

Proposal for
Sludge Hauling Services for the Wastewater Treatment
Plant (WWTP)

to the

City of Beaumont



Submitted on
February 8, 2024



FEBRUARY 8, 2024

Mr. Thaxton Van Belle

Director of Water Reclamation

City of Beaumont

550 E. 6th Street

Beaumont, CA 92223

Re: Request for Proposals for Sludge Hauling Services for the Wastewater Treatment Plant

Dear Mr. Van Belle:

Synagro West, LLC (Synagro) is pleased to respond to the City of Beaumont's RFP for Sludge Hauling Services. Having been the City's biosolids management partner previously, Synagro is eminently familiar with and has demonstrated the organizational capacity to fulfill the requirements of the scope of work.

Synagro's mission and core business purpose is focused on the management of municipal biosolids, including project development, operations, and biosolids product beneficial use recycling. This focus has resulted in Synagro being North America's leading provider of high-quality, cost-effective biosolids management and beneficial use services. We have been successfully meeting the biosolids management needs of hundreds of generators for more than 40 years. Synagro's experience in all areas of biosolids management is unparalleled and diversified.

More than 600 units of local government from across the United States rely on Synagro as their biosolids management partner. To serve those customers, Synagro has more than 1000 dedicated employees, providing a deep talent base and understanding of our industry. Our customers are supported by this unique pool of resources with unparalleled knowledge, skills, and ability in biosolids management including a Services Group that provides service and manages events such as digester and lagoon cleaning, and dewatering including emergency situations. Through these additional services, Synagro provides a broad foundation of support for our customers.

SB 1383 PROCUREMENT COMPLIANCE

Currently, SB 1383 requires cities and counties (i.e., “Jurisdictions”) to procure annually a quantity of recovered organic waste products. These procurement requirements will strengthen California’s green, self-sustaining economy. Demand for these products will drive infrastructure investment and create new green collar jobs in the state. Cal Recycle has assigned an annual procurement target to each jurisdiction based on its population. Jurisdictions can cost-effectively fulfill their SB 1383 procurement requirement with the use of Synagro’s Class A Exceptional Quality compost.

Jurisdictions can use compost in a variety of applications, such as land used for local agriculture, landscaping in city parks, golf courses, on center divides of roads and highways, public giveaways, and in community or school gardens. Additionally, compost can be used in civil engineering applications like erosion control along roadways. Compost also provides many direct and indirect benefits when used as a component of systems and treatments designed for:

- Carbon sequestration
- Soil water retention
- Fire remediation
- Storm water management

Local use of compost generated from local organics provides the public with an opportunity to see the benefit of recycling this material, while also helping replenish nutrients and carbon for healthy soils on the jurisdiction’s properties. Synagro stands ready with multiple distribution options for AllGro® compost enabling the jurisdiction to be economically compliant with SB 1383’s procurement requirements.

Synagro acknowledges receipt of Addendum 1 dated February 1, 2024.

We appreciate the opportunity to present our proposal for this important project and look forward to continuing our successful partnership for the new contract term. Should you have any questions about our submittal or our approach to the project, please feel free to contact Robert Ford, Business Development Manager, at 323-843-7265 or via email at robertford@synagro.com. We look forward to hearing from you soon.

Sincerely,



Emil Kneis
Sales Support Manager



March 10, 2023

Delegation of Authority

Emil Kneis

I, **Robert Preston**, Director and President of Synagro Technologies, Inc. and all its affiliates and subsidiaries, hereby delegate to you, **Emil Kneis, Sales Support Manager**, authority to sign as an officer or as an authorized person binding bids, awarded contracts, contract renewals, contract extensions, bid bonds and performance bonds. Also, I delegate to you the authority to sign as an officer or as an authorized person any business-related applications and other agreements as necessary to provide uninterrupted service to current and new customers.

Such authority does not alter our internal approval processes. This delegation of authority is valid from the date of this letter until revoked by me.



Robert Preston
Director and President





Synagro West, LLC Proposal for Sludge Hauling Services for the Wastewater Treatment Plant

B. INTRODUCTION/INFORMATION

Introduction of the service proposal, including a statement of understanding for the types of services contemplated. Provide a discussion on how the objectives of the scope of services will be accomplished. Provide the name of the firm submitting the proposal, its mailing address, telephone number, and the name of the individual to contact if further information is required. Any participating firms and proposed subcontractors shall be identified and included in the proposal (all subcontractors must be approved by City prior to signing the agreement with City).

