

STAFF REPORT

DATE: July 31, 2018

TO: City Council

FROM: Richard Tsai, Environmental Resources Manager
Jennifer Gilbert, Conservation Coordinator

SUBJECT: Amendment No. 1 to the Contract Agreement for Clements Environmental to Perform an Organics Processing Facility Feasibility Analysis

Recommendations

Approve the Resolution (Attachment 1) authorizing the City Manager to enter into the first amendment to the existing contract agreement to authorize additional professional services by Clements Environmental.

Fiscal Impact

The cost of the additional work under the amended agreement will be \$56,610. The funds will come from the Solid Waste Program (7701). This was an anticipated cost and was calculated as part of the inter-fund loan to the Solid Waste Fund from the Sewer Fund.

Council Goal(s)

This scope of work is consistent with the Council's Goal to Pursue Environmental Sustainability. This also supports the specific Objective 3 to conserve resources in an environmentally responsible manner.

Background and Analysis

The City has an existing agreement with Clements Environmental to perform an Organics Processing Facility Feasibility Analysis (Attachment 3). This study will provide City Council with options to consider associated with organics material handling and processing. This information will provide input for the solid waste rate study to capture anticipated future costs for organic materials handling and processing.

Clements presented City Staff with a draft analysis in December 2017. At that time however, the study was placed on hold, pending resolution of the notice received from Davis Waste Removal regarding their intent to sell to Recology. Around the same time, additional information became available about the anaerobic digester and composting facility that Yolo County is building at the Yolo County Central Landfill, which is one of the options considered in the City's analysis of organics options. In addition to developments at Yolo County Central Landfill, UC Davis purchased organics digestion equipment and technology from Clean World Partners. UC Davis intends to digest and compost organic materials at the UC Davis landfill, and has expressed interest in exploring opportunities for shared processes.

The Executive Summary of the draft organics processing analysis was presented to the Natural Resource Commission (NRC) and Utility Rate Advisory Commission (URAC) for review and comment in February and March 2018. The NRC received the full draft analysis in April 2018. Feedback received from both commissions requested a number of edits and changes. The NRC

requested that the study review any potential possibilities that may have opened due to the Recology Davis acquisition and the new details emerging about the facilities being built at the Yolo County landfill. In addition, the NRC requested a more extensive look at the greenhouse gas emissions related to different organics processing facilities.

Clements Environmental prepared an expanded scope of work based on the requests received by the NRC and City Staff (Attachment 2). Staff believes that the City's interest will be best served, if Clements Environmental continues the analysis with the increased scope of work.

Attachments

1. Resolution
2. Amendment No.1 to the Clements Environmental Agreement
3. Original Clements Environmental Agreement, entered June 20, 2017

RESOLUTION NO. XXXX, SERIES 2018

**RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE
AN AMENDMENT TO THE CONSULTANT AGREEMENT WITH CLEMENTS
ENVIRONMENTAL FOR THE ORGANICS PROCESSING FACILITY FEASIBILITY
ANALYSIS**

WHEREAS, Resolution No. 17-068 authorized the City Manager to contract with Clements Environmental for an Organics Processing Facility Feasibility Analysis; and

WHEREAS, Yolo County's plans to build and operate an anaerobic digester and a composting facility have changed since the study began; and

WHEREAS, UC Davis has acquired anaerobic digestion equipment and is interested in considering processing organic material from the City; and

WHEREAS, with Recology Davis' purchase of Davis Waste Removal, there are more organics processing possibilities opening up for the City of Davis; and

WHEREAS, both the Utility Rate Advisory Commission and the Natural Resource Commission have reviewed the draft Organics Processing Facility Feasibility Analysis and requested further details regarding the Yolo County organics facilities, opportunities available to the City due to the Recology Davis acquisition and with UC Davis, and more details on greenhouse gas emissions related to different organics processing facilities; and

WHEREAS, in order to perform the additional work, the existing agreement with Clements Environmental must be amended.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Davis does hereby approve the contract amendment and authorizes the City Manager to execute Amendment No. 1 to the existing consultant agreement with Clements Environmental, to add additional analysis to the Scope of Services, attached hereto, and to increase the contract ceiling from \$82,050 to \$138,660.

PASSED AND ADOPTED by the City Council of the City of Davis on this 31st day of July, 2018, by the following vote:

AYES:

NOES:

Brett Lee
Mayor

ATTEST:

Zoe S. Mirabile, CMC
City Clerk

Agreement for Consultant Services

Clements Environmental Corporation

Organics Processing Facility Feasibility Analysis

Amendment No. 1

Amendment to Agreement made and entered into this ___ day of _____, 2018, by and between the **City of Davis**, a Municipal Corporation, hereinafter referred to as “**City**,” and **Clements Environmental Corporation**, a California Corporation, hereinafter referred to as “**Consultant**.”

Witnesseth:

Whereas, on June 20, 2017, **City** and **Consultant** entered into an **Agreement**; and,

Whereas, **City** and **Consultant** desire to enter into an **Amendment** to their **Agreement** to expand the current study scope;

Now, Therefore, **City** and **Consultant** agree as follows:

- 1. Section 4 - Fees and Payment:** Amend the existing amount of total compensation to include the addition of the amended scope of work:

4.1. Compensation. Consultant shall receive compensation, including authorized reimbursements, for Services rendered under this Agreement at the rates set forth in Exhibit D. The total compensation shall not exceed ONE HUNDRED THIRTY-EIGHT THOUSAND SIX HUNDRED SIXTY DOLLARS (\$138,660) without written approval of the City Manager. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

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2. **Exhibit A - Scope:** Amend the existing scope (Exhibit A) to include the following addition:

Amendment to Scope of Work - Expanded Scope of Services

TASK A1: Consult with Yolo County Central Landfill (YCCL) Staff

Clements will engage with YCCL staff to acquire more detailed information about the landfill's organics project and identify any potential synergies for a future City-owned facility.

