the parties hereto agree as follows:

1. **SERVICES.** CONTRACTOR shall provide or furnish the services (the "Services") described in the Scope of Services, attached at Exhibit A.
2. **EXHIBITS.** The following exhibits are attached to and made a part of this Agreement:

- ☒ "A" - Scope of Services
- ☒ "A-1" – Palo Alto Sludge Characteristics
- ☒ "B" - Schedule of Performance
- ☒ "C" – Schedule of Fees
- ☒ "D" - Insurance Requirements
- ☒ "E" - Performance Bond
- ☒ "F" – Subcontractor Listing Form

CONTRACT IS NOT COMPLETE UNLESS ALL INDICATED EXHIBITS ARE ATTACHED.

3. **TERM.**

The term of this Agreement is from April 1, 2025 to March 31, 2028 inclusive, subject to the provisions of Sections R and W of the General Terms and Conditions.

4. **SCHEDULE OF PERFORMANCE.** CONTRACTOR shall complete the Services within the term of this Agreement in a reasonably prompt and timely manner based upon the circumstances and direction communicated to CONTRACTOR, and if applicable, in accordance with the schedule set forth in the Schedule of Performance, attached at Exhibit B. Time is of the essence in this Agreement.

5. **COMPENSATION FOR ORIGINAL TERM.** CITY shall pay and CONTRACTOR agrees to accept as not-to-exceed compensation for the full performance of the Services and reimbursable expenses, if any:

☐ The total maximum lump sum compensation of dollars (\$)); **OR**

☐ The sum of dollars (\$)) per hour, not to exceed a total maximum

compensation amount of dollars (\$)); **OR**

- ☒ A sum calculated in accordance with the fee schedule set forth at Exhibit C, not to exceed a total maximum compensation amount of Eight Hundred Twenty-Six Thousand Seven Hundred Thirty-Five dollars (\$826,735) for year one, which includes \$10,000.00 for safety training, which includes Respiratory Protection Program costs, regarding sludge hauling.

CONTRACTOR agrees that it can perform the Services for an amount not to exceed the total maximum compensation set forth above. Any hours worked or services performed by CONTRACTOR for which payment would result in a total exceeding the maximum amount of compensation set forth above for performance of the Services shall be at no cost to CITY.

- ☐ CITY has set aside the sum of (\$) for Additional Services. CONTRACTOR shall provide Additional Services only by advanced, written authorization from the City Manager or designee. CONTRACTOR, at the CITY's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONTRACTOR's proposed maximum compensation, including reimbursable expense, for such services. Compensation shall be based on the hourly rates set forth above or in Exhibit C (whichever is applicable), or if such rates are not applicable, a negotiated lump sum. CITY shall not authorize and CONTRACTOR shall not perform any Additional Services for which payment would exceed the amount set forth above for Additional Services. Payment for Additional Services is subject to all requirements and restrictions in this Agreement.

6. COMPENSATION DURING ADDITIONAL TERMS.

- ☐ CONTRACTOR'S compensation rates for each additional term shall be the same as the original term; **OR**
- ☒ CONTRACTOR's compensation amount outlined in Exhibit C, hourly rates, or fees, whichever is applicable as set forth in Section 5 above, is inclusive of an annual Consumer Price Index adjustment effective immediately following the first year of active hauling services (April 1, 2026) adjusted by a percentage equal to the change in the Consumer Price Index for Urban Wage Earners and Clerical Workers for the San Francisco-Oakland- San Jose area, published by the United States Department of Labor Statistics (CPI) which is published most immediately preceding the commencement of the applicable Additional Term, which shall be compared with the CPI published most immediately preceding the commencement date of the then expiring term. Notwithstanding the foregoing, in no event shall CONTRACTOR's compensation rates be increased by an amount exceeding five percent of the rates effective during the immediately preceding term. Any further adjustment to CONTRACTOR's compensation rates shall be

reflected in a written amendment to this Agreement.

- 7. CLAIMS PROCEDURE FOR “9204 PUBLIC WORKS PROJECTS”.** For purposes of this Section 7, a “9204 Public Works Project” means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind. Public Contract Code Section 9204 mandates certain claims procedures for Public Works Projects.

☐ **This project is a 9204 Public Works Project** and is required to comply with the claims procedures set forth in Appendix __, attached hereto and incorporated herein.

OR

☒ **This project is not a 9204 Public Works Project.**

- 8. INVOICING.** Send all invoices to CITY, Attention: Project Manager. The Project Manager is: Andrew Lee, Assistant Plant Manager, Dept.: Public Works, Regional Water Quality Control Plant (RWQCP), 2501 Embarcadero Way, Palo Alto, CA 94303 Telephone: 650-566-4542; Email: rwqcp.invoices@cityofpaloalto.org and andrew.lee4@cityofpaloalto.org. Invoices shall be submitted in arrears for Services performed. Invoices shall not be submitted more frequently than monthly. Invoices shall provide a detailed statement of services performed during the invoice period, which are subject to verification by CITY. Invoices must be accompanied by supporting documentation that verifies the services performed and substantiates the charges. Invoices must also clearly list the correct purchase order number. CITY shall pay the undisputed amount on the invoices within 30 days of receipt of a complete and correct invoice.

GENERAL TERMS AND CONDITIONS

- A. ACCEPTANCE.** CONTRACTOR accepts and agrees to all terms and conditions of this Agreement. This Agreement includes and is limited to the terms and conditions set forth in sections 1 through 8 above, these general terms and conditions and the attached exhibits.
- B. QUALIFICATIONS.** CONTRACTOR represents and warrants that it has the expertise and qualifications to complete the services described in Section 1 of this Agreement, entitled “SERVICES,” and that every individual charged with the performance of the services under this Agreement has sufficient skill and experience and is duly licensed or certified, to the extent such licensing or certification is required by law, to perform the Services. CITY expressly relies on CONTRACTOR’s representations regarding its skills, knowledge, and certifications. CONTRACTOR shall perform all work in accordance with generally accepted business practices and performance standards of the industry, including all federal, state, and local operation and safety regulations.

- C. INDEPENDENT CONTRACTOR.** It is understood and agreed that in the performance of this Agreement, CONTRACTOR and any person employed by CONTRACTOR shall at all times be considered an independent CONTRACTOR and not an agent or employee of CITY. CONTRACTOR shall be responsible for employing or engaging all persons necessary to complete the work required under this Agreement.
- D. SUBCONTRACTORS.** CONTRACTOR may not use subcontractors to perform any Services under this Agreement unless CONTRACTOR obtains prior written consent of CITY. CONTRACTOR shall be solely responsible for work performed by approved subcontractors and for any compensation due to subcontractors.

The subcontractors authorized by CITY to perform work on this Project are:

J&L Trucking – DOT #2461583
Reyes Trucking – DOT #1930207
Yellowstone Transport, LLC – DOT #2762132

CONTRACTOR bears the sole responsibility for CONTRACTOR's and subcontractors' costs incurred in the performance of services under this Agreement, including any of CONTRACTOR's administrative and overhead expenses.

CONTRACTOR shall provide City with a hauling schedule so the City will know what days each subcontractor will hauling.

CONTRACTOR shall notify Program Manager in advance of any change to the selected subcontractor(s) and hauling schedule in advance of any such change

CONTRACTOR shall provide City with updated contact information for each subcontractor if at any time different from the information provided on Exhibit F SUBCONTRACTOR LISTING FORM, as well as an updated hauling schedule as appropriate.

In the first year of this contract, there is an allowance of up to \$10,000 designated for the Respiratory Protection program. This allowance applies solely to CONTRACTOR. CONTRACTOR will be responsible for ensuring that the subcontractors perform initial and recurring qualitative or quantitative respirator fit testing and obtain the qualified medical clearance for employees.

Subcontractors shall adhere to the same terms outlined in the contract including all regulations associated with Sludge Hauling. CONTRACTOR is responsible for ensuring that all subcontractors can meet these requirements prior to utilizing their service. Should a subcontractor fail to comply with the provisions outlined in this contract or is unable to fulfill the obligation of transporting the plants' sludge for any reason, the City of Palo Alto reserves the right to deny the use of that subcontractor and CONTRACTOR shall have the

responsibility of ensuring that there is no disruption in service.