Synagro West, LLC (Synagro) proposes to manage the City’s biosolids by utilizing two of our established beneficial use regional biosolids composting facilities, Nursery Products as the primary facility and Arizona Soils as a back-up facility, providing a portfolio of multiple options to ensure uninterrupted services for the City. All facilities are fully permitted and operational, including Sub-Class B biosolids and have a demonstrated performance history of 10 to 20 plus years.

Table 1 – Synagro Compost Facility Capacity

Facility	Current Capacity in Wet Tons	Permitted Capacity in Wet Tons	Utilization %
Nursery Products	348,000	400,000	87%
Arizona Soils	80,000	180,000	44%

Synagro is the proposer for this contract with the City of Beaumont and our required contact information is provided in the tables below:

Table 2 – Proposer Information

Proposer Name & Address	Name of Principals	Contact Person
Synagro West, LLC 435 Williams Court, Suite 100 Baltimore, MD 21220	Robert Preston, President & CEO Kaivan Desai, Vice President & Treasurer Pam Racey, Chief Commercial Officer Al Slepian, Secretary	Robert Ford, Business Development Manager (323) 843-7265 robertford@synagro.com

Synagro intends to use the following teamed subcontractor for performance of this contract, who has experience providing transportation services for the City’s biosolids previously for Synagro:



GIC Transport, Inc.

2055 McKee Road

Bakersfield, CA 93313

Gabriel Cruz, President

(661) 397-0605; gictransport@att.net

Certified Minority Business Enterprise

Service to be provided is transportation of biosolids from the City's wastewater treatment facilities to Synagro's compost facilities.

C. FIRM'S APPROACH

The firm's approach to delivering the scope of services. Provide a description of the firm's approach to communicating effectively with City staff and officials, other jurisdictional stakeholders, and the public, to facilitate successful delivery of assigned tasks.

Synagro will have a team of six collective experienced members available to support and answer any daily questions, provide any required reporting information or scheduling, including direct personal interaction at the City office or facility, including Synagro site visits as required. Synagro will also provide multiple permitted regional beneficial use compost facilities for management of the City's biosolids at our Nursery Products compost facility located in San Bernardino County, 14479 Cougar Road, Helendale, CA 92342 and Arizona Soils located at 41326 McVey Road, Vicksburg, AZ 85348

D. FIRM PROFILE

Provide a description of the firm, including number of professional personnel, years in business, office location(s), organizational structure (e.g., corporation, partnership, sole practitioner, etc.), areas of particular expertise, etc.

Synagro's mission and core business purpose is focused on the management of municipal biosolids and organic waste, including project development, operations, and biosolids/organics product beneficial use recycling. This focus has resulted in Synagro being North America's leading provider of high-quality, cost-effective biosolids management and beneficial use services. We have been successfully meeting the biosolids management needs of hundreds of generators for more than 45 years. Synagro's experience in all areas of biosolids and organics management is unparalleled.

Synagro annually manages over 12 million tons of biosolids and other organic by-products for more than 650 generators (including 600 municipal clients). Synagro employs a team of

*Synagro's award as U.S.
Composting Council's
2010*

"Composter of the Year"

and

*National Biosolids
Partnership Platinum Level
Certification*

*Are highlights of the
company's qualifications
and focus on operational
excellence*





over 1000 professional engineers, soil scientists, agronomists, construction managers, financial managers and the largest, most diverse operational staff in the industry. Our team is dedicated to working with our clients to find the right solution to their organic residuals management challenges. Synagro, and its various subsidiaries, have been at the forefront of the environmental movement to safely process and beneficially market organic residual materials.

***Synagro is the Nation's
leader in biosolids
composting - processing
over 500,000 tons per
year for beneficial use.***

Synagro offers virtually all commercially viable processing options and product marketing channels for biosolids and organic residuals including:

- Heat drying and pelletization
- Incineration
- Composting (windrow, aerated static pile, and in-vessel projects)
- Alkaline stabilization
- Digestion
- Dewatering (installation & operation)
- Mobile dewatering
- Land application and reclamation
- Lagoon and digester cleaning
- Rail transportation
- Product marketing

This ability to offer the complete range of composting options is unique to Synagro and allows us to develop projects that fit a municipality's individual needs. In addition, this breadth of experience provides us with an in-depth understanding of biosolids and organics that other companies simply do not possess.

As the industry leader in providing various forms of project delivery options, we have extensive experience developing and managing biosolids facility design-build-operate (DBO) and design-build-own-operate (DBOO) projects. We currently operate nine heat-drying facilities (with our tenth under construction), three thermal processing facilities, five composting facilities, over a dozen alkaline stabilization facilities, and approximately 70 permanent and mobile dewatering facilities.