TASK A2: Consult with Recology Staff

Diversion Strategies will lead this task, with input from the City, on discussing the current and future destiny of the City's organics if sent to Recology facilities.

TASK A3: Modify Financial Pro Forma for only City Feedstock

The financial pro forma will be revised by Sloan Vazquez McAfee (SVM) and Clements to reflect the potential costs associated with a facility that handles only City-generated organics.

TASK A4: Modify Financial Pro Forma for Large-Scale Regional Project

SVM and Clements will prepare a pro forma for a large-scale regional project at four times the size of the project in Task 3.

TASK A5: Modify Financial Pro Forma for Select City and UCD Feedstocks

It may be difficult for the City to recover the construction and demolition (C&D) debris currently sent to YCCL for an organics processing facility. This revision to the financial pro forma will reflect the removal of C&D materials as potential City-generated feedstock.

TASK A6: Provide Financial Information in Text Format

The City has requested a text document with all of the numbers generated from the financial pro forma. This text document will not show the calculations, formulas, or other proprietary information present in the document.

TASK A7: Teleconference with Natural Resources Commission

All lead team members (Clements, SVM, and Diversion Strategies) will participate in a two-hour teleconference call with the members of the Natural Resources Commission.

TASK A8: Teleconference with Utility Rate Advisory Commission

All lead team members (Clements, SVM, and Diversion Strategies) will participate in a two-hour teleconference call with the members of the Utility Rate Advisory Commission.

TASK A9: City Council Meeting

All lead team members (Clements, SVM, and Diversion Strategies) will participate in a three-hour City Council Meeting. Clements participation in the City Council Meeting was budgeted in the initial proposal and thus no additional cost is requested here. All team members have been invited to participate in the City Council Meeting to ensure the most accurate and complete answers to questions raised.

TASK A10: Revise Feasibility Report and Respond to Comments

Upon completion of the above tasks, and Task 11 as described below, the team will revise the Organics Feasibility Report to reflect the additional scope of services. The City will be given the opportunity to provide comments on the draft report prior to the team submitting the final report.

TASK A11: Greenhouse Gas Analysis

This work will be prepared as a technical memo and included as an appendix in the report. This greenhouse gas analysis will consist of two parts: (1) WARM Model, and (2) Anaerobic Digestion (AD) Energy Balance. The WARM Model will be used to determine baseline and alternative waste management practices emissions, specifically for three scenarios: 1) all organics to landfill; 2) all organics to composting; and 3) digestible organics to an AD system with the remainder to composting. The AD energy balance will involve a literature review to determine AD system energy input requirements for the AD options evaluated in the team's draft feasibility report (AD discontinuous with windrow composting and AD continuous with aerated composting). The team will estimate the net energy production and outputs as listed in the draft feasibility report.

- 3. Exhibit D - Payment:** Amend the existing payment breakdown (Exhibit C) to include the following modification and addition:

The Project Scope of Work will be completed on a time-and-materials basis with a not-to-exceed budget by task total of: **\$138,660**, including all expenses.

Expanded Scope of Work Budget Included on the Next Page:

*Clements rates at 2018 rates

City of Davis Expanded Scope of Work

TASK	DESCRIPTION	Clements*	Hours	Rate	Subtotal	SVM	Hours	Rate	Subtotal	DS	Hours	Rate	Subtotal	Total
1	Consult with YCCL to include more detailed information about YCCL projects and the possibilities involved with Davis using their facility/facilities	Cindy	20	\$175	\$3,500									
		Chip	2	\$275	\$550									
													Task 1 Subtotal	\$4,050
2	Consult with Recology to include more detailed information about Recology projects and the possibilities involved with Davis using their facility/facilities	Cindy	2	\$175	\$350					Erin / Rachel	15	\$250	\$3,750	
		Chip	1	\$275	\$275									
													Task 2 Subtotal	\$4,375
3	Develop Financial Pro Forma for only City feedstock (no UCD feedstock)	Cindy	1	\$175	\$175	Enrique	3	\$225	\$675					
4	Develop Financial Pro Forma for 4x City Feedstock	Cindy	3	\$175	\$525	Enrique	5	\$225	\$1,125					
		Chip	1	\$275	\$275									
													Task 3 Subtotal	\$850
5	Develop Financial Pro Forma for City and UCD Feedstock without City C&D materials	Cindy	2	\$175	\$350	Enrique	4	\$225	\$900					
		Chip	1	\$275	\$275									
													Task 4 Subtotal	\$1,925
6	Provide Financial Pro Forma in text (no formulas)					Enrique	4	\$225	\$900					
													Task 5 Subtotal	\$1,525
7	2-hour Teleconference with Natural Resources Commission	Chip	3.5	\$275	\$963	Enrique	2.5	\$225	\$563	Rachel	2.5	\$250	\$625	\$900
		Cindy	5	\$175	\$875	Joe S.	2.5	\$225	\$563	Erin	2.5	\$250	\$625	
										Joerg	3	\$150	\$450	
													Task 6 Subtotal	\$900
8	2-hour Teleconference with Utility Rate Advisory Commission	Chip	3.5	\$275	\$963	Enrique	2.5	\$225	\$563	Rachel	2.5	\$250	\$625	\$4,663
		Cindy	5	\$175	\$875	Joe S.	2.5	\$225	\$563	Erin	2.5	\$250	\$625	
										Joerg	3	\$150	\$450	
													Task 7 Subtotal	\$4,663
9	3-hour City Council Meeting													
						Enrique	5	\$225	\$1,125	Rachel	5	\$250	\$1,250	
						Joe S.	5	\$225	\$1,125	Erin	5	\$250	\$1,250	
						Filights	2	\$400	\$800	Joerg	7	\$150	\$1,050	
						Car	1	\$75	\$75	Millics	293.58	\$0.945	\$160	
						Hotel	2	\$150	\$300					
						Per Diem	2	\$100	\$200					
													Task 8 Subtotal	\$4,663
10	Revise Feasibility Report & Respond to Comments	Chip	20	\$275	\$5,500	Enrique	8	\$225	\$1,800	Rachel	4	\$250	\$1,000	\$7,335
		Cindy	50	\$175	\$8,750					Erin	4	\$250	\$1,000	
													Task 9 Subtotal	\$7,335
11	Greenhouse Gas Analysis with Technical Memo	Chip	6	\$275	\$1,650					Joerg	11	\$150	\$1,650	\$18,050
		Cindy	19	\$175	\$3,325					Robert	11	\$150	\$1,650	
													Task 10 Subtotal	\$18,050
													Task 11 Subtotal	\$8,275
													Total	\$56,610

Except as hereinabove modified, the **Agreement between City and Consultant**, together with the terms and provisions contained therein, is hereby ratified and confirmed.

