

GENERAL SERVICES CONTRACT
Biosolids Hauling Services
Specification No. S-2024-624BD

This GENERAL SERVICES CONTRACT (hereinafter referred to as "Contract"), is made and entered into as of the date fully executed below, by and between Orange County Sanitation District (hereinafter referred to as "OC San") and Rust Logistics, Inc. (hereinafter referred to as "Contractor"), and collectively referred to herein as the "Parties."

RECITALS

WHEREAS, OC San desires to retain the services of Contractor for biosolids hauling services("Services") as described in Exhibit "A" attached hereto and incorporated herein by this reference; and

WHEREAS, Contractor is qualified to perform the Services by virtue of experience, training, education, and expertise; and

WHEREAS, OC San desires to engage Contractor to provide the Services; and

WHEREAS, OC San selected Contractor to provide the Services in accordance with OC San's current Purchasing Ordinance; and

WHEREAS, on November 20, 2024, OC San's Board of Directors, by minute order, authorized execution of this Contract.

NOW, THEREFORE, in consideration of the above recitals and the mutual promises and benefits specified below, the Parties agree as follows:

1. General.

1.1 This Contract and all exhibits hereto are made by OC San and the Contractor.

1.2 The following exhibits, in order of precedence, are incorporated by reference and made part of this Contract.

Exhibit "A" – Scope of Work

Exhibit "B" – Revised Bid Price Form-Version 2

Exhibit "C" – Determined Insurance Requirement Form

Exhibit "D" – Contractor Safety Standards

Exhibit "E" – Human Resources Policies

1.3 In the event of any conflict or inconsistency between the provisions of this Contract and any of the provisions of the exhibits hereto, the provisions in the Contract shall control and thereafter the provisions in the document highest in precedence shall be controlling.

1.4 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or actions incurred or undertaken by Contractor as a result of work performed in anticipation of acquisition of the Services by OC San.

1.5 Work Hours: Shall be as specified in Exhibit "A."

- 1.6 Days: Shall mean calendar days, unless otherwise noted.
- 1.7 OC San holidays (non-working days) are as follows: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.8 Work: Shall mean all work, labor, and materials necessary to provide the Services.
- 1.9 The provisions of this Contract may be amended or waived only by an amendment executed by authorized representatives of both Parties.
- 1.10 The various headings in this Contract are inserted for convenience only and shall not affect the meaning or interpretation of this Contract or any paragraph or provision hereof.

2. Scope of Work.

- 2.1 Contractor shall perform the Services identified in Exhibit "A" in accordance with generally accepted industry and professional standards.
- 2.2 Modifications to Scope of Work. OC San shall have the right to modify the Scope of Work at any time. All modifications must be made by an amendment signed by both Parties.
- 2.3 Familiarity with Work. By executing this Contract, Contractor warrants that: (a) it has investigated the work to be performed; (b) it understands the facilities, difficulties, and restrictions of the work under this Contract; and (c) it has examined the site of the work and is aware of all conditions at the site. Should Contractor discover any latent or unknown condition materially differing from those inherent in the work or as represented by OC San, it shall immediately inform OC San of this and shall not proceed, except at Contractor's risk, until written instructions are received from OC San.
- 2.4 Performance. Time is of the essence in the performance of the provisions hereof.

3. Contract Term.

- 3.1 The term of this Contract shall be for three (3) years commencing on January 1, 2025 and continuing through December 31, 2027.
- 3.2 Renewals. At its sole discretion, OC San may exercise the option to renew this Contract for up to two (2) one-year periods. This Contract may be renewed by an OC San Purchase Order. OC San shall have no obligation to renew the Contract nor to give a reason if it elects not to renew it.
- 3.3 Extensions. The term of this Contract may be extended only by an amendment signed by both Parties.

4. Compensation.

- 4.1 As compensation for the Services provided under this Contract, OC San shall pay Contractor a total amount not to exceed Nine Million Dollars (\$9,000,000.00).
- 4.2 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the amount specified above.