Synagro owns/operates several biosolids beneficial use composting facilities with associated product marketing programs, including:

- Central Valley Composting (CVC), serving the San Francisco Bay area. CVC is located near Fresno, CA;
- The South Kern Compost Manufacturing Facility (SKIC), located near Bakersfield, CA and serving the Southern California Market.
- Nursery Products, located in Helendale, CA and serving the Southern California Market.
- Liberty Compost, located in Lost Hills, CA;
- Arizona Soils in La Paz County, AZ (Phoenix area);



- City of Auston, Texas, management of the City’s compost material;
- The Charlotte County Bio-Recycling Center, serving the Southern Florida market; and
- Burlington County, New Jersey – Synagro designed, built, and operated for ten years this regional in-vessel composting facility.

E. PRINCIPAL OFFICE

Location of principal office that will be responsible for the implementation of this contract.

Synagro’s principal office that will be responsible for the implementation of this contract is our Nursery Products compost facility located at 14479 Cougar Road, Helendale, CA 92342.

F. KEY PERSONNEL

Provide a summary description of the key personnel, their roles and responsibilities, and their relevant experience. The proposal must name a project manager. In addition to this summary, full resumes should be provided.

Synagro has a depth of experienced biosolids composting personnel. In addition to the key personnel listed below, Synagro has many additional experienced engineering, permitting, and operational employees. Key project individuals on the project are as follows:

Table 3 - Key Personnel Experience

Name & Title	Year of Experience	Area of Responsibility for the Project
Craig Geyer Regional Vice President	21	Responsible for overall operations of Arizona and Southern California land application and compost facility management
Layne Baroldi Vice President of Legislative & Regulatory Affairs	36	Regulatory, public relations and legislative support
Robert Ford Business Development Manager	20	Business Development, Customer service, contract management, and composting operations management
Venny Vasquez, Facility Manager – Nursery Products	9	Responsible for overall operations of Nursery Products Facility and product marketing
Brian Millage, Facility Manager – Arizona Soils	12	Responsible for overall operations of Arizona Soils and product marketing

Craig Geyer, Regional Vice President

Craig Geyer joined Synagro in 2002 as an Operations Manager with day-to-day responsibilities of the





company's biosolids management projects in Arizona. In 2005, management of Synagro's Arizona Soils Compost Facility was added to his role, giving him over 16 years of experience in municipal biosolids composting. Currently as Regional Vice President Craig is responsible for operations, sales and technical services in the west region.

Prior to joining Synagro Craig held several construction management and superintendent positions with 12 years of experience in that field.

Craig holds a Class A General Contractor's License for the State of Arizona.

Layne Baroldi, J.D., Vice President of Technical Services & Government Affairs

Since joining Synagro in 2009, Layne Baroldi has been responsible for permitting and development of biosolids treatment and management projects, including political relations, design oversight, technology review, permitting oversight and contract sales. His expertise and emphasis is on Class A EQ technologies, including biosolids-to-energy, pelletization and composting.

In Layne's current role with Synagro, he provides leadership and direction to ensure that Synagro tracks, evaluates and comments on proposed legislation and regulations that could potentially impact its customers' biosolids management service offerings and plant operations. He is also responsible for Technical Services leadership and coordination ensuring that Synagro's clients have cost-effective land base management and value-added environmental services including land sourcing and permitting; nutrient management planning and mapping; technical support for operational compliance and product use; logistics and source destination management; regulatory monitoring and reporting.

Prior to joining Synagro, Layne spent 22 years with the Orange County Sanitation District where he managed the District's Biosolids Management and Air Quality programs. He reviewed numerous biosolids management technologies and made recommendations for contract implementation to the OCSD Board of Directors. He served as the Agency's liaison with regulatory agencies and legislative bodies to provide comments on regulatory and legislative development and environmental compliance.

Layne holds a B.S. from the University of Southern California in Biological Sciences and is a Juris Doctor from the Western State College of Law. He is a member of several national and state organizations and has served on various committees within those organizations. Layne previously served as Councilman and Mayor of the City of La Habra Heights, California.



Venny Vasquez, Facility Manager – Nursery Products

Since 2014 Venny Vasquez has been responsible for the day-to-day management of Nursery Products’ site personnel and operations at the Hawes Composting Facility. He manages staffing, equipment maintenance, interaction with trucking company representatives, and recordkeeping for incoming feedstock and outgoing finished compost materials.

Venny has a B.A. of Arts from San Diego State University.

Brian Millage, Facility Manager – Arizona Soils

As Facility Manager for Arizona Soils, Brian Millage is responsible for composting operations and land application management since 2011 for material processed at the facility and the company’s Phoenix area land application services. He manages staffing, equipment trucking, incoming feedstocks, and outgoing compost materials. Mr. Millage previously served as the Technical Services Specialist for Arizona for five years.