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Organics Processing Facility Feasibility Analysis

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Amendment No. 1 Signature Page

In Witness Whereof, the parties hereto have caused this **Amendment** to the **Agreement** to be executed this day and year first above written.

City of Davis
A Municipal Corporation,
State of California

Consultant
Clements Environmental Corporation

Mike Webb
City Manager

Principal

Approved as to Form:

Harriet Steiner
City Attorney

Clements Environmental Corporation
Organics Processing Facility Feasibility Analysis

Amendment No. 1
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AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made and entered into this 20th day of June, 2017, by and between the CITY OF DAVIS, a municipal corporation existing under the laws of the State of California, hereinafter referred to as “City,” and Clements Environmental Corporation, hereinafter referred to as “Consultant.”

RECITALS

WHEREAS, Consultant desires to perform and assume responsibility for the provision of certain services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing Organics Processing Feasibility Analysis services to public clients and is familiar with the plans of the City with respect to the Project, as defined below.

WHEREAS, the City desires to engage Consultant to render such services in connection with the Organics Processing Feasibility Analysis project (“Project”) as set forth in this Agreement.

NOW, THEREFORE, City and Consultant agree as follows:

1. SCOPE OF SERVICES AND TERM.

1.1 Scope of Services. Consultant promises and agrees to furnish to City all labor, services, and incidental and customary work necessary to fully and adequately perform the Organics Processing Feasibility Analysis services necessary for the Project (“Services”). The Services are more particularly described in **Exhibit A**. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state, and federal laws, rules, and regulations. In the event of a conflict between a provision in this Agreement and a provision in **Exhibit A** or in any other exhibit to this Agreement, the provision in this Agreement shall control.

1.2 Facilities, Equipment, and Other Materials. Except as specifically provided in **Exhibit B**, Consultant shall, at its sole cost and expense, furnish all facilities, tools, equipment, and other materials necessary for performing the Services pursuant to this Agreement. The City

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shall furnish to Consultant only those facilities, tools, equipment, and other materials specifically listed in **Exhibit B**, according to the terms and conditions set forth in that exhibit.

1.3 Schedule of Services. Consultant shall perform the Services expeditiously and in accordance with the Schedule of Services set forth in **Exhibit C** and any updates to the Schedule of Services approved by the City. Time is of the essence in the performance of this Agreement. Consultant's failure to perform any Service required under this Agreement within the time limits set forth in **Exhibit C** shall constitute a material breach of this Agreement.

1.4 Term. The term of this Agreement shall begin on the date the City Council approves this Agreement and shall expire upon completion of the Services or when terminated as provided in Article 5.

2. PROJECT COORDINATION.

2.1 City's Representative. The City hereby designates the City Manager to act as its representative for the performance of this Agreement. The City Manager shall have the power to act on behalf of the City for all purposes under this Agreement. The City Manager hereby designates Richard Tsai, Environmental Resources Manager, as the "Project Manager," who shall supervise the progress and day-to-day performance of this Agreement.

2.2 Consultant's Representative. Consultant hereby designates Chip Clements to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services under this Agreement, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services to be performed under this Agreement. Should the Consultant's Representative need to be substituted for any reason, the proposed new Consultant's Representative shall be subject to the prior written acceptance and approval of the Project Manager. The Consultant shall not assign any representative to whom the City has a reasonable objection.

2.3 Coordination of Services. Consultant agrees to work closely with City staff in the performance of the Services and shall be available to City staff at all reasonable times.

3. RESPONSIBILITIES OF CONSULTANT.

3.1 Independent Contractor. The City retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Nor shall any additional personnel performing the Services under this Agreement on behalf of Consultant be employees of the City; such personnel shall at all times be under Consultant's exclusive direction and control. Consultant shall be entitled to no other benefits or compensation except as provided in this Agreement.

3.2 Control and Payment of Subordinates. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods, and details of performing the Services subject to the requirements of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.3 Conformance to Applicable Requirements. All services performed by Consultant shall be subject to the Project Manager's review and approval. Consultant shall furnish City with every reasonable opportunity to determine that Consultant's services are being performed in accordance with this Agreement. The City's review of Consultant's services shall not relieve Consultant of any of its obligations to fulfill this Agreement as prescribed.

3.4 Substitution of Key Personnel. Consultant has represented to the City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least

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Clements Environmental Corporation*

equal competence upon the City's written approval. In the event that the City and Consultant cannot agree as to the substitution of key personnel, the City shall be entitled to terminate this Agreement for cause. The key personnel for performance of this Agreement are as follows: Chip Clements, Joe Sloan, and Rachel Oster.

3.5 Licenses and Permits. Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City of Davis Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement, at Consultant's sole cost and expense.

3.6 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of Consultant or its subconsultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.7 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with the Services. If Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold the City, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Agreement and in accordance with

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the language of Section 6.3, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.8 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code 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 agrees to comply with such provisions before commencing the performance of the Services.

3.9 Non-Discrimination. No discrimination shall be made in the employment of persons under this Agreement because of that person's race, color, national origin, ancestry, religion, age, marital status, disability, gender, sexual orientation, or place of birth.