CONTRACTOR shall ensure that all subcontractors comply with the insurance requirements set forth in Exhibit D INSURANCE REQUIREMENTS. CONTRACTOR expressly assumes all liability for property damaged caused by any subcontractor. These obligations are independent from, and in addition to, CONTRACTOR's obligations under paragraphs H, N, and O of this section.

- E. TAXES AND CHARGES.** CONTRACTOR shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of CONTRACTOR's business.
- F. COMPLIANCE WITH LAWS.** CONTRACTOR shall in the performance of the Services comply with all applicable federal, state and local laws, ordinances, regulations, and orders.
- G. PALO ALTO MINIMUM WAGE ORDINANCE.** CONTRACTOR shall comply with all requirements of the Palo Alto Municipal Code Chapter 4.62 (Citywide Minimum Wage), as it may be amended from time to time. In particular, for any employee otherwise entitled to the State minimum wage, who performs at least two (2) hours of work in a calendar week within the geographic boundaries of the City, CONTRACTOR shall pay such employees no less than the minimum wage set forth in Palo Alto Municipal Code section 4.62.030 for each hour worked within the geographic boundaries of the City of Palo Alto. In addition, CONTRACTOR shall post notices regarding the Palo Alto Minimum Wage Ordinance in accordance with Palo Alto Municipal Code section 4.62.060.
- H. DAMAGE TO PUBLIC OR PRIVATE PROPERTY.** CONTRACTOR shall, at its sole expense, repair in kind, or as the City Manager or designee shall direct, any damage to public or private property that occurs in connection with CONTRACTOR's performance of the Services. CITY may decline to approve and may withhold payment in whole or in part to such extent as may be necessary to protect CITY from loss because of defective work not remedied or other damage to the CITY occurring in connection with CONTRACTOR's performance of the Services. CITY shall submit written documentation in support of such withholding upon CONTRACTOR's request. When the grounds described above are removed, payment shall be made for amounts withheld because of them.
- I. WARRANTIES.** CONTRACTOR expressly warrants that all services provided under this Agreement shall be performed in a professional and workmanlike manner in accordance with generally accepted business practices and performance standards of the industry and the requirements of this Agreement. CONTRACTOR expressly warrants that all materials, goods and equipment provided by CONTRACTOR under this Agreement shall be fit for the particular purpose intended, shall be free from defects, and shall conform to the requirements of this Agreement. CONTRACTOR agrees to promptly replace or correct any material or service not in compliance with these warranties, including incomplete, inaccurate, or defective material or service, at no further cost to CITY. The warranties set forth in this section shall be in effect for a period of one year from

completion of the Services and shall survive the completion of the Services or termination of this Agreement.

- J. MONITORING OF SERVICES.** CITY may monitor the Services performed under this Agreement to determine whether CONTRACTOR's work is completed in a satisfactory manner and complies with the provisions of this Agreement.
- K. CITY'S PROPERTY.** Any reports, information, data or other material (including copyright interests) developed, collected, assembled, prepared, or caused to be prepared under this Agreement will become the property of CITY without restriction or limitation upon their use and will not be made available to any individual or organization by CONTRACTOR or its subcontractors, if any, without the prior written approval of the City Manager.
- L. AUDITS.** CONTRACTOR agrees to permit CITY and its authorized representatives to audit, at any reasonable time during the term of this Agreement and for three (3) years from the date of final payment, CONTRACTOR's records pertaining to matters covered by this Agreement. CONTRACTOR agrees to maintain accurate books and records in accordance with generally accepted accounting principles for at least three (3) following the terms of this Agreement.
- M. NO IMPLIED WAIVER.** No payment, partial payment, acceptance, or partial acceptance by CITY shall operate as a waiver on the part of CITY of any of its rights under this Agreement.
- N. INSURANCE.** CONTRACTOR, at its sole cost, shall purchase and maintain in full force during the term of this Agreement, the insurance coverage described at Exhibit D. Insurance must be provided by companies with a Best's Key Rating of A-:VII or higher and which are otherwise acceptable to CITY's Risk Manager. The Risk Manager must approve deductibles and self-insured retentions. In addition, all policies, endorsements, certificates and/or binders are subject to approval by the Risk Manager as to form and content. CONTRACTOR shall obtain a policy endorsement naming the City of Palo Alto as an additional insured under any general liability or automobile policy. CONTRACTOR shall obtain an endorsement stating that the insurance is primary coverage and will not be canceled or materially reduced in coverage or limits until after providing 30 days prior written notice of the cancellation or modification to the Risk Manager. CONTRACTOR shall provide certificates of such policies or other evidence of coverage satisfactory to the Risk Manager, together with the required endorsements and evidence of payment of premiums, to CITY concurrently with the execution of this Agreement and shall throughout the term of this Agreement provide current certificates evidencing the required insurance coverages and endorsements to the Risk Manager. CONTRACTOR shall include all subcontractors as insured under its policies or shall obtain and provide to CITY separate certificates and endorsements for each subcontractor that meet all the requirements of this section. The procuring of such required policies of insurance shall

not operate to limit CONTRACTOR's liability or obligation to indemnify CITY under this Agreement.

- O. HOLD HARMLESS.** To the fullest extent permitted by law and without limitation by the provisions of section N relating to insurance, CONTRACTOR shall indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents from and against any and all demands, claims, injuries, losses, or liabilities of any nature, including death or injury to any person, property damage or any other loss and including without limitation all damages, penalties, fines and judgments, associated investigation and administrative expenses and defense costs, including, but not limited to reasonable attorney's fees, courts costs and costs of alternative dispute resolution), arising out of, or resulting in any way from or in connection with the performance of this Agreement. CONTRACTOR's obligations under this Section apply regardless of whether or not a liability is caused or contributed to by any negligent (passive or active) act or omission of CITY, except that CONTRACTOR shall not be obligated to indemnify for liability arising from the sole negligence or willful misconduct of CITY. The acceptance of the Services by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section survive the completion of the Services or termination of this Agreement.
- P. NON-DISCRIMINATION.** As set forth in Palo Alto Municipal Code section 2.30.510, CONTRACTOR certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person. CONTRACTOR acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof and agrees to meet all requirements of Section 2.30.510 pertaining to nondiscrimination in employment.
- Q. WORKERS' COMPENSATION.** CONTRACTOR, by executing this Agreement, certifies that it is aware of the provisions of the Labor Code of the State of California which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and certifies that it will comply with such provisions, as applicable, before commencing and during the performance of the Services.
- R. TERMINATION.** The City Manager may terminate this Agreement without cause by giving ten (10) days' prior written notice thereof to CONTRACTOR. If CONTRACTOR fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, the City Manager may terminate this Agreement immediately upon written notice of termination. Upon receipt of such notice of termination, CONTRACTOR shall immediately discontinue performance. CITY shall pay CONTRACTOR for services satisfactorily performed up to the effective date of termination. If the termination is for cause, CITY may deduct from such payment the amount of actual

damage, if any, sustained by CITY due to CONTRACTOR's failure to perform its material obligations under this Agreement. Upon termination, CONTRACTOR shall immediately deliver to the City Manager any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by CONTRACTOR or given to CONTRACTOR, in connection with this Agreement. Such materials shall become the property of CITY.