Mr. Millage received a Bachelor of Arts Degree (B.A.) in Geography from California State University at Fullerton (CSUF) in 1998. Prior to joining Synagro, he provided technical and environmental assistance on numerous landfill, groundwater and soil remediation projects for Environmental Consulting and Engineering firms ranging from small projects to municipalities to Superfund sites.

G. PROJECT REFERENCES

Three to five references to include: name, address, contact person and phone number of the company, length of time services were provided, and a description of the services provided. In addition, the Financial Adviser shall provide a statement of the most relevant previous financings.

The following are municipal biosolids composting project references for customers where Synagro has been performing services for the past 10 years or more:

Orange County Sanitation District
10844 Ellis Avenue
Fountain Valley, CA 92708
Tom Meregillano, Regulatory Specialist; 714-593-7457; tmeregillano@ocsd.com
Years of service with customer: 31 years
Annual contract value (approx.): \$4,700,000

South Orange County Wastewater Authority
34156 Del Obispo St.
Dana Point, CA 92629
Jim Burror, Director of Operations; 949-234-5402; jburror@socwa.com





Years of service with customer: 19 years
Annual contract value (approx.): \$3,500,000

City of Fresno
5607 W. Jensen Avenue
Fresno, CA 93706
Ricky Staggs, Chief of Operations; (559) 621-5190; rick.staggs@fresno.gov
Years of service with customer: 15 years
Annual contract value (approx.): \$2,750,000

County Sanitation Districts of Los Angeles County
1955 Workman Mill Road
Whittier, CA 90601
Mr. Tom Fang; 562-908-4293; tfang@lacsdc.org
Years of service with customer: 15 years
Annual contract value (approx.): \$9,100,000