5. Payments and Invoicing.

- 5.1 OC San shall pay itemized invoices for work completed in accordance with Exhibit "A" thirty (30) days from receipt of the invoice and after approval by OC San's Project Manager or designee. OC San shall be the determining party, in its sole discretion, as to whether the Services have been satisfactorily completed.
- 5.2 Contractor shall submit its invoices to OC San Accounts Payable by electronic mail to APStaff@OCSan.gov. In the subject line include "INVOICE" and the Purchase Order Number.

6. California Department of Industrial Relations Registration and Record of Wages.

- 6.1 To the extent Contractor's employees and/or its subcontractors perform work related to this Contract for which Prevailing Wage Determinations have been issued by the California Department of Industrial Relations (DIR) as more specifically defined under Labor Code section 1720 et seq., prevailing wages are required to be paid for applicable work under this Contract. It is Contractor's responsibility to interpret and implement any prevailing wage requirements and Contractor agrees to pay any penalty or civil damages resulting from a violation of the prevailing wage laws.
- 6.2 Contractor and its subcontractors shall comply with the registration requirements of Labor Code section 1725.5. Pursuant to Labor Code section 1771.4(a)(1), the work is subject to compliance monitoring and enforcement by the California Department of Industrial Relations (DIR).
- 6.3 Pursuant to Labor Code section 1773.2, a copy of the prevailing rate of per diem wages is available upon request at OC San's principal office. The prevailing rate of per diem wages may also be found at the DIR website for prevailing wage determinations at <http://www.dir.ca.gov/DLSR/PWD>.
- 6.4 Contractor and its subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulations section 16461(e). Pursuant to Labor Code sections 1773.2 and 1771.4(a)(2), Contractor shall post a copy of the prevailing rate of per diem wages at the job site.
- 6.5 Contractor and its subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code section 1776. Contractor and its subcontractors shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3). Pursuant to Labor Code section 1776, the Contractor and its subcontractors shall furnish a copy of all certified payroll records to OC San and/or the general public upon request, provided the public request is made through OC San, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement of the Department of Industrial Relations. Pursuant to Labor Code section 1776(h), penalties for non-compliance with a request for payroll records may be deducted from progress payments.
- 6.5.1 As a condition to receiving payments, Contractor agrees to present to OC San, along with any request for payment, all applicable and necessary certified payrolls and other required documents for the period covering such payment request. Pursuant to Title 8, California Code of Regulations section 16463, OC San shall withhold any portion of a payment, up to and including the entire payment amount, until certified payroll forms and any other required documents are properly

submitted. In the event certified payroll forms do not comply with the requirements of Labor Code section 1776, OC San may continue to withhold sufficient funds to cover estimated wages and penalties under the Contract.

- 6.6 The Contractor and its subcontractors shall comply with Labor Code section 1774 and section 1775. Pursuant to Labor Code section 1775, the Contractor and any of its subcontractors shall forfeit to OC San a penalty of not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any work.

- 6.6.1 In addition to the penalty and pursuant to Labor Code section 1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor or its subcontractor.

- 6.7 Contractor and its subcontractors shall comply with Labor Code sections 1810 through 1815. Contractor and its subcontractors shall restrict working hours to eight (8) hours per day and forty (40) hours per week, except that work performed in excess of those limits shall be permitted upon compensation for all excess hours worked at not less than one and one-half (1.5) times the basic rate of pay, as provided in Labor Code section 1815. The Contractor shall forfeit, as a penalty to OC San, twenty-five dollars (\$25) per worker per calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of Labor Code sections 1810 through 1815.

- 6.8 Contractor and its subcontractors shall comply with Labor Code sections 1777.5, 1777.6, and 1777.7 concerning the employment of apprentices by Contractor or any subcontractor.

- 6.9 Contractor shall include, at a minimum, a copy of the following provisions in any contract it enters into with any subcontractor: Labor Code sections 1771, 1771.1, 1775, 1776, 1777.5, 1810, 1813, 1815, 1860, and 1861.