- S. ASSIGNMENTS/CHANGES.** This Agreement binds the parties and their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written consent of CITY. No amendments, changes or variations of any kind are authorized without the written consent of CITY.
- T. CONFLICT OF INTEREST.** In accepting this Agreement, CONTRACTOR covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of this Agreement. CONTRACTOR further covenants that, in the performance of this Agreement, it will not employ any person having such an interest. CONTRACTOR certifies that no CITY officer, employee, or authorized representative has any financial interest in the business of CONTRACTOR and that no person associated with CONTRACTOR has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. CONTRACTOR agrees to advise CITY if any conflict arises.
- U. GOVERNING LAW.** This Agreement shall be governed and interpreted by the laws of the State of California.
- V. ENTIRE AGREEMENT.** This Agreement, including all exhibits, represents the entire agreement between the parties with respect to the services that may be the subject of this Agreement. Any variance in the exhibits does not affect the validity of the Agreement and the Agreement itself controls over any conflicting provisions in the exhibits. This Agreement supersedes all prior agreements, representations, statements, negotiations and undertakings whether oral or written.
- W. NON-APPROPRIATION.** This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This Section shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.
- X. ENVIRONMENTALLY PREFERRED PURCHASING AND ZERO WASTE REQUIREMENTS.** CONTRACTOR shall comply with CITY's Environmentally Preferred Purchasing policies which are available at CITY's Purchasing Division, which are incorporated by reference and may be amended from time to time. CONTRACTOR shall comply with waste

reduction, reuse, recycling and disposal requirements of CITY's Zero Waste Program. Zero Waste best practices include first minimizing and reducing waste; second, reusing waste and third, recycling or composting waste. In particular, CONTRACTOR shall comply with the following zero waste requirements:

- All printed materials provided by CONTRACTOR to CITY generated from a personal computer and printer including but not limited to, proposals, quotes, invoices, reports, and public education materials, shall be double-sided and printed on a minimum of 30% or greater post-consumer content paper, unless otherwise approved by CITY's Project Manager. Any submitted materials printed by a professional printing company shall be a minimum of 30% or greater post-consumer material and printed with vegetable based inks.
- Goods purchased by Contractor on behalf of CITY shall be purchased in accordance with CITY's Environmental Purchasing Policy including, but not limited to, Extended Producer Responsibility requirements for products and packaging. A copy of this policy is on file at the Purchasing Division's office.
- Reusable/returnable pallets shall be taken back by CONTRACTOR, at no additional cost to CITY, for reuse or recycling. CONTRACTOR shall provide documentation from the facility accepting the pallets to verify that pallets are not being disposed.

Y. AUTHORITY. The individual(s) executing this Agreement on behalf of the parties represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

Z. PREVAILING WAGES

☒ **This Project is not subject to prevailing wages.** CONTRACTOR is not required to pay prevailing wages in the performance and implementation of the Project in accordance with SB 7, if the Agreement is not a public works contract, if Agreement does not include a public works construction project of more than \$25,000, or the Agreement does not include a public works alteration, demolition, repair, or maintenance (collectively, 'improvement') project of more than \$15,000.

OR

☐ **Contractor is required to pay general prevailing wages** as defined in Subchapter 3, Title 8 of the California Code of Regulations and Section 16000 et seq. and Section 1773.1 of the California Labor Code. Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of worker needed to execute the Agreement for this Project from the Director of the Department of Industrial Relations ("DIR"). Copies of these rates may be obtained at the Purchasing Division's office of the City of Palo Alto. Contractor shall provide a copy of prevailing wage rates to any staff or subcontractor hired, and shall pay the adopted prevailing wage rates as a minimum. Contractor shall comply with the

provisions of all sections, including, but not limited to, Sections 1775, 1776, 1777.5, 1782, 1810, and 1813, of the Labor Code pertaining to prevailing wages.

AA.DIR REGISTRATION. In regard to any public work construction, alteration, demolition, repair or maintenance work, CITY will not accept a bid proposal from or enter into this Agreement with CONTRACTOR without proof that CONTRACTOR and its listed subcontractors are registered with the California Department of Industrial Relations ("DIR") to perform public work, subject to limited exceptions. City requires CONTRACTOR and its listed subcontractors to comply with the requirements of SB 854.

CITY provides notice to CONTRACTOR of the requirements of California Labor Code section 1771.1(a), which reads:

"A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the Agreement is awarded."

CITY gives notice to CONTRACTOR and its listed subcontractors that CONTRACTOR is required to post all job site notices prescribed by law or regulation and CONTRACTOR is subject to SB 854-compliance monitoring and enforcement by DIR.

CITY requires CONTRACTOR and its listed subcontractors to comply with the requirements of Labor Code section 1776, including:

Keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by, respectively, CONTRACTOR and its listed subcontractors, in connection with the Project.

The payroll records shall be verified as true and correct and shall be certified and made available for inspection at all reasonable hours at the principal office of CONTRACTOR and its listed subcontractors, respectively.

At the request of CITY, acting by its project manager, CONTRACTOR and its listed subcontractors shall make the certified payroll records available for inspection or furnished upon request to the project manager within ten (10) days of receipt of CITY's request.

☐ [For state- and federally-funded projects] CITY requests CONTRACTOR and its listed subcontractors to submit the certified payroll records to the project manager at the end of each week during the Project.

If the certified payroll records are not produced to the project manager within the 10-day period, then CONTRACTOR and its listed subcontractors shall be subject to a penalty of one hundred dollars (\$100.00) per calendar day, or portion thereof, for each worker, and CITY shall withhold the sum total of penalties from the progress payment(s) then due and payable to CONTRACTOR.

Inform the project manager of the location of CONTRACTOR's and its listed subcontractors' payroll records (street address, city and county) at the commencement of the Project, and also provide notice to the project manager within five (5) business days of any change of location of those payroll records.

BB. CONTRACT TERMS. All unchecked boxes do not apply to this Agreement. In the case of any conflict between the terms of this Agreement and the exhibits hereto or CONTRACTOR's proposal (if any), the Agreement shall control. In the case of any conflict between the exhibits hereto and CONTRACTOR's proposal, the exhibits shall control.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO

SYNAGRO-WWT, INC.

City Manager or Designee

By _____

Name _____

Title _____

Telephone: _____

Approved as to form:

City Attorney or Designee

EXHIBIT A

SCOPE OF SERVICES

1. BACKGROUND AND PURPOSE

- a. The work is for services to daily load and haul sludge from the City of Palo Alto's sludge dewatering facility. CONTRACTOR (referred to herein as the "Hauler") shall transport sludge to disposal sites as listed in this scope of services.
- b. This work requires backup treatment facilities. The Hauler's backup treatment sites are as listed in this scope of services.

2. PICKUP ADDRESS

Palo Alto Regional Water Quality Control Plant ("RWQCP")
Attn: Operations Shift Supervisor or Senior Operator
2501 Embarcadero Way
Palo Alto, CA 94303
650-329-2598 - phone

3. PALO ALTO SLUDGE CHARACTERISTICS

- a. The material covered under this Agreement is a mix of raw, dewatered wastewater sludge and scum (hereafter, collectively referred to as "sludge") that has not yet been stabilized.
- b. The wastewater sludge is collected as waste sludge from activated sludge tanks (about 29% of total content) and primary sludge settling tanks (about 71% of total content). This blend is then thickened in gravity thickeners to 3% to 4% solids. The sludge blend is processed through grinders before being sent to a blend tank. The sludge is kept blended with mix pumps and aerated by a blower in a 100,000 gallon mix tank, is pumped to a belt filter press, is treated for odors in-line with a sodium hypochlorite solution, and is then dewatered using a high molecular weight cationic polymer solution on a belt filter press. Upstream preliminary treatment processes include grit removal and mechanically raked barscreens using ¾" spacing at the headworks.
- c. Primary tank scum is pumped through a grinder, sent to a scum concentrator, and thickened to about 50% solids. This scum will be added to the 20% plus sludge cake screw conveyors that feed into sludge cake bins.
- d. Solids content of filter press cake will have a solid content of not less than 20%.
- e. Except as stated herein, the City cannot guarantee condition or quality of the material. Therefore, notice is hereby given that the content and nature of the sludge and scum may change depending on RWQCP process control changes, treatment plant changes, influent characteristics, or treatment plant effectiveness.
- f. The City will certify that the wastewater sludge and scum pollutant concentrations are at or below the metal concentration limits established in 40 CFR 501.13, Table 1 and Table 3.
- g. Hauler is aware that wastewater sludge contains pathogenic microorganisms and does not meet all 40 CFR 503 regulations for final disposal. The City declares, and Hauler acknowledges, that:
 - i. The sludge does not meet the pathogen reduction requirements of 40 CFR 503.32(B)(3) ["PRSP"].

- ii. The sludge does not meet the vector attraction reduction requirements of 40 CFR 503.33(b)(1).
- h. Furthermore, sludge and scum quality data is included as Table A-1 at end of this Exhibit for the Hauler's reference. Hauler shall verify, by analyzing the data provided and making inquiries, as needed, as to the characteristics of the wastewater sludge/scum mix and their ability to haul to and process the wastewater sludge at the treatment/disposal site(s).
- i. At no time during the term of this Agreement shall the City make available to the Hauler, nor shall the Hauler be obligated to handle, any wastewater sludge which is designated a hazardous waste under applicable law, rule, or regulation, and nothing herein shall relieve the City of liability or responsibility with respect to any sludge generated at its facilities which is a hazardous waste.