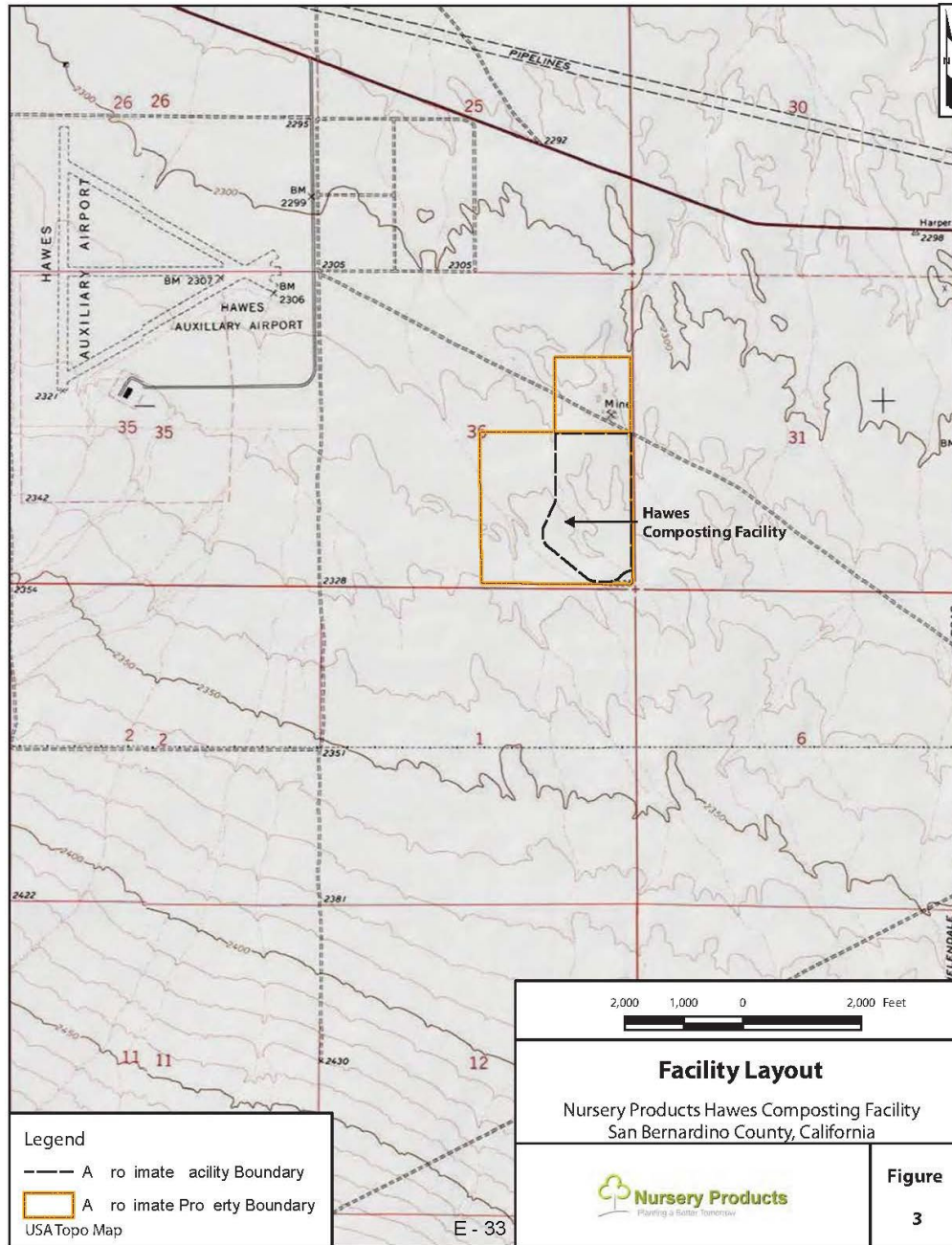
H. SCOPE OF SERVICES

Provide a description of the tasks, sub-tasks, and deliverables that will be provided. The Scope of Work Program should be presented in a logical format that can be easily attached to the Professional Services Agreement.

Synagro is proposing to have GIC stage trailers and yard truck to make all required deliveries for beneficial use composting of the City's biosolids at Nursery Products compost facility with Arizona Soils as a backup. Each facility individually has the capacity to process the City's biosolids. Through this approach Synagro is offering the City facility diversity, geographic diversity for assurance of compliant biosolids management. Should Synagro be awarded key daily contacts team information will be provided along with any other required information by the City.

Nursery Products

Synagro's Nursery Products Composting Facility is located west of Barstow, approximately 10 miles west of Hinkley Road, 12 miles east of Kramer Junction, one mile south of State Route 58, and one mile west of Helendale Road.



Operational since 2012 and acquired by Synagro in November 2016, our San Bernardino County facility is located in one of the cleanest air quality management districts (AQMD) in the State of California, the Mojave Desert AQMD.

The Hawes Composting Facility is a biosolids and green material composting facility located on 80 acres of a 200-acre property owned by Nursery Products within an unincorporated area of the County. The facility composts biosolids and green material to produce agricultural grade compost. The feedstock consists of approximately 50% green material from green material collection



companies and 50% biosolids from wastewater treatment facilities. Compost and other landscape material is distributed for a variety of uses, including agricultural applications.

Approximately 110 miles east of Los Angeles and permitted to manage 400,000 wet tons of material per year, this facility is the closest and largest biosolids recycling option for the five largest counties in California.

Nursery Products provides a strategic benefit as natural clay provides a natural barrier to the underlying water table. With a geographical location that is naturally advantageous, our open-air operation has no added costs or expenses of an enclosed facility to control air quality.

Dates and Duration of Project:

Commercial operation: 2012
Contract end date: ongoing

Arizona Soils

The Arizona Soils compost facility is located in La Paz County, Arizona, at 41326 McVey Road, Vicksburg, AZ 85348. The facility is located on an 80-acre parcel of land with the following legal description: South ½ of the Northeast ¼ of Section 33, Township 5 North, Range 15 West.

The site is relatively flat, slopes less than 0.5 percent in a general southwest direction, sparsely populated with desert vegetation and has direct access from State Highway 60 and Interstate 10. There are several inhabited residences within a 3-mile radius of the site, and surrounding land is used for grazing. The entire 80-acre parcel is fenced with access control gates to provide security at the site.

The site is zoned RA-4Q (Rural, Agricultural, Forty Acre Minimum Parcel Size) and in accordance with the La Paz County Planning and Zoning Commission, the zoning is appropriate to allow the site to be used for a composting operation. The distance from the roads surrounding the composting area to the property line is 250 feet or greater. The on-site well is located >250 feet from the composting area. The roads (16 feet wide) are compacted all-weather surfaces and were built a minimum of 4 feet higher than the existing grade. The roads thus act as a perimeter berm to isolate the composting area. The drainage trench and on-site runoff control trench are constructed with 2-foot bottoms, 2:1 side slope, trapezoidal cross-sections. All other distances have been maintained in accordance with local, state and federal regulations.

Arizona Soils is designed to receive up to 26,350 wet tons of biosolids monthly. This is equivalent to approximately 34 trucks per day, 7 days a week. The operating hours are typically from 4 a.m. to 4 p.m., Monday through Friday. However, the facility can operate 7 days per week, 24 hours per day, if



necessary. The daily maximum throughput of 850 tons per day shall be averaged monthly, as some days the facility will receive peak volumes (up to 3,000 tons per day) and some days may receive no material.