- 6.10 Pursuant to Labor Code sections 1860 and 3700, the Contractor and its subcontractors will be required to secure the payment of compensation to employees. Pursuant to Labor Code section 1861, Contractor, by accepting this contract, certifies that:

"I am aware of the provisions of section 3700 of the 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 I will comply with such provisions before commencing the performance of the work of this contract."

Contractor shall ensure that all its contracts with its subcontractors provide the provision above.

7. **Damage to OC San's Property.** Any of OC San's property damaged by Contractor, any subcontractor, or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.

8. **Freight (F.O.B. Destination).** Contractor assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.
9. **Audit Rights.** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its expiration or termination, OC San shall have access to and the right to examine any directly pertinent books, documents, and records of Contractor relating to the invoices submitted by Contractor pursuant to this Contract.
10. **Contractor Safety Standards and Human Resources Policies.** OC San requires Contractor and its subcontractor(s) to follow and ensure their employees follow all Federal, State, and local regulations as well as the Contractor Safety Standards while working at OC San locations. If, during the course of the Contract, it is discovered that the Contractor Safety Standards do not comply with Federal, State, or local regulations, the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor, its subcontractors, and all of their employees shall adhere to the safety requirements in Exhibit "A," all applicable Contractor Safety Standards in Exhibit "D," and the Human Resources Policies in Exhibit "E."
11. **Insurance.** Contractor and all its subcontractors shall purchase and maintain, throughout the term of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Exhibit "C" – Determined Insurance Requirement Form. Contractor shall not commence work under this Contract until all required insurance is obtained in a form acceptable to OC San, nor shall Contractor allow any subcontractor to commence service pursuant to a subcontract until all insurance required of the subcontractor has been obtained. Failure to obtain and maintain the required insurance coverage shall result in termination of this Contract.
12. **Indemnification and Hold Harmless Provision.** Contractor shall assume all responsibility for damages to property and/or injuries to persons, including accidental death, which may arise out of or may be caused by Contractor's Services under this Contract, or by its subcontractor(s), or by anyone directly or indirectly employed by Contractor, and whether such damage or injury shall accrue or be discovered before or after the termination of the Contract. Except as to the sole active negligence of or willful misconduct of OC San, Contractor shall indemnify, protect, defend, and hold harmless OC San, its elected and appointed officials, officers, agents, and employees from and against any and all claims, liabilities, damages, or expenses of any nature, including attorneys' fees: (a) for injury to or death of any person, or damage to property, or interference with the use of property arising out of or in connection with Contractor's performance under the Contract, and/or (b) on account of use of any copyrighted or uncopyrighted material, composition, or process; or any patented or unpatented invention, article, or appliance furnished or used under the Contract, and/or (c) on account of any goods and services provided under this Contract. This indemnification provision shall apply to any acts or omissions, willful misconduct, or negligent misconduct, whether active or passive, on the part of Contractor or anyone employed by or working under Contractor. To the maximum extent permitted by law, Contractor's duty to defend shall apply whether or not such claims, allegations, lawsuits, or proceedings have merit or are meritless; or which involve claims or allegations that any of the parties to be defended were actively, passively, or concurrently negligent; or which otherwise assert that the parties to be defended are responsible, in whole or in part, for any loss, damage, or injury. Contractor agrees to provide this defense immediately upon written notice from OC San, and with well qualified, adequately insured, and experienced legal counsel acceptable to OC San. This section shall survive the expiration or early termination of the Contract.