4. SLUDGE PRODUCTION ESTIMATES

- a. This scope of services covers the disposal, including loading, transportation/hauling, delivery, and unloading of approximately 25,089 annual wet tons of raw wastewater sludge.
- b. The City produces wastewater sludge twenty-four (24) hours per day, seven (7) days per week, resulting up to 25,089 wet tons annually by end of term. A breakdown is included Table A-2 for historical sludge production by the new sludge dewatering and loadout facility, which began operation March 18, 2019. The Hauler's transport system must have the capacity to handle the maximum levels of wastewater sludge during peak production periods (esp. after large storms that bring in extra solids).
- c. Production rates may be varied or stopped to match RWQCP operational needs. Operation may also be interrupted occasionally for maintenance or repair. Advance notice of temporary interruption will be given to the Hauler whenever possible.
- d. The wastewater sludge shall become the property of the Hauler at the time the material is deposited in the Hauler's trailer. Therefore, it is the Hauler's responsibility to make any and all arrangements for disposal at the treatment/disposal sites identified and approved by the City (referred to herein as the "treatment/disposal sites").
- e. The amount of biosolids to be hauled is an estimate only. Therefore, notice is hereby given that the quantity, content, and nature of the material may change depending on RWQCP process control changes, process upsets, plant upgrades, repairs, maintenance, operational improvements, belt press dewatering schedule, day of week, holidays, seasonal changes, storm-induced increases in produced solids, changes in community population, treatment plant changes, and so forth.
- f. No minimum wastewater sludge generation rate is guaranteed. However, the Hauler will be required to dispose of 100% of all wastewater sludge that the City designates for disposal pursuant to this Agreement even if the total quantity exceeds the estimate.

5. GENERAL RESPONSIBILITIES

- a. The Hauler shall know, follow, comply with, and stay updated on all federal, state, and local laws, regulations, statutes, ordinances, orders, decrees, and permits that affect this work. This includes loading and unloading, treatment site operation and maintenance, monitoring and reporting, processing and disposal of sludge, USDOT, transportation, driver and operator certifications, environmental and pollution regulations, noise control, and inspections by authorized representatives as required by such requirements. Hauler shall provide documentation of specific permits, orders, decrees, registrations, and so forth upon request.

All costs associated with obtaining such permits and licenses shall be considered as included in the unit price. Federal Regulations, including 40 CFR Parts 257, 258, 403 and 503, provide specific requirements for biosolids disposal and must be complied with by Hauler.

- b. The Hauler agrees to furnish all information as required by the City in order to fulfill the responsibilities of the City for reporting on compliance with wastewater sludge rules and regulations as well as for accurate payment.
- c. Transportation shall be by a USDOT licensed, registered hauler.
- d. The Hauler will be required to furnish to City and update, as necessary, a list of telephone numbers and names of responsible parties to be called on a 24-hour, 7 days per week basis in the event of an emergency or unusual operating conditions. The Hauler's designated representative must be available to respond to City staff within a mutually acceptable time span (within three to four hours). It will be mandatory to have dedicated business cell phones and email for supplementary communications. The Hauler shall coordinate and cooperate with staff at the RWQCP and disposal site owners/operators (in consultation with the City) to fulfill their respective requirements.
- e. Prior to initiating services under the Agreement, the Hauler's operational team will meet with RWQCP management, operations management, and accounts payable team members at the RWQCP.
- f. Raw sludge contains micro-organisms from the wastewater treatment process that include pathogens. Precautions are required. The Hauler is to follow an Exposure Control Plan for Blood Borne Pathogens pursuant to Cal OSHA rules and California Code of Regulations, Title 8, Section 5193. The Exposure Control Plan is to be on file for review, if requested.
 - i. Hauler shall provide proper training to all drivers before their first pickup and on a recurring basis, as needed.
 - ii. PPE shall include latex or nitrile gloves, safety shoes, eye protection, available hard hat, full length pants, and any required face coverings/respirators. This PPE shall be worn at both City site and any treatment plant site.
 - iii. Hauler shall have provisions for washing hands with soap, and access to potable drinking water and OSHA approved first aid kits.
- g. Raw sludge releases odors during loadouts. Some loadouts produce hydrogen sulfide at levels that may require respiratory protection. Precautions are required. The Hauler is to develop and follow a written Respiratory Protection Program pursuant to Cal OSHA rules and California Code of Regulations, Title 8, Section 5144. The Respiratory Protection Program is to be on file for review, if requested.
 - i. An allowance of \$10,000 is authorized per Exhibit C for development of a written respiratory protection program, required respiratory protection equipment, initial and recurring qualitative and/or quantitative fit testing of respirators, initial medical clearance checks for each company driver to wear a respirator, and other required components of the program.
 - ii. Hauler shall provide proper training to all drivers before their first pickup and on a recurring basis, as needed.
 - iii. Respiratory protection shall include respirators provided at no cost to drivers and fitted to each driver. Freelance drivers contracted by the hauler will be made fully aware of the respiratory protection program requirements in this section.
 - iv. Respirators will be fitted with cartridges and rated by NIOSH as capable of treating "HS" for acid gases containing hydrogen sulfide.
 - v. Properly fitted respirators with cartridges for hydrogen sulfide shall be worn by each driver (either company driver or contracted driver) from the time a loadout is started

- until the driver leaves the building, and as directed by Palo Alto.
- vi. Respirators, masks, and/or face coverings shall be worn as required by governing agencies or Palo Alto, as necessary as it relates to pandemics and public health orders.
 - h. The Hauler shall attend periodic meetings, as needed, to discuss items such as: operational requirements at RWQCP and treatment site(s), performance reviews, safety/spill response planning, and strategies for common benefit. Input and constructive feedback to improve all aspects of this Agreement is expected during the Agreement term. Meetings will be one-hour annual (or as needed) meetings held at RWQCP, treatment sites, a mutually agreeable location, or by telecon/virtually.
 - i. The wastewater treatment plant is an essential public service. The Hauler is also providing an essential service and will coordinate on continuity of operations during declared emergencies, governmental orders related to essential services, local or global pandemics, and so forth.

6. LOADING REQUIREMENTS

- a. Prior to start of work, Hauler shall visually observe the truck loadout facility and verify that the Hauler's equipment can safely operate at the RWQCP.
- b. The processed wastewater sludge is conveyed to a cake storage bin for trailer loading. Vertical clearance loading access below the bypass chute's lowest point of discharge is approximately 12'-5" above the floor, per field measurement. Hauler is to field verify vertical clearance for their own or contracted trucks prior to start of work; Hauler is not to dispatch trucks that will not fit inside the Loadout Bay.
- c. The City owns and maintains the RWQCP, the sludge dewatering equipment, and the truck loadout facility. The Hauler shall only provide trucks and trailers compatible with the existing system. Trucks shall be empty upon arrival for loading at the RWQCP.
- d. The Hauler will have free and easy access to the site pursuant to the security and entry protocols established by the City, as needed. Whether working in auto mode or manually, the Hauler will be responsible for opening and closing the RWQCP entrance and exit gates as well as the sludge dewatering building truck loadout bay's roll-up doors. Any damage to City property, including landscaping, building systems, loadout chutes, entry systems, bin gates and screws, and roll-up doors caused by the Hauler shall be promptly repaired by the Hauler at no cost to the City. Hauler shall observe traffic signs and RWQCP speed limit of 5 MPH.
- e. The Hauler will load all wastewater sludge into the Hauler's trailers. The trailer will be positioned directly under the cake hoppers for loading. The cake hoppers distribute the dewatered raw sludge in the hauler's trailer via cake loadout chutes. During the trailer loading process, a computer program is used to track the total weight of the dewatered sludge loaded into the trailer. The Hauler will be responsible for monitoring the total weight entering the trailer, load distribution in the trailer and ensuring the load does not exceed the "Full Load" established by the Hauler for each trailer. Overweight tickets are the responsibility of the Hauler.
- f. Only sludge will be added into the Hauler's trailers. Latex gloves and other debris is not to be added into the trailer. All drivers will be trained on this provision as it may lead to rejected loads at the treatment site.
- g. The Hauler shall bring problems with the loadout system to the attention of RWQCP management, supervisory staff, and the designated-operator-in-charge immediately.
- h. Once the Hauler's trailer is full, Hauler shall cover the load with the tarp that is on each trailer to minimize release of odors and avoid spillage from the dewatered raw sludge while the trailer is in transport to the final treatment site. The tarp shall be placed over the trailer inside the

loadout bay (not outside) and before roll-up doors are opened. The truck shall be promptly driven from the RWQCP site directly and out the back gate and on to the treatment/disposal site. No unnecessary parking inside the RWQCP or on Embarcadero Road is authorized. All drivers shall be trained on entrance and exiting procedures at the facility and odor minimization rules for the truck when onsite.