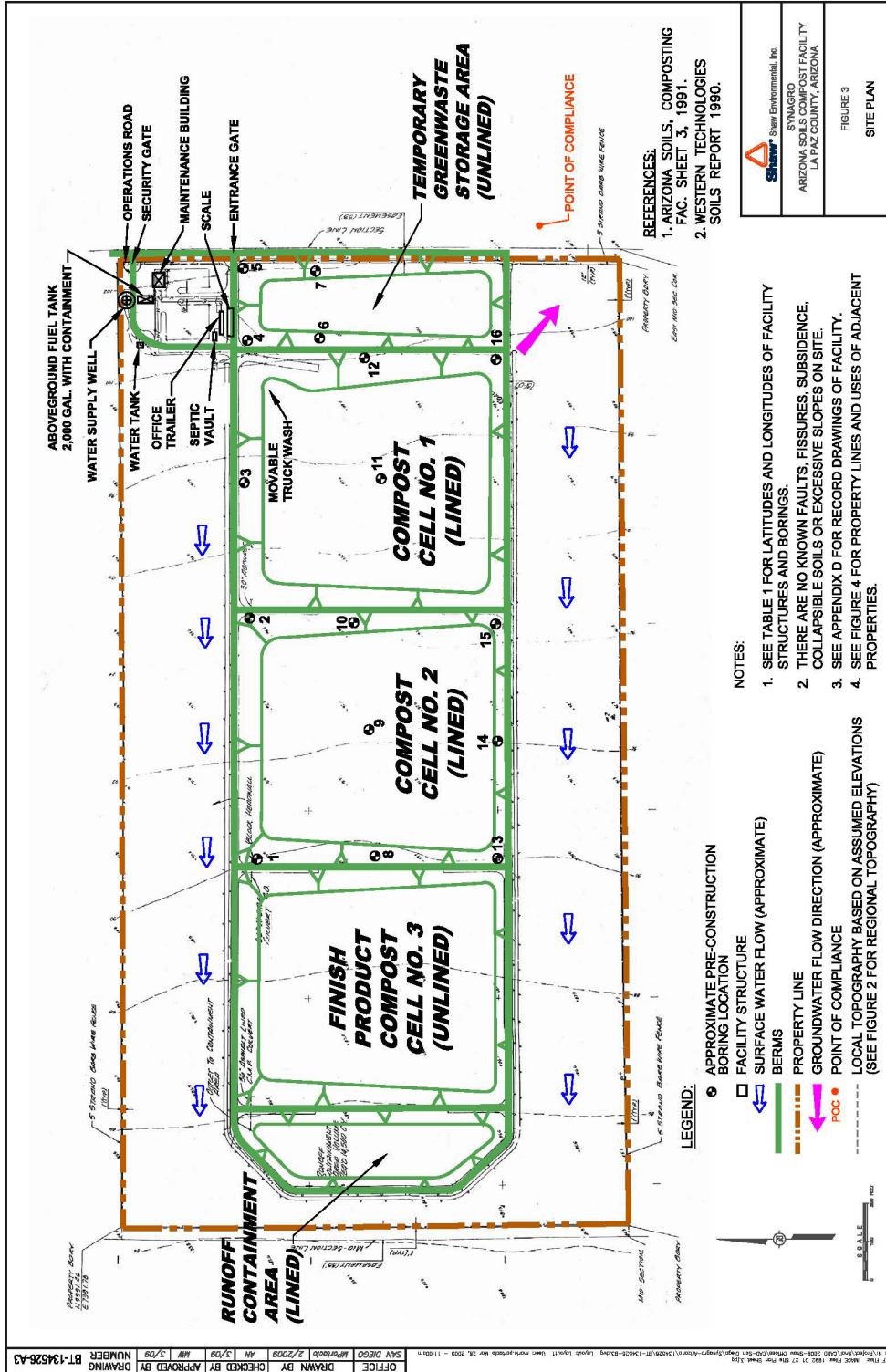
The facility utilizes the standard aerated windrow method of biosolids composting and utilizes various types of bulking agents (carbon sources) to mix with the biosolids such as green waste, wood waste, gypsum, agricultural by-products, water treatment by-products, stable bedding, as well as steer, sheep and chicken manures. These products are blended together and windrow composted to produce a soil conditioner or low grade fertilizer for agricultural, horticulture; silviculture and domestic use. The finished compost is sold in bulk and may be sold in bags for beneficial use. Each bulking agent source is monitored for inorganic (non-compostable) materials.