13. **Independent Contractor.** The relationship between the Parties hereto is that of an independent contractor and nothing herein shall be deemed to make Contractor an OC San employee. During the performance of this Contract, Contractor and its officers, employees, and agents shall act in an independent capacity and shall not act as OC San's officers, employees, or agents. Contractor and its officers, employees, and agents shall obtain no rights to any benefits which accrue to OC San's employees.
14. **Subcontracting and Assignment.** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
15. **Disclosure.** Contractor agrees not to disclose, to any third party, data or information generated from this Contract without the prior written consent from OC San.
16. **Non-Liability of OC San Officers and Employees.** No officer or employee of OC San shall be personally liable to Contractor, or any successor-in-interest, in the event of any default or breach by OC San, or for any amount which may become due to Contractor or to its successor, or for breach of any obligation under the terms of this Contract.
17. **Third-Party Rights.** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
18. **Applicable Laws and Regulations.** Contractor shall comply with all applicable Federal, State, and local laws, rules, and regulations. Contractor also agrees to indemnify and hold OC San harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any provision required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically included or referenced.
19. **Licenses, Permits, Ordinances, and Regulations.** Contractor represents and warrants to OC San that it has obtained all licenses, permits, qualifications, and approvals of whatever nature that are legally required to provide the Services. Any and all fees required by Federal, State, County, City, and/or municipal laws, codes, and/or tariffs that pertain to the work performed under this Contract will be paid by Contractor.
20. **Regulatory Requirements.** Contractor shall perform all work under this Contract in strict conformance with applicable Federal, State, and local regulatory requirements including, but not limited to, 40 CFR 122, 123, 124, 257, 258, 260, 261, and 503, Title 22, 23, and Water Codes Division 2.
21. **Environmental Compliance.** Contractor shall, at its own cost and expense, comply with all Federal, State, and local environmental laws, regulations, and policies which apply to the Contractor, its subcontractors, and the Services, including, but not limited to, all applicable Federal, State, and local air pollution control laws and regulations.
22. **South Coast Air Quality Management District's Requirements.** It is Contractor's responsibility to ensure that all equipment furnished and installed be in accordance with the latest rules and regulations of the South Coast Air Quality Management District (SCAQMD). All Contract work practices, which may have associated emissions such as sandblasting, open field spray painting, or demolition of asbestos containing components or structures shall comply with the appropriate rules and regulations of SCAQMD.

23. **Warranties.** In addition to the warranties stated in Exhibit "A," the following shall apply:
- 23.1 Contractor's Warranty (Guarantee): If within a one (1) year period of completion of all work specified in Exhibit "A," OC San informs Contractor that any portion of the Services provided fails to meet the standards required under this Contract, Contractor shall, within the time agreed to by OC San and Contractor, take all such actions as are necessary to correct or complete the noted deficiency(ies) at Contractor's sole expense.
24. **Dispute Resolution.**
- 24.1 In the event of a dispute as to the construction or interpretation of this Contract, or any rights or obligations hereunder, the Parties shall first attempt, in good faith, to resolve the dispute by mediation. The Parties shall mutually select a mediator to facilitate the resolution of the dispute. If the Parties are unable to agree on a mediator, the mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Agreement, through the alternate dispute resolution procedures of Judicial Arbitration through Mediation Services of Orange County ("JAMS"), or any similar organization or entity conducting an alternate dispute resolution process.
- 24.2 In the event the Parties are unable to timely resolve the dispute through mediation, the issues in dispute shall be submitted to arbitration pursuant to Code of Civil Procedure, Part 3, Title 9, sections 1280 et seq. For such purpose, an agreed arbitrator shall be selected, or in the absence of agreement, each party shall select an arbitrator, and those two (2) arbitrators shall select a third. Discovery may be conducted in connection with the arbitration proceeding pursuant to Code of Civil Procedure section 1283.05. The arbitrator, or three (3) arbitrators acting as a board, shall take such evidence and make such investigation as deemed appropriate and shall render a written decision on the matter in question. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California. The arbitrator's decision and award shall be subject to review for errors of fact or law in the Superior Court for the County of Orange, with a right of appeal from any judgment issued therein.
25. **Remedies.** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods and Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods and Services, OC San may (a) cancel the Contract; (b) recover whatever amount of the purchase price OC San has paid, and/or (c) "cover" by purchasing, or contracting to purchase, substitute goods and Services for those due from Contractor. In the event OC San elects to "cover" as described in (c), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods and Services and the Contract price, together with any incidental or consequential damages.
26. **Force Majeure.** Neither party shall be liable for delays caused by accident, flood, acts of God, fire, labor trouble, war, acts of government, or any other cause beyond its control, but the affected party shall use reasonable efforts to minimize the extent of the delay. Work affected by a force majeure condition may be rescheduled by mutual consent of the Parties.
27. **Termination.**
- 27.1 OC San reserves the right to terminate this Contract for its convenience, with or without cause, in whole or in part, at any time, by written notice from OC San. Upon receipt of a termination notice, Contractor shall immediately discontinue all work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for work performed (cost and fee) through the date of termination. Contractor