- i. The Hauler shall make a proper effort to take full loads of at least 21 wet tons. Hauler's driver should not leave the RWQCP until a full load is received. Drivers are to be trained on the proper quantity to take. City shall not be responsible for Hauler failing to take a minimum loadout if the sludge bins have adequate sludge for the minimum loadout. City will not normally dispatch for anything but full loads (e.g., an exception to empty a partially full bin for special maintenance activities, in which case the minimum load charge may apply).
- j. The Hauler's trucks shall be cleaned and free of any foreign matter/contamination (from any pre-hauling or back-hauling operation) such that only dewatered sludge will be transported to the treatment/disposal site(s).
- k. The City reserves the right to set a loading target below the CalDOT road limit (e.g., 2000 pounds less) to account for errors in weight readings and uncertainty caused by loadout bin weight calculations by the City's PLC. It is the Hauler's responsibility to pay overweight limit fines. There are no onsite zones or facilities at the RWQCP for unloading excess material to return a Hauler's truck to a legal weight limit. There is no separate weigh scale onsite to aid the Hauler in how much material to remove.
- l. The RWQCP is not a staging/storage site. Hauler shall not store or stage equipment at the RWQCP.
- m. The Loadout Bay is not long enough for trucks with "sleeper" cabs unless the exit door is left open, which reduces the effectiveness of the odor control system of the Loadout Bay. Except in emergencies, no trucks will be dispatched with sleeper cabs in order to allow loadouts with maximum odor control.
- n. Odor Control Best Practices
 - i. The misting system to neutralize odors shall be started before the driver enters Loadout Bay. The odor neutralizer is on a timer and is to be left running after the driver leaves for 60 minutes.
 - ii. Entrance and exit roll-up doors are to be closed before commencing a loadout to reduce offsite odors.
 - iii. After loadout completion, trucks are to be tarped inside the Loadout Bay before opening the exit roll-up door.
 - iv. The driver is to return to the building to close the exit roll-up door before promptly leaving the site through the back gate.
 - v. Onsite City restroom facilities should be used prior to loading a trailer so that a fully tarped trailer is not parked unnecessarily onsite.
 - vi. All drivers are to be trained on odor minimization protocols as part of their initial training and as needed.
- o. The Loadout Bay bin discharge gates and screws must be operated safely. All drivers are to follow the City's standard unloading procedures to operate switches for gates and screws to prevent jamming, damage, motor overloads, motor drive damage, and so forth. Failure of a driver to follow procedures will be the responsibility of the Hauler. Standard procedure will be provided at driver initial training. Hauler is to notify new drivers not to unload without proper training by a Plant operator assigned by the designated-operator-in-charge.

7. HAULING SCHEDULE

- a. The Hauler shall receive and haul wastewater sludge daily and must have the capability to haul up to six trailers a day, seven days a week from the RWQCP. The City reserves the right to make modifications in this schedule to meet the needs of the City.
- b. Loading, unloading, and treatment may be required on both a daily scheduled and as-required basis, according to the requirements of the City. The Hauler shall develop, for approval, a pickup and delivery schedule with the Project Manager. The Hauler shall be required to respond to all requests for service within twenty-four (24) hours. The RWQCP operates year round, and it is mandatory that the Hauler be available to perform the work all 365 days of the year.
- c. If the Hauler coordinates with the City in advance, it may be possible to store sludge onsite at the RWQCP in the sludge cake bins and upstream sludge tanks for a short period over specific and limited number of holidays (e.g., Easter, Thanksgiving, Christmas, and New Year's). It is the Hauler's responsibility to coordinate with treatment sites to see if they are open on specified holidays before taking a load to a specific treatment site.
- d. The RWQCP designated-operator-in-charge will normally dispatch its requested number of next-morning loadouts via email between 2:00 and 3:00 p.m. This estimate would normally be based on what is on hand in the three sludge cake bins to provide for full and time-efficient loadouts of about 25 wet tons per trailer.
- e. When dispatching up to three loads a day, all loads shall be completed by 6:00 a.m. When four or more loads a day are dispatched (uncommon), loads may be scheduled for after 6:00 a.m. If a Hauler wishes to use a single driver for up to two loads, it will be the Hauler's responsibility to work with treatment sites about receiving hours. The City makes no guarantee about operating hours for treatment sites or treatment site charges for modifying operating hours outside of what is listed in Section 10.b.

8. HAULING REQUIREMENTS

- a. The Hauler will be responsible for the Sludge when the material is deposited in the Hauler's trailer. Hauler shall not commingle sludge from another facility prior to delivery, final treatment, and disposal.
- b. Hauler shall comply with all applicable regulations including but not limited to 40 CFR 503, CARB's Advanced Clean Fleet (ACF) regulations, and any relevant county ordinances that impact land application activities. In particular, Hauler is subject to Section 2013 of the CARB ACF regulations that govern the City's medium- to heavy-duty fleet vehicles of gross vehicle weight rating (GVWR) greater than 8,500 lbs.
 - i. .
 - ii. Reporting: Upon request by the City, the Contractor shall provide the City within 14 calendar days with information sufficient for completion of regulatory reports including, but not limited to, the EPA annual report for compliance with 40 CFR 503, quarterly AB 901 reports, and records showing compliance with CARB's ACF. The Contractor shall confirm annually that they are either listed as compliant on CARB's ACF webpage or provide a signed statement noting that they are not subject to the High Priority and Federal Fleets regulations.
 - iii. The Contractor shall notify the City within 24 hours after receiving any notice of violation, legal, or enforcement action.
- c. The Hauler shall be responsible for all transportation, holding, and unloading. The Hauler shall ensure that trailers are completely empty when they arrive at the RWQCP. The Hauler shall further ensure that the exterior of the truck and trailer is clean prior to leaving the RWQCP and the treatment/disposal site destination. The Hauler shall be responsible for coordination with appropriate authorities to conduct acceptable unloading operations to meet both City and the

treatment/disposal site's requirements.