The finished compost products are tested to ensure quality and stability of the materials. During the composting process, monitoring of windrow temperature is conducted to ensure pathogen and vector attraction reduction in accordance with 40 CFR 503 regulations.

Process elements for the composting operation consist of checking and off-loading all incoming trucks which are delivering biosolids and bulking agents to the compost pads, initial mixing and formation of the windrows, turning and aeration of the compost piles during the active composting cycle, monitoring and logging temperature data for each windrow, and the monitoring and distribution of finished product.

Each bulking agent load is transported to the composting facility from the producer (e.g. packing plant, feedlot, stable/truck, mine, green waste receiving and processing facility or grinding operation) using tractor/trailer rigs. The bulking agents are placed on the bulking agent storage area and blended with biosolids as needed, forming windrows. Some bulking agents are further ground on site in order to achieve an ideal size. Manures and recycled compost are also used as bulking agents. After the mixture is bulked to approximately 30 to 40 percent solids, the material is formed into windrows for composting. The composting process is an aerated windrow process with mechanical mixing equipment for turning. The complete composting process is performed in approximately 3 to 4 weeks. The finished compost is stored in a designated area on-site until sale or distribution. Quality control testing is performed to ensure the compost meets the pathogen reduction, vector attraction reduction, and metals requirements associated with the final use of the product in accordance with 40 CFR 503 regulations. Water is available at the site and is used for dust control and moisture conditioning of the compost. as needed.

The composted product is marketed by Synagro's Product Sales & Marketing staff and is transported from the site to customers using tractor/trailer units.





PROPOSED CONTRACT MODIFICATIONS

Should Synagro be the successful proposer for this contract, we request to discuss and negotiate the following proposed language changes to the contract terms:

1. Addition of the following language to Section 2.3 – Liquidated Damages:
"Liquidated Damages shall not be imposed if the delay, or failure to perform, is due to or occasioned by a Force Majeure Event, act of God or circumstance beyond the control of the contractor."
2. Addition of the following language into Section 15.2 of the form Contract Agreement:
"City and Contractor agree in advance that if the City exercises its discretionary right to terminate for convenience, the City will pay Contractor for expenses incurred because of early termination. These expenses include, but are not limited to, recovery of capital costs, demobilization, employee severance payments and costs to terminate subcontractors and equipment leases."
3. Modification of Section 16.9 of the Form Sample Contract agreement to include the following language:
"any act or occurrence beyond its reasonable control, including, but not limited to: fires; floods; a change in Federal, State, or local law or ordinance; orders or judgments of any Federal, State or local court, administrative agency or governmental body; change in permit conditions or requirements; accidents; extreme weather conditions including, for example, hurricanes, tornadoes, unusually high amounts of precipitation, unusual extremes of temperature or wind, or unusually extended periods of adverse weather conditions; acts of war, aggression or terrorism (foreign or domestic); riot, insurrection; equipment failure (other than due to the inadequate maintenance thereof);"
4. Amendment to Section 4.03 of the Agreement for Services:
The CITY shall not be obligated to pay any invoice that is submitted more than sixty (60) days after the due date of such invoice, unless the invoice is accompanied by justification or reason for unavoidable delay.
5. Addition of Section 6.05, Claims by Provider's Employees:
6.05 Claims by Provider's Employees. As to any claim made against Synagro, Provider waives any insulation from liability or immunity from suit with respect to injuries to Provider's employees that may be extended to Provider as a result of any payments made by Provider to such employees or under any applicable worker's compensation statute or similar law or judicial decision. Provider hereby indemnifies and holds harmless Synagro from and against any claims made by any of Provider's employees, contractors or representatives working in the course and scope of their employment by Provider unless such claim was the sole and proximate result of the gross negligence or willful misconduct of Synagro. Synagro will be held harmless from any worker's compensation liens incurred from Provider's insurance carrier, third party administrator or self-administered, self-insured claims.
6. Addition of Section 8.01 C to the Agreement for Services:
"8.01 C - Parties to the Contract agree in advance that Neither party shall be liable for



consequential or punitive damages on any claims arising out of the performance or non-performance of obligations under the Contract. "