expressly waives any claim to receive anticipated profits to be earned during the uncompleted portion of this Contract. Such notice of termination shall terminate this Contract and release OC San from any further fee, cost, or claim hereunder by Contractor other than for work performed through the date of termination.

27.2 OC San reserves the right to terminate this Contract immediately upon OC San's determination that Contractor is not complying with the Scope of Work requirements, if the level of service is inadequate, or for any other default of this Contract.

27.3 OC San may also immediately terminate this Contract for default, in whole or in part, by written notice to Contractor:

- if Contractor becomes insolvent or files a petition under the Bankruptcy Act; or
- if Contractor sells its business; or
- if Contractor breaches any of the terms of this Contract; or
- if the total amount of compensation exceeds the amount authorized under this Contract.

27.4 All OC San's property in the possession or control of Contractor shall be returned by Contractor to OC San on demand or at the expiration or early termination of this Contract, whichever occurs first.

28. **Attorney's Fees.** If any action at law or in equity or if any proceeding in the form of an Alternative Dispute Resolution (ADR) is necessary to enforce or interpret the terms of this Contract, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which the prevailing party may be entitled.
29. **Waiver.** The waiver by either party of any breach or violation of, or default under, any provision of this Contract shall not be deemed a continuing waiver by such party of any other provision or of any subsequent breach or violation of this Contract or default thereunder. Any breach by Contractor to which OC San does not object shall not operate as a waiver of OC San's rights to seek remedies available to it for any subsequent breach.
30. **Severability.** If any section, subsection, or provision of this Contract; or any agreement or instrument contemplated hereby; or the application of such section, subsection, or provision is held invalid, the remainder of this Contract or instrument in the application of such section, subsection, or provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby, unless the effect of such invalidity shall be to substantially frustrate the expectations of the Parties.
31. **Survival.** The provisions of this Contract dealing with payment, warranty, indemnity, and forum for enforcement shall survive expiration or early termination of this Contract.
32. **Governing Law.** This Contract shall be governed by and interpreted under the laws of the State of California and the Parties submit to jurisdiction in the County of Orange in the event any action is brought in connection with this Contract or the performance thereof.

33. Notices.

33.1 All notices under this Contract must be in writing. Written notice shall be delivered by personal service, by electronic telecommunication, or sent by registered or certified mail, postage prepaid, return receipt requested, or by any other overnight delivery service which delivers to the noticed destination and provides proof of delivery to the sender. Rejection or other refusal to accept or the inability to deliver because of changed address for which no notice was given as provided hereunder shall be deemed to be receipt of the notice, demand, or request sent. All notices shall be effective when first received at the following addresses:

OC San: Donald Herrera
Senior Buyer
Orange County Sanitation District
18480 Bandilier Circle
Fountain Valley, CA 92708
dherrera@ocsan.gov

Contractor: Tanner Rust
Vice President Operations
Rust Logistics, Inc.
15315 Olde Highway 80
El Cajon, CA 92021
tanner@rustandsons.com

33.2 Each party shall provide the other party written notice of any change in address as soon as practicable.

34. Read and Understood. By signing this Contract, Contractor represents that it has read and understood the terms and conditions of the Contract.

35. Authority to Execute. The persons executing this Contract on behalf of the Parties warrant that they are duly authorized to execute this Contract and that by executing this Contract, the Parties are formally bound.

36. Entire Agreement. This Contract constitutes the entire agreement of the Parties and supersedes all prior written or oral communications and all contemporaneous oral agreements, understandings, and negotiations between the Parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, intending to be legally bound, the Parties hereto have caused this Contract to be signed by their duly authorized representatives.