3.10 Insurance.

3.10.1 Time for Compliance. Consultant shall not commence the performance of Services under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required herein. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required herein. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

3.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of this Agreement by Consultant, its agents, representatives, employees or subconsultants. Consultant shall also require all of its subconsultants to procure and maintain the same insurance for the duration of this Agreement. Such insurance shall meet at least the following minimum levels of coverage:

3.10.2.1 Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (a) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (b) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto);

and (c) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

3.10.2.2 Minimum Limits of Insurance. Consultant shall maintain limits no less than: (a) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (b) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (c) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.10.3 Professional Liability. Consultant shall procure and maintain, and require its subconsultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim, and shall be endorsed to include contractual liability.

3.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

3.10.4.1 General Liability. The general liability policy shall include or be endorsed (amended) to state that: (a) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the work or operations performed by or on behalf of Consultant, including materials, parts or equipment furnished in connection with such work; and (b) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of Consultant's insurance and shall not be called upon to contribute with it in any way.

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3.10.4.2 Automobile Liability. The automobile liability policy shall include or be endorsed (amended) to state that: (a) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by Consultant or for which Consultant is responsible; and (b) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of Consultant's insurance and shall not be called upon to contribute with it in any way.

3.10.4.3 Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by Consultant.

3.10.4.4 All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (a) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City; and (b) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers.

3.10.5 Separation of Insureds; No Special Limitations. All insurance required herein shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers.

3.10.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Consultant shall guarantee that, at the option of the City, either: (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents, and

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volunteers; or (b) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

3.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A: VIII, licensed to do business in California, and satisfactory to the City.

3.10.8 Verification of Coverage. Consultant shall furnish the City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.10.9 Reporting of Claims. Consultant shall report to the City, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

3.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out the Services, Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (a) adequate life protection and life saving equipment and procedures; (b) instructions in accident prevention for all employees and subconsultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (c) adequate facilities for the proper inspection and maintenance of all safety measures.

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3.12 Accounting Records. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of the City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.13 Use of Recycled Paper. Consultant shall comply with the City's policy on the use of recycled paper, as set forth in **Exhibit E** of this Agreement.

4. FEES AND PAYMENT.

4.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for Services rendered under this Agreement at the rates set forth in **Exhibit D**. The total compensation shall not exceed **EIGHTY-TWO THOUSAND SEVEN AND FIFTY** dollars (**\$82,050**) without written approval of the City Manager. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

4.2 Payment of Compensation. Consultant shall submit to the City a monthly itemized statement which indicates tasks completed during the month, hours of services rendered by Consultant during the month, and supplies provided during the month. The City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

4.3 City's Right to Withhold Payment. The City reserves the right to withhold payment from Consultant on account of Services not performed satisfactorily, delays in Consultant's performance of Services past the milestones established in the Schedule of Services (**Exhibit C**), or other defaults hereunder. Consultant shall not stop or delay performance of Services under this Agreement on account of payment disputes with the City, provided that the City continues to make payment of undisputed amounts.

4.4 Payment Disputes. If the City disagrees with any portion of a billing, the City shall promptly notify Consultant of the disagreement, and the City and Consultant shall attempt to

resolve the disagreement. The City's payment of any amounts shall not constitute a waiver of any disagreement and the City shall promptly pay all amounts not in dispute.

4.5 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses except as specifically set forth in **Exhibit D**.

4.6 Extra Work. At any time during the term of this Agreement, the City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by the City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the City Manager.

4.7 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, *et seq.*, and 1770 *et seq.*, as well as California Code of Regulations, Title 8, Section 1600 *et seq.* ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make available to interested parties upon request, copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services, and shall post copies at the Consultant's principal place of business and at the Project site. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless pursuant to the indemnification provisions of this Agreement and in accordance with the language of Section 6.3, from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

4.8 Living Wage Ordinance.

4.8.1 Consultant agrees to comply with Davis Municipal Code Chapter 15.20, the City of Davis Living Wage Ordinance. If Consultant employs six (6) or more employees, and

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Clements Environmental Corporation*

receives \$25,000 or more from the City pursuant to this Agreement and any other contracts with the City during a twelve-month period, Consultant shall be required to provide all employees eligible under Chapter 15.20 with the minimum compensation set forth in Davis Municipal Code Section 15.20.060 during the term of this Agreement.

4.8.2 Prior to commencement of any work under this Agreement, Consultant and all subconsultants that are subject to the requirements of Chapter 15.20 will provide certification in a form satisfactory to the City that Consultant and subconsultants are providing all eligible employees the minimum compensation required pursuant to Davis Municipal Code Section 15.20.060. Additionally, prior to commencement of any work, Consultant shall notify in writing all employees that are eligible for minimum compensation of their rights under Chapter 15.20.

4.8.3 Consultant shall maintain all records and documents necessary to establish whether Consultant is subject to Chapter 15.20. If Consultant is subject to the requirements of Chapter 15.20, Consultant shall further be required to maintain monthly records of Consultant's employees, including records showing the hourly rate paid to each employee, the amount paid by Consultant for health benefits, if any, and the amount of days off provided per year for sick leave, vacation, or personal necessity. The records described in this subsection shall be made available to the City upon request. The failure to produce these records within three (3) business days following request by the City shall be a default under this Agreement.

4.8.4 Consultant shall include the requirements of Chapter 15.20 in any and all agreements with subconsultants hired to provide services pursuant to this Agreement. Any and all subconsultants retained by Consultant to provide services pursuant to this Agreement that employ six or more employees and receive \$25,000 or more for services provided to the City pursuant to this and any other City contracts during a 12-month period shall be required to comply with the terms of Chapter 15.20. Failure by a subconsultant subject to the requirements of Chapter 15.20 to comply with the terms of Chapter 15.20 shall constitute a default of the Consultant under this Agreement.