7. Amendment to the agreement to include the following language as Section 13.10:
"13.10 - Relief for Force Majeure/Uncontrollable Circumstances; Change in Law
Neither Party shall be liable to the other Party for breach or for failure or delay in the performance of its obligations hereunder caused by any act or occurrence beyond its reasonable control, including, but not limited to: fires; floods; strikes (except any strikes involving a Party's personnel); a change in Federal, State, or local law or ordinance; orders or judgments of any Federal, State or local court, administrative agency or governmental body; change in permit conditions or requirements; accidents; extreme weather conditions including, for example, hurricanes, tornadoes, unusually high amounts of precipitation, unusual extremes of temperature or wind, or unusually extended periods of adverse weather conditions; acts of war, aggression or terrorism (foreign or domestic); riot, insurrection; equipment failure (other than due to the inadequate maintenance thereof); and acts of God. It is specifically understood that, without limitation, none of the following acts, events or circumstances shall constitute an act or occurrence beyond a Party's reasonable control: (i) reasonably anticipated weather conditions normal for the region in which the work is performed or (ii) any failure to pay any sums in accordance with the terms of this Contract. Whenever the provisions of this Section are believed to apply, the Party relying thereon shall give prompt notice to the other Party of the circumstances, the basis for applicability of this Section and the time required to cure such breach or delay. Contractor shall promptly provide notice of the need, if any, for additional compensation or for renegotiation of terms in order to mitigate the effects of such event or to comply with a change in law or regulation or interpretation thereof. Contractor shall be entitled to additional time and compensation if such event delays performance into a season different from that assumed when this Contract was executed. Contractor and City shall use reasonable best efforts to agree on appropriate mitigating actions under the circumstances.

Cost Proposal for
Sludge Hauling Services for the Wastewater Treatment
Plant (WWTP)

to the

City of Beaumont



Submitted on
February 8, 2024





Synagro West, LLC Cost Proposal for Sludge Hauling Services for the Wastewater Treatment Plant

COST PROPOSAL

Synagro proposes to manage the City’s biosolids for the following price:

Rate	Unit	Service
\$63.37	Per Wet Ton	Compost dewatered biosolids from the City of Beaumont WWTP at Synagro’s permitted composting facility based on a 24-ton minimum load per trailer.

Should Synagro be the successful proposer for this contract, we request including the addition of the following completed indexed CPI and Fuel Surcharge adjustments to the contract:

Proposed Methods

CPI. All Agreement Prices shall be adjusted as follows:

All Agreement Prices shall be adjusted annually beginning on _____, 20__ based on the Non-Seasonally Adjusted Consumer Price Index established by the United States Department of Commerce, Bureau of Labor Statistics, for _____ with the CPI immediately preceding the Commencement Date being the base index. Said adjustment shall apply to all fees contained herein, and shall be based on the following formula:

$$\text{New Price} = (\text{Price Adjustment}) \times \text{First Year Agreement Price}$$

$$\text{Price Adjustment} = 1 + \left(\frac{\text{Current CPI} - \text{Base CPI}}{\text{Base CPI}} \right)$$

CPI = _____.

Base CPI = _____.

Once the CPI is available, the price adjustment shall take effect retroactively, where applicable, as of the dates specified above for price adjustments. No New Price shall ever be lower than any existing current Agreement Price in effect immediately before the annual adjustment.



Fuel Surcharge Adjustment

All Agreement Prices shall be adjusted monthly for a fuel surcharge (“Fuel Surcharge Adjustment”) to reflect any increased change in diesel fuel prices, in accordance with the table below, if the cost of retail on-highway diesel fuel (Department of Energy, Energy Information Administration – _____) is at, or exceeds, \$_____ per gallon (Base Price).

The Fuel Surcharge Adjustment will be based on the following chart and the Retail On-Highway Diesel Price – _____ as published by the U.S. Department of Energy’s Energy Information Administration for _____ and will be applied to the then current fixed or unit fee, as applicable. The Fuel Surcharge Adjustment will be no more than once a calendar month beginning with the second calendar month following the Commencement of Services and shall be adjusted as of the first day of each month. Fuel Surcharge Adjustment will then be applied as follows:

Diesel Price \$/Gallon - Note ¹	Fuel Surcharge Adjustment %
< \$(Base Price)	None
Base Price to Base Price plus \$.049	0.5 %
Base Price plus \$0.05 to Base Price plus \$0.099	1.0 %
Base Price plus \$0.1 to Base Price plus \$0.149	1.5 %

For each \$0.05/gallon increase thereafter add 0.5%

EXAMPLE:

Base Price = \$3.01 / Gallon

Diesel Price \$/Gallon - Note ¹	Fuel Surcharge Adjustment %
≤ \$3.00 (Base Price)	None
\$3.01 - \$3.049	0.5 %
\$3.05 - \$3.099	1. %
\$3.10 - \$3.149	1.5 %

Note 1 - Fuel Rate based on DOE EIA monthly retail on-highway diesel prices (_____)