ORANGE COUNTY SANITATION DISTRICT

Dated: _____

By: _____
Ryan P. Gallagher
Chair, Board of Directors

Dated: _____

By: _____
Kelly A. Lore
Clerk of the Board

Dated: _____

By: _____
Kevin Work
Contracts & Purchasing Manager

RUST LOGISTICS, INC.

Dated: _____

By: _____

Print Name and Title of Officer

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EXHIBIT A
SCOPE OF WORK
For
Biosolids Hauling Services

**EXHIBIT A
SCOPE OF WORK
BIOSOLIDS HAULING SERVICES
SPECIFICATION NO. S-2024-624BD**

EXECUTIVE SUMMARY/OVERVIEW

The Orange County Sanitation District (OC San) operates one of the largest wastewater agencies west of the Mississippi River. Since 1954, OC San has safely collected, treated, and disposed of and/or reclaimed the wastewater generated by 2.6 million people living and working in central and northwestern Orange County, California.

Each day OC San treats approximately 185 million gallons of wastewater, enough volume to fill Anaheim stadium over two and a quarter times. About 80 percent of the wastewater comes from homes – sinks, toilets, showers, laundry, and dishwashers. The remaining come from businesses – retail stores, restaurants, manufacturers, hotels, offices, and other industries.

A professional staff of more than 650 employees manages the day-to-day activities of OC San. The facilities include 396 miles of sewer pipes, located throughout the county, and two treatment plants – one in Fountain Valley, CA and the other in Huntington Beach, CA – where wastewater is treated in accordance with strict state and federal standards.

OC San's employees are dedicated to protecting public health and the environment by ensuring the sewer system efficiently operates 24 hours a day, 7 days a week, and 365 days a year. OC San is known for its industry-leading achievements and dedication to customer service.

1 Purpose

OC San is seeking qualified Contractors to collect and haul between approximately 25 to 325 wet tons per day (tpd) of biosolids. Under normal operating conditions, a minimum load of 175 tons (7 trucks) per week will be made available by OC San from its Plants No. 1 and/or No. 2 for delivery to the Inland Empire Regional Composting Facility (IERCF), South Kern Compost Manufacturing Facility (SKIC), Nursery Products (NP), Liberty Compost (LC), Prima Deshecha Landfill (Prima Deshecha), and alternative biosolids management locations listed in the Bid Price Form, (Exhibit B).

The purpose of this Notice Inviting Bid (NIB) is to secure professional services from up to three (3) qualified Contractors that meet the minimum qualification requirements referenced in Appendix A to manage a portion of OC San's biosolids hauling potentially for the next five (5) years, based on a three (3)-year contract with two (2) one-year optional renewals, to provide flexibility, sustainability, and diversity in OC San's biosolids management program.

The Contractor shall take the necessary steps to provide this hauling service, which includes, but is not limited to, compliance with all applicable federal, state, and local regulations, recordkeeping, reporting, and conformance with OC San's Biosolids Contractor Requirements (BCR) (see Appendix A).

2 Description

OC San's biosolids program consists of processes that ensure solids are treated onsite and used off-site (recycled) in accordance with all regulations and best management practices. USEPA's "*Standards for the Use and Disposal of Sewage Sludge*" (40 CFR 503) regulates the use of biosolids in land application, composting, and landfill disposal and is the key regulation

governing OC San's biosolids program. Since its inception, OC San's biosolids management program has been in full compliance with the 40 CFR 503 rule requirements. Wastewater solids at Plants No. 1 and No. 2 are separated from the liquid stream by various unit processes and are thickened prior to further treatment. The sludge is then stabilized through a digestion process to create a product referred to as biosolids. OC San biosolids are dewatered using centrifuges to about 24-25% total solids at Plant No. 1 and 28-29% total solids at Plant No. 2. OC San biosolids are loaded onto Contractor's trucks at Plants No. 1 and No. 2 truck loading facilities and delivered by the Contractor to the end use facility site for processing. Grit and screenings removed during wastewater treatment process shall not constitute as biosolids.