- d. Emergency / Spill Response Plan: The Hauler must submit to the City an Emergency / Spill Response Plan within three (3) weeks of Agreement award. The Hauler will ensure that their drivers are properly trained to carry out this Plan in the event of a spill and maintain copies within each truck for use during such situations. No hauling will be permitted until the Plan is received and approved by the City.
- e. Emergency / Spill Response: Hauler shall ensure that Haulers are trained on the approved Emergency / Spill Response Plan and that it is implemented. The Hauler shall provide immediate cleanup of any spill during the transportation of the wastewater sludge. The Hauler shall be fully responsible for all costs associated with the cleanup or mitigation of spills during the transportation of wastewater sludge. If the Hauler does not clean the spill, the City may clean the spill and back-charge the Hauler for all costs. A "spill" as used herein includes tracking of residuals onto public roads.
 - i. In addition to any other required notifications, the Hauler shall immediately notify the City by telephone at (650) 329-2598 of any spillage of wastewater sludge along the haul route and the estimated time for cleanup to be completed. The Hauler shall provide a written report within five (5) days describing any spillage incident, including at a minimum, the date, time, and location of the spill, the amount of material spilled, the methods used to clean up the spill, the cause of the spill, steps taken to prevent reoccurrence of a similar spill, and certification that the spill has been cleaned up to the satisfaction of any and all agencies having jurisdiction.
 - ii. Hauler shall report any significant hauling incidents, including but not limited to spills, accidents and substantial delays, to the City's project manager within three (3) hours of an occurrence. The Hauler must make all reasonable attempts to contact the City immediately following an incident. Regardless of contact being made with the City, the Hauler is expected to use best management practices for immediate corrective action. Upon notification of the City, incidents will be investigated. If required, Hauler shall resolve the incident. City may also identify problems such as contaminated or misplaced loads. If the incident is not resolved, the Hauler may receive a formal warning. Significant incidents include, but are not limited to, such things as:
 - i. Delays of loading, hauling, or dumping of 48 hours or more;
 - ii. Spills of any size (including any tracking of sludge onto public roads);
 - iii. Traffic accidents;
 - iv. Damage to equipment, persons, or property; and
 - v. Any other incidents outside normal operations
- f. Hauler is to have in place a 24/7 on-call emergency services agreement with a large truck mechanic(s) to deal with any truck mechanical breakdowns at the RWQCP or on other roads to and from the RWQCP. Mechanical breakdowns shall be communicated to the RWQCP.
- g.
- h. The Hauler must have and maintain for the term of the Agreement all hauling permits needed for the work under this Agreement.
- i. The Hauler must furnish only experienced and skilled operators and other personnel as required. Hauler must ensure that employed workers have proper and valid licenses and/or certifications. The Hauler shall, at the request of the City, supply proof of these licenses and/or certifications.
- j. The Hauler shall be responsible for controlling and abating any odor, spillage, insect, vermin, or any other nuisance arising from the operation.

- k. City shall provide plant process water (nonpotable, aka W4 at 90 psi) and a wash down area in the truck loadout bay, which is to be used by the Hauler to keep the loading site at the RWQCP and trucks clean and free of spillage before leaving the RWQCP. The City will provide two 1.5" nonpotable (W4) water stations with 1.5" hoses in the truck loadout bay. One is at the front of the loadout bay and one on the back side, both on the passenger side of the truck. After use, the Hauler is to put hoses away on hose stations before leaving. Any spillage or discharge of material to City or public roads shall be cleaned up promptly by the Hauler. If the City is required to clean up any spillage or discharge, all costs incurred including direct and administrative costs shall be reimbursed by the Hauler or withheld from Hauler payments.
- l. The Hauler shall provide water for all vehicles used in hauling wastewater sludge to complete wash down before leaving the treatment/disposal site. The interior of trailers, as well as all exterior surfaces, including tires and mud flaps shall be completely hosed down to minimize tracking of wastewater sludge off of the treatment/disposal site.
- m. It is further the Hauler's responsibility to be cognizant of all the factors involved in furnishing labor and equipment to dispose of raw sludge including transportation, hauling, delivery and unloading of wastewater sludge from the RWQCP. Such factors include, but are not limited to, complete familiarity with the layout of the City's facilities. The Hauler shall have complete familiarity with all access roads to the RWQCP facility, including difficulties involved in maneuvering large vehicles in confined areas. Hauler shall have available an adequate number of vehicles and trained, knowledgeable drivers to haul sludge and be able to keep a close liaison with City staff concerning scheduling or any problems related to production rates.
- n. Drivers must ensure that all trucks have tailgate pins, chains, and alternate/secondary locking mechanisms in place while loaded and before leaving any site. Hauler shall use public highways and designated truck routes, ensuring that laden trucks are not left parked in high-traffic areas for extended periods of time. Hauler shall understand truck routes and traffic conditions along routes. Hauler is responsible for freeing any incapacitated truck, traffic delays, weather impacts, and road conditions.

9. HAULING EQUIPMENT

- a. Hauler must operate and maintain trucks per USDOT regulations.
- b. The Hauler's truck fleet must be California Air Resources Board (CARB) compliant including a truck fleet with engines that are 2010 or newer engine model year.
- c. Hauler's trailers must hold 21 tons minimum.
- d. Hauler is to provide leak-proof aluminum or stainless steel trailers with seals, tailgate seals, and wide splashguards as a requirement for hauling wastewater sludge. Each trailer shall be appropriate for wastewater sludge containment and equipped with covers (canvas or suitable alternative material) that can be securely fastened to reduce odors and contain wastewater sludge in case the trailer overturns. There shall be no gaps in the covering tarp that release odors from off-gassing, wind, and so forth. Any damages to the tarp shall be repaired immediately.
- e. All hauling trucks shall be equipped with a back-up alarm consisting of a warning horn or beep that will activate any time the truck is in reverse. Each vehicle shall be equipped with scraper, shovel, broom, and other tools as necessary to allow the driver to clean vehicle and respond to drips or small spills.
- f. The Hauler shall be solely responsible for the condition of its equipment. All equipment shall

be properly maintained. Only equipment in good working condition as judged by the City is acceptable. The City may reject pieces of equipment found to be in unsatisfactory condition or performing unsatisfactory work. In the event of any rejection by the City, the Hauler must remove the unsatisfactory equipment and replace it with good and acceptable equipment immediately.

- g. The Hauler shall provide the City with a list of identification numbers and maximum legal load limit for all wastewater sludge hauling trailers being utilized under this Agreement. Hauler shall conspicuously mark each trailer unit with the maximum legal weight of the unit when loaded and a corresponding "full load" indicator inside the trailer to guide loading.
- h. The City will not be responsible for loss or damage of any equipment or property owned or operated by the Hauler, its agents, or employees on or off City property.
- i. Hauler shall ensure that gas/oil/hydrocarbon spill-containment kits are kept on each truck and/or piece of equipment in use, and drivers are trained in their use. Each truck is to have potable water and a first aid kit.
- j. Trucks with sleeper cabs are not authorized due to length requiring exit door to remain open.

10. UNLOADING REQUIREMENTS AT TREATMENT SITE

- a. If the Hauler must use an emergency backup alternative because a primary treatment/disposal site (as identified in subsection (b) below) is not available, the Hauler must consult with the City prior to deposit at the backup alternative. The City reserves the right to refuse "landfill disposal" as an alternative to other emergency backup options that may cost more; the City may elect to dispose at the landfill or pay the higher hauling and disposal cost for another site, at its own discretion.
- b. Sludge shall be hauled to treatment sites contracted by the City for sludge treatment and disposal. As of this writing, contracted sites are specified below and current contracted quantities are to be determined by the City (these sites are the primary treatment/disposal sites). No sludge shall be hauled to any other location without written approval from the City ahead of time.
 - i. Lystek International Limited Organic Material Recovery Center on the site of Fairfield-Suisun Sewer District (FSSD) 1010 Chadbourne Rd, Fairfield, CA 94534
 - 1. Operating Hours 0400 – 2000, 7 days per week
 - 2. Receiving Hours 24 / 7
 - 3. 5,800 tons per year minimum, which is the City's contracted minimum obligation with Lystek
 - 4. Annual contract year target for Lystek will be 5,800 tons per year
 - 5. 4,500 wet tons during May through October 1, 1 truck per day, 7 days per week (excluding holidays Hauler is not operating); 1,300 wet tons during November through April, 2 trucks per week
 - ii. Synagro Central Valley Compost Facility (CVC) 13757 Harmon Rd, Dos Palos, CA 93620
 - 1. Operating Hours 0600 – 1700, 7 days per week
 - 2. 10,000 tons per year minimum, which is the City's contracted minimum obligation with Synagro
 - 3. Annual contract year target for Synagro will be all tons beyond the 5,800 tons per year to Lystek and 10,000 contracted tons with Synagro
- d. The Hauler shall coordinate with the listed site(s) to ensure their availability to receive the wastewater sludge at all times in accordance with provisions of the treatment/disposal site(s)

permit. Provisions shall be made to accept the wastewater sludge during wet-weather periods as well as dry-weather periods.

- e. The City is not responsible for any delays at the treatment/disposal site. All additional charges are the responsibility of the Hauler.
- f. Hauler is to follow the procedures, safety practices, and rules established by any treatment/disposal site used, including the treatment and backup disposal sites listed in this section. Prior to the start of the services under this Agreement, Hauler shall have an approved permit and/or agreement in place with the treatment/disposal sites for the term of the Agreement. Hauler shall have needed training completed prior to the start of service. The Hauler shall meet insurance requirements of the treatment/disposal facilities, including, but not limited to, additional insured requirements.
- g. The split of loads between Lystek, Synagro, and any future addition or deletion of treatment site(s) during the term of the Contract shall be as established in Section 10.b above. The splits to each treatment site will be actively managed and coordinated directly by the Hauler to meet the requirements of Section 10.b.