5. SUSPENSION AND TERMINATION.

5.1 Suspension. The City may suspend this Agreement and Consultant's performance of the Services, wholly or in part, for such period as it deems necessary due to unfavorable conditions or to the failure on the part of Consultant to perform any provision of this Agreement. Consultant will be paid for satisfactory services performed through the date of temporary suspension. In the event that Consultant's services hereunder are delayed for a period in excess of six (6) months due to causes beyond Consultant's reasonable control, Consultant's compensation shall be subject to renegotiation.

5.2 Termination for Cause.

5.2.1 If Consultant at any time refuses or neglects to prosecute its services in a timely fashion or in accordance with the Schedule of Services, or is adjudicated a bankrupt, or commits any act of insolvency, or makes an assignment for the benefit of creditors without the City's consent, or fails to make prompt payment to persons furnishing labor, equipment, materials or services, or fails in any respect to properly and diligently prosecute its services, or otherwise fails to perform fully any and all of the agreements herein contained, Consultant shall be in default.

5.2.2 If Consultant fails to cure the default within seven (7) days after written notice thereof, the City may, at its sole option, take possession of any documents and data (as more specifically described in Section 6.1) or other materials (in paper and electronic form) prepared or used by Consultant in connection with the Project and (1) provide any such work, labor, materials or services as may be necessary to overcome the default and deduct the cost thereof from any money then due or thereafter to become due to Consultant under this Agreement; or (2) terminate Consultant's right to proceed with this Agreement.

5.2.3 In the event the City elects to terminate, the City shall have the right to immediate possession of all documents and data and work in progress prepared by Consultant, whether located at the Project, at Consultant's place of business, or at the offices of a subconsultant, and may employ any other person or persons to finish the Services and provide the materials therefor. In case of such default termination, Consultant shall not be entitled to

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receive any further payment under this Agreement until the Project is completely finished. At that time, if the expenses incurred by the City in obtaining the Services necessary to complete the Project exceed such unpaid balance, then Consultant shall promptly pay to the City the amount by which such expense exceeds the unpaid balance of the not-to-exceed amount reflected in Section 4.1. The expense referred to in the previous sentence shall include expenses incurred by the City in causing the Services called for under this Agreement to be provided by others, for attorneys' fees, and for any costs or damages sustained by the City by reason of Consultant's default or defective work.

5.3 Termination for Convenience.

5.3.1 In addition to the foregoing right to terminate for default, the City reserves the absolute right to terminate this Agreement without cause, upon 72-hours' written notice to Consultant. In the event of termination without cause, Consultant shall be entitled to payment in an amount not to exceed the not-to-exceed amount set forth in Section 4.1 which shall be calculated as follows: (1) payment for Services then satisfactorily completed and accepted by the City, plus (2) payment for Additional Work satisfactorily completed and accepted by the City, plus (3) reimbursable expenses actually incurred by Consultant, as approved by the City. The amount of any payment made to Consultant prior to the date of termination of this Agreement shall be deducted from the amounts described in (1), (2), and (3) above. Consultant shall not be entitled to any claim or lien against the City or the Project for any additional compensation or damages in the event of such termination and payment. In addition, the City's right to withhold funds under Section 4.3 shall be applicable in the event of a termination for convenience.

5.3.2 If this Agreement is terminated by the City for default and it is later determined that the default termination was wrongful, such termination automatically shall be converted to and treated as a termination for convenience under this Section and Consultant shall be entitled to receive only the amounts payable hereunder in the event of a termination for convenience.

6. OTHER PROVISIONS.

6.1 Documents and Data.

6.1.1 Ownership of Documents. The City shall be the owner of the following items produced pursuant to this Agreement, whether or not completed: all data collected, all documents prepared, of any type whatsoever, and any material necessary for the practical use of the data and/or documents from the time of collection and/or production whether performance under this Agreement has been completed or if this Agreement has been terminated prior to completion. Consultant shall not release any materials under this Section except after prior written approval of the City.

6.1.2 Copyright. No materials produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country except as determined at the sole discretion of the City. The City shall have the unrestricted authority to publish, disclose, distribute, and otherwise use in whole or in part, any reports, data, documents or other materials prepared under this Agreement.

6.1.3 Release of Documents to City. Consultant shall deliver to the City all materials prepared by Consultant in connection with this Agreement, including all drafts, memoranda, analyses, and other documents, in paper and electronic form, within five (5) days of receiving a written request from the City.

6.1.4 Confidentiality. All documents, reports, information, data, and exhibits prepared or assembled by Consultant in connection with its performance under this Agreement are confidential until released by the City to the public, and Consultant shall not make any of these documents or information available to any individual or organization not employed by Consultant or the City without the written consent of the City before any such release.

6.2 Assignment; Successors. Consultant shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of the City. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. All representations, covenants and warranties set forth

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in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

6.3 Indemnification.

6.3.1 Indemnity. To the fullest extent permitted by law, Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys fees and other related costs and expenses. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above defense and indemnity obligations shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

6.3.2 Additional Indemnity Obligations. Consultant shall defend, with Counsel of the City's choosing and at Consultant's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by Section 6.3.1 that may be brought or instituted against the City or its directors, officials, officers, employees, volunteers and agents. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against the City or its directors, officials, officers, employees, volunteers and agents as part of any such claim, suit, action or other proceeding. Consultant shall also reimburse the City for the cost of any settlement paid by the City or its directors, officials, officers, employees, agents or volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for the City's attorneys' fees and costs, including expert witness fees. Consultant shall reimburse the City and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

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6.3.3 Survival of Obligation. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by the City, its directors, officials officers, employees, agents, or volunteers.

6.4 Consultant Not Agent. Except as the City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of the City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind the City to any obligation whatsoever.

6.5 Governing Law; Government Code Claim Compliance. This Agreement shall be governed by the laws of the State of California. Venue shall be in Yolo County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Consultant must comply with the claim procedures set forth in Government Code sections 900 *et seq.* prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Consultant. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Consultant shall be barred from bringing and maintaining a valid lawsuit against the City.

