

AMENDMENT NO. 3

CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT

AGREEMENT DATED OCTOBER 19, 2018

BETWEEN CITY OF CHICO

AND

SYNAGRO WWT, INC

Contractor

BIOSOLIDS REMOVAL FOR THE CHICO WATER POLLUTION CONTROL PLANT

Project Title

850-670-7417

Budget Account Number

THIS CONTRACTUAL SERVICES AGREEMENT AMENDMENT (Amendment) is entered into on July 1, 2021 by and between the City of Chico, a municipal corporation under the laws of the State of California, (City), and Synagro WWT, Inc., a Maryland corporation, (Contractor). On October 19, 2018, City and Contractor entered into "City of Chico - Contractual Services Agreement", (Agreement). On January 1, 2020, City and Contractor entered into Amendment No. 1 to the Agreement. On January 1, 2021, City and Contractor entered into Amendment No. 2 to the Agreement. The provisions of the Agreement are hereby amended as follows:

1. Section 9.14; Term; Termination: The first paragraph of this Section of the Agreement is hereby amended to read as follows:

“The term of this Agreement shall commence upon City's issuance to Contractor of a notice to proceed for all or a portion of the contractual services, as hereinabove provided, and shall terminate on June 30, 2025.”

2. The Completion Schedule section of Exhibit B (page 7) is hereby superseded and replaced by revised Page B-7R3 attached hereto and by this reference incorporated into the Agreement.
3. Exhibit C is hereby superceded and replaced by revised Page C-1R3 attached hereto and by this reference incorporated into the Agreement.
4. Exhibit E is hereby superceded and replaced by revised Pages E-1R3 and E-2R3 attached hereto and by this reference incorporated into the Agreement.

5. All other provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date set forth above.

CITY:



Mark Orme, City Manager*

CONTRACTOR:



By: Elizabeth Grant
Contracts & Risk Manager

*Authorized pursuant to Section
3.08.060 of the Chico Municipal Code

APPROVED AS TO FORM:



Vincent C. Ewing, City Attorney*

*Pursuant to The Charter of the
City of Chico, Section 906(D)

APPROVED AS TO CONTENT:



Erik Gustafson, Public Works Director -
Operations & Maintenance

REVIEWED AS TO CONTENT:



Scott Dowell, Administrative Services Director*

*Reviewed by Finance and Information Systems

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EXHIBIT B

SCOPE OF CONTRACTUAL SERVICES - BASIC

N. 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.

Completion Schedule

Vendor shall complete all services outlined herein in compliance the above specifications on a regular schedule to start within thirty (30) days of receipt of the City's Notice to Proceed through June 30, ~~2024~~. **2025. (Amendment No. 3)**

~~Options to Extend Agreement~~

~~This contract may be extended for up to two 2-year periods under the existing terms and conditions of the contract upon agreement by both parties to extend.~~

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EXHIBIT C

COMPENSATION

Total estimated annual compensation for the services outlined in this Agreement, shall not exceed ~~\$300,000.00~~ ~~\$350,000 (Amendment No. 1)~~ **\$355,000.00 (Amendment No. 3)** per year. However, requests for adjustments pursuant to Section 9.14 may be submitted to the City for review. Compensation shall be based upon monthly invoices received and shall be paid in accordance with the following schedules:

Transport and land apply Class B biosolids deposited by City into trailers provided by Synagro between April 16-October 14 of each contract year at:

~~\$48.50~~ ~~\$49.12~~ ~~\$49.56~~ **\$54.03** per ton plus fuel surcharge

Estimated Annual Cost (excluding fuel surcharge): ~~\$97,000.00~~ ~~\$147,360.00~~ ~~\$148,680.00~~
\$162,090.00 (Amendment No. 3)

Transport and land apply Class B biosolids deposited by City into trailers provided by Synagro between October 15-April 15 at:

~~\$57.00~~ ~~\$57.73~~ ~~\$58.25~~ **\$62.72** per ton plus fuel surcharge.

Estimated Annual Cost (excluding fuel surcharge): ~~\$114,000.00~~ ~~\$173,190.00~~ ~~\$174,750.00~~
\$188,160.00 (Amendment No. 3)

Total Estimated Annual Cost (excluding fuel surcharge): ~~\$211,000.00~~ ~~\$320,550.00 (Amendment No. 1)~~ ~~\$323,430.00 (Amendment No. 2)~~ **\$350,250.00 (Amendment No. 3)**

Estimated Annual Cost calculations are based on an estimate of 3,000 tons of dry biosolids and 3,000 tons of wet biosolids.

Laboratory analysis to meet compost acceptance are included in the pricing above.

See Special Provision "Exhibit E" for Fuel Surcharge Adjustments.

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EXHIBIT E

SPECIAL PROVISIONS

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 -California) is at, or exceeds, \$3.00 per gallon (Base Price).

The Fuel Surcharge Adjustment will be based on the following chart and the Retail On-Highway Diesel Price \$3.00 as published by the U.S. Department of Energy's Energy Information Administration for California 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 (California).

Late Payments on Invoices

Any invoice amount not paid in full within sixty (60) days after the date of said invoice shall bear interest at the rate of one and one-half percent (1.5%) per month on the unpaid balance thereof computed from the date of the invoice. If there are disputes regarding the invoice, City agrees to promptly pay any undisputed amounts.

Force Majeure

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); 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 Agreement. 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 and Contractor and Customer shall use reasonable best efforts to agree on appropriate mitigating actions under the circumstances. This provision provides performance (including schedule) and financial relief if a Force Majeure event interferes with the Contractor's performance.

(Amendment No. 3)