11. SAFETY REQUIREMENTS AND TRAINING Hauler shall provide initial training, in the presence of RWQCP operations staff, for all new drivers for the purpose of safe and proper operation of the loadout equipment. At a minimum, drivers shall learn proper procedures for check-in, communication, paperwork, safe loading and use of switches to control gates and screws in proper sequence, expectations on full loadouts and movement of truck between bins, trailer contamination prevention, safety PPE at RWQCP, odor control best practices, entry and exit door use, tarping practices, orientation to bathroom facilities, clean-up, spill response, and safe driving routes and speeds in and out of the RWQCP and on Embarcadero Road. Hauler shall provide documentation of this training to the City's Project Manager for each driver and shall be responsible for all costs associated with this training.

12. PAYMENT AND PRICING CONDITIONS

- a. See Contract, Section 8, Invoicing.
- b. Payment for work is to be made on a wet tonnage basis as determined by weight tickets at the Treatment Facility. The Treatment Facility will generate a legible, licensed weigh master's certificate showing gross weight, tare weight, and net weight of each truckload of material. Weight will be based on a certified scale owned, operated, and maintained by the Treatment Facility. The weight tickets shall be provided to the Hauler by the Treatment Facility, used by Hauler for invoicing City, and kept on file by Hauler for review by City as needed.
- c. Full compensation for completing Agreement work is included in the unit prices paid for the various items of work and no separate payment will be made therefor.
- d. If Hauler's owned or leased sludge trailers that are damaged by the City, the Hauler may repair and invoice City at a quoted hourly rate for labor and parts invoiced at no more than cost plus 30%, provided that: (i) Hauler provides City with notice of damage immediately upon discovery, (ii) Hauler submits to City documentation of damage within two business days of discovery, (iii) Hauler provides City with an opportunity to inspect the damage prior to repair, and (iv) City approves the claim for damage including estimated repair cost.
- e. If during the course of the proposal, a new treatment site is identified, the Hauler shall be requested to provide pricing per wet ton to haul sludge to that treatment site using the same terms and conditions as in this contract. This additional pricing will be incorporated through amendment to the contract at the time the City Council approves the new treatment site (e.g., through a new RFP or some other measure).

13. DOCUMENTATION, PERMITS, AND INSURANCE

- a. The Hauler shall maintain all required permits to perform the services during the term of this Agreement.
- b. The Hauler shall, at all times during the transportation, storage, and disposal of sludge to be managed under this Agreement, know the location, condition and status of each item being managed.

14. GUARANTEE. The Hauler warrants and guarantees that equipment used are of the type and quality specified herein. If in the opinion of the City, the equipment is found to be imperfect or of a grade inferior to that set forth in the requirements or are found to be deficient against any other standard set forth in the Agreement, they will be rejected and must be replaced without expense to the City.

- a. The Hauler understands that prompt pickup and disposal of sludge is critical to RWQCP operations. The Hauler warrants and guarantees to meet requirements set forth in this Agreement, including this scope of services.
- b. In the event of failure to comply with the above mentioned conditions within a reasonable time after notice, the City will take all necessary steps to dispose of the sludge, at the expense of the Hauler, who agrees to pay the costs and charges therefore immediately upon demand.
- c. The signing of the Agreement by the Contractor shall constitute execution of the above guarantees.

15. GOODS TO BE SUPPLIED AND WORK TO BE PERFORMED. The Hauler shall perform all work necessary to complete the Agreement in a satisfactory manner. Unless otherwise provided, the Hauler shall furnish and provide all materials, equipment, tools, labor and incidentals necessary to transport, haul, deliver and unload per these specifications.

END OF SECTION

EXHIBIT “A-1” **PALO ALTO SLUDGE CHARACTERISTICS**

2022 Average Annual Wastewater Sludge Quality Data: 40CFR503 Sludge Regulation Trace Metal Analysis on Sludge					
Trace Metals	Dry-Weight Units	501.13 Ceiling Concentration Table 1	501.13 Pollutant Concentration Table 3	2022 Average Annual Result	2017 Single Results
Arsenic (As)	mg/kg	75	41	DNQ 1.29	–
Antimony (Sb)	mg/kg	–	–	–	ND<19 ^a
Barium (Ba)	mg/kg	–	–	–	50.2 ^a
Beryllium (Be)	mg/kg	–	–	<0.21	–
Cadmium (Cd)	mg/kg	85	39	DNQ 0.46	–
Chromium (Cr)	mg/kg	–	–	12.0	–
Cobalt (Co)	mg/kg	–	–	–	ND<2 ^a
Copper (Cu)	mg/kg	4300	1500	254	–
Cyanide (CN)	mg/kg	–	–	0.77	–
Iron (Fe)	mg/kg	–	–	–	2650 ^a
Lead (Pb)	mg/kg	840	300	7.08	–
Mercury (Hg)	mg/kg	57	17	0.454	–
Molybdenum (Mo)	mg/kg	75	n/a	5.27	–
Nickel (Ni)	mg/kg	420	420	11.4	–
Selenium (Se)	mg/kg	100	100	4.83	–
Silver (Ag)	mg/kg	–	–	1.7	–
Thallium (Tl)	mg/kg	–	–	–	ND<13 ^a
Vanadium (V)	mg/kg	–	–	–	5.97 ^a
Zinc (Zn)	mg/kg	7500	2800	493	–
Total Solids	%	–	–	29.6	–

^a Sampled 2/9/17 on 27% sludge cake

February 17, 2017 Scum Quality Data: 40CFR503 Sludge Regulation Trace Metal Analysis on Scum					
Trace Metals	Dry-Weight Units	501.13 Ceiling Concentration Table 1	501.13 Pollutant Concentration Table 3	Result	
Arsenic (As)	mg/kg	75	41	ND	
Beryllium (Be)	mg/kg	–	–	ND	
Cadmium (Cd)	mg/kg	85	39	0.14	
Chromium (Cr)	mg/kg	–	–	3.1	
Copper (Cu)	mg/kg	4300	1500	30	
Lead (Pb)	mg/kg	840	300	1.28	
Mercury (Hg)	mg/kg	57	17	<0.0397	
Molybdenum (Mo)	mg/kg	75	n/a	1.7	
Nickel (Ni)	mg/kg	420	420	1.9	
Selenium (Se)	mg/kg	100	100	<0.83	
Zinc (Zn)	mg/kg	7500	2800	100	
Total Solids	%	–	–	30.0	

General Raw Sludge Characterization			
Trace Metals	Dry-Weight Units	Result	Sample date, comment
Total Kjeldahl Nitrogen (TKN)	mg/kg	44,000; 10,000	2/7/17 (25% cake); 2/9/17
Organic Nitrogen (25% sludge cake)	mg/kg	38,000	2/7/17
Ammonia-Nitrogen (25% sludge cake)	mg/kg	5,600	2/7/17
Grit Analysis: total residual solids in 30% sludge cake	%	0.52%	2/9/17 (dried at 103-105C)
Primary sludge volatile solids concentration	%	89%	2/7/13
Waste activated sludge (WAS) volatile solids concentration	%	80%	Typical value
Ratio Primary / Total Sludge	%	71 – 78%	2013 value
Ratio WAS / Total Sludge	%	22 – 29%	2013 value
Primary Sludge BTU Content – Dry	BTU/lb	8000	8/21/12 ASTM D5865-07a
WAS BTU Content – Dry	BTU/lb	7400	8/21/12 ASTM D5865-07a

EXHIBIT B
SCHEDULE OF PERFORMANCE

CONTRACTOR shall perform the sludge treatment and disposal services in Exhibit A (Scope of Services) in accordance with Section 7 and 1 of Exhibit A.

EXHIBIT C SCHEDULE OF FEES

CITY shall pay CONTRACTOR according to the following rate schedule. The maximum amount of compensation to be paid to CONTRACTOR, including both payment for services and reimbursable expenses, shall not exceed the amounts set forth in Sections 5 and 6 of the Agreement. Any services provided or hours worked for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to CITY.