6.6 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant: Clements Environmental Corporation
 15230 Burbank Blvd., Suite 103
 Sherman Oaks, CA 91411
 Attn: Chip Clements

City: City of Davis
 1717 Fifth Street
 Davis, CA 95616
 Attn: Richard Tsai

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Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

6.7 Incorporation by Reference. All exhibits referred to in this Agreement are attached hereto and are by this reference incorporated herein.

6.8 City's Right to Employ Other Consultants. The City reserves the right to employ other consultants in connection with this Project.

6.9 Construction; References; Captions. The language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to the City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various sections and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

6.10 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.

6.11 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel or otherwise.

6.12 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the parties.

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6.13 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

6.14 Interest of Consultant. Consultant covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services under this Agreement. Consultant certifies that no one who has or will have any financial interest under this Agreement is an officer or employee of the City.

6.15 Interest of Subconsultants. Consultant further covenants that, in the performance of this Agreement, no subconsultant or person having any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services under this Agreement shall be employed. Consultant has provided City with a list of all subconsultants and the key personnel for such subconsultants that are retained or to be retained by Consultant in connection with the performance of the Services, to assist the City in affirming compliance with this Section.

6.16 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. If required, Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, the City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of the City, during the term of his or her service with the City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

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6.17 Cooperation; Further Acts. The parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

6.18 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all other costs of such action.

6.19 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform this Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

6.20 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

6.21 Entirety of Agreement. This Agreement contains the entire agreement of the City and Consultant with respect to the subject matter hereof, and no other agreement, statement or promise made by any party, or to any employee, officer or agent of any party, which is not contained in this Agreement, shall be binding or valid.

[Signatures on following page]

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SIGNATURE PAGE TO CONSULTANT SERVICES AGREEMENT

IN WITNESS WHEREOF, the City and Consultant have entered into this Agreement as of the date first stated above.

CITY OF DAVIS

By: 

Its: City Manager

Approved as to form:



Harriet A. Steiner
City Attorney

CONSULTANT

By: 

Its: Principal, Clements
Environmental Corporation

6/9/17

EXHIBIT A

SCOPE OF SERVICES

TASK 1: Participated in Kick-Off Meeting/Monthly Meetings

The Clements team will participate in a kick-off meeting with City staff to introduce project participants, and clarify and align on project goals, schedule, and scope of work. Ongoing communication with City Staff and third parties will be conducted via telephone and email. The Clements team will participate in monthly update meetings to ensure the project stays on schedule and budget. Brief update reports will be prepared and delivered to the City prior to the monthly update meetings.

TASK 2 – Gather Data and Compile Information

The Clements Team will gather pertinent information on the local organics infrastructure and proposed facilities including:

- The current system for managing organics
 - Review of hauler, pre-processing facility, composting facility, and end market products and users
- Quantities and composition of organic material currently being collected and anticipated in the future
 - Review City tonnage reports and other solid waste data
 - Analyze projected local population growth and trends
- The Yolo County AD project at YCCL landfill
- The sites at the WWTP and Old Davis Landfill
 - WWTP Digester Specifications
- Available Excess Capacity
- Ideal Percent Solids Range
- Utility Demands
 - Size
 - Construction Constraints

TASK 3 – Assess Feasibility of YCCL AD Project

The Clements Team will evaluate the future YCCL AD project by completing these tasks:

- Review Project Basis
 - Capacity
 - Feedstocks
 - Technology
 - Operator
- Review Project Status (design, permitting, schedule)

EXHIBIT A

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- * Review Economics
 - o Pro forma
 - o Tipping Fee
- * Review Deal Points for City Participation

Task 4 – Assess Feasibility of City Project at WWTP or Old Davis Landfill

The Clements team has completed numerous technical evaluations and feasibility assessments for organics processing systems including composting, AD, and innovative renewable energy projects such as gasification and production of low carbon fuels.

For this task, the Clements Environmental team will conduct the following work:

Sub-Task 4.1: Technical Assessment

The Clements team has expert knowledge regarding several existing and new technologies for organics processing including composting, co-composting, anaerobic digestion, and co-digestion. We will use this knowledge to determine the most viable system to be operated at the City of Davis WWTP or old Davis landfill.

Sub-Task 4.1.1 – Feedstock Study

The Clements team will evaluate the available feedstock supply chains for the City of Davis project including identifying type, quantity, and source. Clements will determine the appropriate mixture of local feedstocks and range of amendment options to ensure a high-quality end product. These feedstocks may include: greenwaste, foodwaste, greenwaste mixed with foodwaste, manures, biosolids, and other organics.

Sub-Task 4.1.2 – Finished Compost Quality

The Clements team offers regulatory expertise and operational experience in meeting local and State compost standards, including physical contaminants, metal concentrations, and weed free.

Sub-Task 4.1.3 – Capital, Operation, and Maintenance Costs

Based on the concept plan developed in the following task, the Clements team, led by SVM on this task, will develop cost estimates for design, construction, equipment purchase, and other ancillary items. These estimates will include several options so that City staff can assess the benefits vs. cost of various options. An estimated cost per ton will also be calculated to provide another essential point of comparison. These cost estimates will be broken out into line items and where applicable include unit costs so the impact of larger or smaller modifications can be easily calculated.

Sub-Task 4.1.4 – Design

Clements will prepare a concept level site plan detailed enough for discussion purposes for the preferred option(s). The Clements team has decades of experience in site design for these types of facilities. A site plan of this nature typically includes an office/employee breakroom/building, traffic circulation (ingress and egress), unloading and loading areas, and composting, or preferred technology, operational area.

Sub-Task 4.1.5 – Environmental Control Mechanisms

EXHIBIT A

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The Clements team will draw from their lengthy experience in designing these facilities to satisfy local and state regulations to identify appropriate mechanisms to control leachate/runoff, emissions, and odors. We will also identify opportunities to lower and capture greenhouse gas (GHG) emissions through advanced technology, operational controls, or management practices.