Bid Item	Quantity ¹	Units	For	Unit Price ² (\$/WT ³)	Total (\$)
1	15,624	WT	Hauling to Synagro CVC	\$38.94	\$608,398.56
2	5,800	WT	Hauling to Lystek International Limited Organic Material Recovery Center	\$35.92	\$208,336.00
3	1	Lump Sum	Allowance for Respirator Protection Program per Bid Schedule Miscellaneous Note "h" below	--	\$10,000
Total of Bid Items 1 to 3 in \$					\$826,734.56
4	1	WT	Hauling to Portrero Hills Landfill	--	--
5	1	WT	Hauling to Portrero Hills Landfill & Disposal	--	--
6	1	WT	Hauling to Altamont Landfill	--	--
7	1	WT	Hauling to Altamont Landfill & Disposal	--	--
Bid Schedule Notes: ¹ Sludge production estimate for bid purposes only (see scope of services Section 4 for more information) ² Unit prices shall be listed for service year 1, which runs from April 1, 2025 to March 30, 2026; future contract year increases to the unit price bid herein will be based on CPI-U per Contract Section 6 "Compensation During Additional Terms" ³ WT – US wet tons					

Pricing: Unit prices will be in US dollars and are price per wet ton for a term of contract. The unit price per wet ton includes all fees, taxes, and surcharges.

Maximum Compensation Per Contract Year as set forth in Section 6 of the Agreement.

Contract Year	1	2	3	Total
Base Bid	\$826,735	\$857,571	\$900,450	\$2,584,756
Additional Services	\$0	\$0	\$0	\$0
Total Base Bid + Additional Services	\$826,735	\$857,571	\$900,450	\$2,584,756

MISCELLANEOUS

- a. Year 2 and Year 3 increases shall be on contract year anniversary date. Contract year anniversary date is defined as April 1, 2026 and April 1, 2027 for year 2 and 3, respectively.
- b. Truck washout charges are to be included in the pricing.
- c. In case of price increase due to new regulatory fees, Hauler must notify the City of Palo Alto in writing before any additional fees will be allowed.
- d. Demurrage will not be charged for pickup of sludge up to and including 60 minutes of loading time. After 60 minutes, the demurrage charge of \$95/hour will apply if the City causes the delay.
- e. Demurrage will not be charged for delays caused by the Hauler not having proper paperwork at the time of arrival at the RWQCP site.
- f. A California No. 2 diesel ultra-low sulfur fuel surcharge is to be added to Hauler or credited to Palo Alto on a monthly basis. The monthly average cost of diesel fuel will be adjusted each month as determined from the California Energy Information Administration (EIA) website (www.eia.gov). The baseline amount of \$4.733/gallon will be used from the weekly value of diesel fuel (effective 9/16/24). A Hauler fleet fuel efficiency of 5.5 miles per gallon and a truckload of 25 tons will be used for purposes of calculation.
 - i. To Lystek International: $\text{Surcharge/Credit} = (\text{EIA monthly average cost of diesel in California} - \$4.733) * 162 \text{ miles round trip} * 1 / 5.5 \text{ miles per gallon} * 1 / 25 \text{ tons}$
 - ii. Synagro Central Valley Composting: $\text{Surcharge/Credit} = (\text{EIA monthly average cost of diesel in California} - \$4.733) * 228 \text{ miles round trip} * 1 / 5.5 \text{ miles per gallon} * 1 / 25 \text{ tons}$
- g. If a minimum load of 21 wet tons, compliant with the terms of Exhibit A Section 6.i, is not met, then Hauler is authorized to invoice for a charge of a full load of 21 wet tons.
- h. An allowance of up to \$10,000 is authorized in Bid Schedule Item 3 on a reimbursement basis to develop a written respiratory protection program, perform initial and recurring qualitative or quantitative respirator fit testing, and obtain initial qualified medical clearance for employees to wear a respirator. This allowance can be used for new company drivers that are added to provide loadouts at the RWQCP. The vendor's cost of maintaining the written respiratory protection program after the \$10,000 allowance is reimbursed will be provided to Palo Alto at no cost.

EXHIBIT D INSURANCE REQUIREMENTS

CONTRACTORS TO THE CITY OF PALO ALTO (CITY), AT THEIR SOLE EXPENSE, SHALL FOR THE TERM OF THE CONTRACT OBTAIN AND MAINTAIN INSURANCE IN THE AMOUNTS FOR THE COVERAGE SPECIFIED BELOW, **AFFORDED BY COMPANIES WITH AM BEST'S KEY RATING OF A-:VII, OR HIGHER, LICENSED OR AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF CALIFORNIA.**

AWARD IS CONTINGENT ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS, AS SPECIFIED, BELOW:

REQUIRED	TYPE OF COVERAGE	REQUIREMENT	MINIMUM LIMITS	
			EACH OCCURRENCE	AGGREGATE
YES YES	WORKER'S COMPENSATION EMPLOYER'S LIABILITY	STATUTORY STATUTORY		
YES	GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY	BODILY INJURY	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY & PROPERTY DAMAGE COMBINED.	\$1,000,000	\$1,000,000
YES	AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED	BODILY INJURY	\$1,000,000	\$1,000,000
		- EACH PERSON	\$1,000,000	\$1,000,000
		- EACH OCCURRENCE	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY AND PROPERTY DAMAGE, COMBINED	\$1,000,000	\$1,000,000
NO	PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE	ALL DAMAGES	\$1,000,000	
YES	THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED: CONTRACTOR, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY CONTRACTOR AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS' COMPENSATION, EMPLOYER'S LIABILITY AND PROFESSIONAL INSURANCE, NAMING AS ADDITIONAL INSURED CITY, ITS COUNCIL MEMBERS, OFFICERS, AGENTS, AND EMPLOYEES.			

I. INSURANCE COVERAGE MUST INCLUDE:

A CONTRACTUAL LIABILITY ENDORSEMENT PROVIDING INSURANCE COVERAGE FOR CONTRACTOR'S AGREEMENT TO INDEMNIFY CITY.

II. CONTACTOR MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE.

III. ENDORSEMENT PROVISIONS, WITH RESPECT TO THE INSURANCE AFFORDED TO "ADDITIONAL INSURED"

A. PRIMARY COVERAGE

WITH RESPECT TO CLAIMS ARISING OUT OF THE OPERATIONS OF THE NAMED INSURED, INSURANCE AS AFFORDED BY THIS POLICY IS PRIMARY AND IS NOT ADDITIONAL TO OR CONTRIBUTING WITH ANY OTHER INSURANCE CARRIED BY OR FOR THE BENEFIT OF THE ADDITIONAL INSURED.

B. CROSS LIABILITY

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSURED UNDER THE POLICY SHALL NOT, FOR THAT REASON ALONE, EXTINGUISH ANY RIGHTS OF THE INSURED AGAINST ANOTHER, BUT THIS ENDORSEMENT, AND THE NAMING OF MULTIPLE INSURED, SHALL NOT INCREASE THE TOTAL LIABILITY OF THE COMPANY UNDER THIS POLICY.

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A THIRTY (30) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.
2. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A TEN (10) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

NOTICES SHALL BE EMAILED TO: PURCHASINGSUPPORT@CITYOFPALOALTO.ORG

EXHIBIT E
BONDS

PERFORMANCE SURETY BOND REQUIRED

EXHIBIT F
SUBCONTRACTOR LISTING FORM

NAME/BUSINESS ADDRESS CONTACT/TELEPHONE/EMAIL	CALIFORNIA CONTRACTOR LICENSE NUMBER AND DIR REGISTRATION NUMBER	PORTION OF WORK
1. J&L Trucking 613 Sunset Blvd. Hayward, CA 94541 Jorge Lopez 510-860-3135 alexlopez2@live.com.mx	DOT #2641583	50%
2. Reyes Trucking 2430 Heartland Dr. Riverbank, CA 95367 Jose Reyes 209-324-5497 jgreyes23@yahoo.com	DOT #1930207	50%
3. Yellowstone Transport, LLC 111 Clayton Ct. Los Banos, CA 93635 916-708-6979 yellowstonetransportllc26@gmail.com	DOT #2762132	We would utilize them as a backup.
4.		