Sub-Task 4.1.6 – Heat and Energy Recovery

If the most strategic organics processing system generates heat and/or energy, the team will evaluate the system's abilities to recover this heat and/or energy for beneficial use. For example, potential uses for biogas production include conversion into CNG and/or electricity. We will identify system-specific opportunities based on the findings of the technical assessment.

Sub-Task 4.1.7 – Finished Product Uses

The Clements team will identify potential end uses of any compost, leachate, supernatant, digestate, biogas, or other end of process materials. End uses may include: for compost and its products - field application, sale to nurseries, sale to other soil products companies; for biogas conversion to electricity via engine generators, or conversion to CNG fuel or pipeline quality gas.

Sub-Task 4.2: Site Assessment

The Clements team will choose the best technology for each site. Example, composting at the Old Davis Landfill and co-digestion at the WWTP.

Sub-Task 4.2.1 – Location Analysis

Clements has completed siting feasibility studies for numerous solid waste and recycling facilities, and in addition has successfully permitted several in these recommended locations. Over the decades of siting and developing these facilities, Clements has determined key screening criteria for site location evaluations, including, but not limited to: size, zoning, floodplains, environmental justice, access, and utility availability. The Clements team will evaluate these and other factors to determine the most strategic location for an organics processing facility on City-owned land.

Sub-Task 4.2.2 – Determine Environmental and Financial Impacts

Clements will review and summarize current policies, programs, facilities, and rate structure as applicable to the project. The team will obtain the latest information on recycling and diversion from the City, as well as cost data to assess how this facility can be incorporated into the City's current policies and programs. Specifically, we will identify the potential environmental and financial impacts that the City and surrounding community will incur due to the construction and on-going operation and maintenance of this project.

Sub-Task 4.2.3 – Identify Costs, Manpower, and Equipment Requirements

After the selection of preferred options for a project on City-owned land, we will develop an organics-facility-operations financial proforma. The proforma will present all of the projected costs of site development, rolling stock (material management equipment), as well as the ongoing costs associated with facility staffing and operations.

TASK 5 – Perform Products Market Assessment

EXHIBIT A

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The Clements team has lengthy experience in evaluating and securing markets for organics processing facilities finished product (i.e. compost, digestate, etc.). Led on this task by Diversion Strategies, we will outline the feasibility of marketing, selling, and distributing each end product. This market assessment will identify potential outlets, uses, and pricing. If the project produces biogas, then the Clements team will evaluate the opportunities and economics of utilizing the biogas for heat and/or energy.

TASK 6 – Assess Feasibility of Other Local AD and Other Diversion Options

The Clements team has working knowledge of other local AD and diversion options which may be a viable option for the City. We will briefly highlight the advantages, or disadvantages of the nearest potential options for the City to easily determine if other diversion options fit the needs of the City. These other local projects include for example, the AD project at UC Davis, and the AD projects in Sacramento.

TASK 7 – Prepare Draft Report and Final Report

Sub-Task 7.1 – Prepare Draft Report

A draft report will be prepared incorporating all the analysis performed. The draft report will be submitted to City Staff for review and commentary.

Sub-Task 7.2 – Resolve any Outstanding Issues

We will address and resolve issues about the Draft Report raised by City Staff and elected officials, and make appropriate edits to respond to comments and questions.

Sub-Task 7.3 – Prepare Final Report and Presentation to Commissions

The team will revise and finalize the report based upon City Staff review and input. Clements will also prepare and deliver a presentation to the Commissions on the findings of this report.

EXHIBIT A

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EXHIBIT B

MATERIALS PROVIDED BY CITY

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EXHIBIT C

SCHEDULE OF SERVICES

Work Schedule

The Clements team will complete the work in three months. Some of the tasks will be conducted concurrently. Please refer to the schedule chart below for approximate sequencing and time durations of each task.

Progress Reporting Schedule

Progress reports will be submitted the week before the monthly meetings between the consultant and staff. The purpose is to ensure that the project stays on schedule and budget and that any challenges are addressed immediately so as not to impact either timing or costs. The advance copy of the report will allow staff time to review before the meeting.

Meeting Schedule

We suggest monthly meetings (or even more frequent given the short duration of the project) between the consultant team and City staff to review progress and align on goals for the next work period.

EXHIBIT E

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TASK NAME	Duration	Start	Finish
1. Regular Project Meetings	91 days	07/01/17	09/30/17
2. Gather Data	11 days	07/01/17	07/12/17
3. Assess Feasibility of YCCL AD Project	23 days	07/13/17	08/05/17
3.1 Review Project Basis & Status	14 days	07/13/17	07/27/17
3.2 Review of Economics	20 days	07/16/17	08/05/17
4. Assess Feasibility of City Project	54 days	07/08/17	08/31/17
4.1 Technical Assessment	51 days	07/08/17	08/28/17
4.1.1 Feedstocks	20 days	07/08/17	07/28/17
4.1.2 Finished Compost Quality	19 days	07/09/17	07/28/17
4.1.3 O&M, Capital Costs	32 days	07/23/17	08/24/17
4.1.4 Design	43 days	07/16/17	08/28/17
4.1.5 Environmental Control Mechanism	25 days	08/03/17	08/28/17
4.1.6 Heat & Energy Recovery	21 days	08/07/17	08/28/17
4.1.7 Finished Product Uses	14 days	08/14/17	08/28/17
4.2 Site Assessment	36 days	07/26/17	08/31/17
4.2.1 Location Analysis	31 days	07/26/17	08/26/17
4.2.2 Determine Environmental and Financial Impacts	21 days	08/10/17	08/31/17
4.2.3 Identify Costs, Manpower, and Equipment Requirements	25 days	08/06/17	08/31/17
5. Perform Product Market Assessment	31 days	08/14/17	09/14/17
5.1 Feasibility of selling/distributing products	21 days	08/14/17	09/04/17
5.2 Utilization of biogas	19 days	08/26/17	09/14/17
6. Assess Feasibility of Other Local AD and Other Diversion Options	38 days	07/17/17	08/24/17
7. Prepare Draft Report and Final Report	37 days	08/24/17	09/30/17

EXHIBIT E

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EXHIBIT D

PAYMENT

Fee & Rate Schedule - Project Budget

The Project Scope of Work will be completed on a time-and-materials basis with a not-to-exceed budget by task total of: **\$82,050**, *including all expenses*.

Fee & Rate Schedule

EXHIBIT E

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**SECTION 6
FEE ESTIMATE AND RATE SCHEDULE**

The Clements team accepts that compensation will be on a time and expense basis, with a not-to-exceed total cost limit.

6.1 ESTIMATED FEE BY TASK BY CONSULTANT

TASK		DESCRIPTION	CLEMENTS	SVM	DS	TOTAL COSTS
1		Attend Meetings including Kick-off Meeting	\$2,500	\$1,500	\$1,500	\$5,000
2		Gather Data & Compile Information	\$2,000	\$1,000	\$500	\$3,500
3		Assess Feasibility of YCCL AD Project				
	3.1	Review Project Basis & Status	\$2,000	\$500	\$500	\$3,000
	3.2	Review Economics	\$1,500	\$1,500	\$500	<u>\$3,500</u>
		Subtotal Task 3				\$6,500
4		Assess Feasibility of City Project at WWTP or Old Davis Landfill				
	4.1	Technical Assessment				
	4.1.1	Feedstock Study	\$500		\$1,500	\$3,000
	4.1.2	Finished Compost Quality			\$500	\$1,000
	4.1.3	Capital, Operation, and Maintenance Costs	\$2,500	\$7,500		\$10,000
	4.1.4	Design	\$8,500	\$2,500		\$11,000
	4.1.5	Environmental Control Mechanisms	\$1,500			\$1,500
	4.1.6	Heat and Energy Recovery	\$1,000		\$1,000	\$2,000
	4.1.7	Finished Product Uses	\$500		\$3,000	\$3,500
	4.2	Site Assessment				
	4.2.1	Location Analysis	\$5,000	\$1,000		\$6,000
	4.2.2	Determine Environmental & Financial Impacts	\$1,000	\$2,000	\$500	\$3,500
	4.2.3	Identify Costs, Manpower, and Equipment Requirements		\$5,000	\$500	<u>\$5,000</u>
		Subtotal Task 4				\$47,000
5		Perform Products Market Assessment	\$1,000		\$4,100	\$5,100
6		Assess Feasibility of other local AD and other diversion options	\$2,500	\$1,000	\$1,500	\$5,000
7		Prepare Report and Presentation	\$7,450	\$1,500	\$1,000	\$9,950
Totals:			\$39,450	\$25,000	\$17,100	\$82,050

Total Not to Exceed Costs:

\$ 82,050

6.2 HOURLY BILLING RATES**RATES**

(JANUARY 2017)

<u>CATEGORY</u>	<u>RATE PER HOUR</u>
PRINCIPAL:	\$260.00
PROJECT MANAGER:	\$210.00
SR. PLANNER:	\$210.00
PROJECT ENGINEER:	\$165.00
ENVIRONMENTAL SPECIALIST:	\$155.00
STAFF ENGINEER:	\$105.00
SUPPORT STAFF:	\$60.00

EXPENSES:

Mileage: billed at \$0.54 per mile

In-house copying: \$0.15 per page (black & white)
\$0.20 per page (color)

All other expenses billed at cost.



*Sloan***VAZQUEZ****MCAFEE**
MUNICIPAL SOLID WASTE ADVISORS

RATES
(JANUARY 2017)

<u>CATEGORY</u>	<u>RATE PER HOUR</u>
PRINCIPALS:	\$225.00
SR. ASSOCIATE:	\$185.00
ASSOCIATE:	\$145.00
FIELD TECH:	\$105.00
ADMIN:	\$65.00

EXPENSES:

Mileage: billed at \$0.54 per mile

All other expenses billed at cost.



RATES
(MARCH 2017)

<u>CATEGORY</u>	<u>RATE PER HOUR</u>
PRINCIPALS:	\$250.00
SR. ASSOCIATE:	\$150.00

EXPENSES:

Mileage: billed at \$0.54 per mile

All other expenses billed at cost.

EXHIBIT E

USE OF RECYCLED PAPER

All paper used for any reports that are required to be submitted under this Agreement shall be produced on recycled paper conforming to the minimum content standards as specified herein. All such reports shall have the front cover labeled in such a way as to clearly identify that the report was produced on recycled paper. Where practicable, the pages of all such reports shall be produced double-sided.

Definitions.

Postconsumer Material means only those paper products generated by a business or consumer which have served their intended end uses, and which have been separated or diverted from solid wastes for the purpose of collection, recycling, and disposition.

Recovered Paper Material means paper waste generated after the completion of a papermaking process, such as postconsumer materials, envelope cuttings, bindery trimmings, printing wastes, cutting and other converting wastes, butt rolls and mill wrappers, obsolete inventories, and rejected unused stock. Recovered paper material, however, shall not include fibrous wastes generated during the manufacturing process such as fibers recovered from wastewater or trimmings of paper machine rolls (mill broke), or fibrous byproducts of harvesting, extractive or woodcutting processes, or forest residues such as bark.

Minimum Content Standard. The following categories of paper must contain the minimum percentages of material listed under both "Recovered Material" and "Postconsumer Material" included within the total "Recovered Material" percentage. When utilizing a category of paper not listed below, the paper shall contain the highest percentage of recycled paper available.

Paper Category	Minimum Percentage of "Recovered Material"	Minimum Percentage of "Postconsumer Material"
High-speed Xerographic	50	10
Bond Paper	50	10
Cover Stock	50	10
Envelopes	50	10