OC San currently maximizes beneficial reuse of all the biosolids produced in the treatment process. The current daily digested and dewatered biosolids production is around 531 wet tons per day (wtpd). Biosolids management options include composting, land application, and landfilling. OC San supports the beneficial reuse of biosolids through the use of diverse management options, including biosolids land application, composting, and bioenergy options (OC San Board Resolution 13-03).

2.1 Definitions

- Average Daily Biosolids Production – defined as up to 531 wtpd, assuming a 7-day average. OC San's maximum daily biosolids hauling is about 750 wtpd.
- Biosolids – treated, non-hazardous solids from the wastewater treatment process that contain organic matter, plant nutrients such as nitrogen and phosphorus, and low levels of metals and pathogenic organisms that are compliant with 40 CFR 503.
- Biosolids Contractor Requirements (BCR) – A periodically-updated document that explains OC San requirements as well as other resources for Contractors. Contractor shall conform to the latest published version of BCR (www.ocsan.gov/bcr) (Appendix A), as specified in Section 7.
- Biosolids Management System (BMS) – OC San manages the facility's biosolids using an Internal Standard based on ISO14001 and the National Biosolids Partnership standard. See Appendix A for information related to how this system impacts Contractors as well as what specifically is required.
- Contractor – shall mean the party awarded the Contract for services under this Contract.
- Direct Land Application – Biosolids management process of directly applying biosolids to a farm field. Pre-treatment via compost is not considered direct land application, but it is an acceptable fail-safe back-up option.
- Fail-safe Back-up Biosolids Management Options – OC San will have fail-safe back-up and/or alternative options, such as landfill and/or composting, at the ready in the case that OC San has a process disruption and produces sub-Class B biosolids or otherwise requires use of an alternative to the usual direct land application sites.
- Fail-safe Hauling Capacity – Contractor shall have a plan and be prepared to provide hauling for up to 58% of OC San's biosolids average daily production (325 tpd). See Bid Price Form, Exhibit B.
- First to Respond – The first contractor to respond and transport a potential emergency load(s) within 24 hours will receive a premium of one dollar per ton for every load.
- Maintenance Shutdown – A shutdown restricting the processing of biosolids and/or limiting or restricting the throughput of biosolids.
- OC San – Shall mean the Orange County Sanitation District

- OC San Project Manager – Shall mean the OC San employee who is the main point of contact for all issues related to this Contract.
- Ownership of Biosolids – Shall mean once biosolids are loaded into the Contractor's truck, responsibility and ownership of the biosolids are deemed to have transferred from OC San to the Contractor. However, OC San maintains strict oversight of these biosolids throughout the final use process including, but not limited to, coordination on compliance reporting, reporting incidents during transportation, site inspections, and final product distribution.
- Qualifying Management Practice - To maintain diverse options, OC San has Ten Tenets (<https://www.ocsan.gov/home/showpublisheddocument/19436/637691972830170000>), that require OC San to maintain at least two different hauling companies within the biosolids management portfolio to weather any significant market or regulatory change.
- Potential Emergency – Based on the General Manager's discretion and/or when hauling services are required within 24 hours of initial request, etc.
- Routine Hauling Capacity - Contractor shall maintain hauling capacity to manage at least 20% greater than the 6-day minimum average daily tons, based on the weekly schedule (average tons or trucks per week hauled divided by number of days hauled).
- Subcontractor – shall mean the party designated by the Contractor and approved by OC San for part of this Scope of Work. See Section 3.7 for requirements.
- TPD (tpd) - shall mean wet tons per day where a ton is a measurement by weight of 2,000 pounds of dewatered biosolids. Typical trailers haul an average of about 25 tons of biosolids.
- Tons per day references throughout this Contract are based on a weekly average (weekly tonnage divided by seven days). OC San's loading facilities are open six (6) days per week, and daily scheduled trucks vary based on operational needs. Therefore, actual daily tonnages hauled are higher than the average weekly calculations. This Contract anticipates up to 62 trucks per week (about 9 – 11 trucks per day over a 6-day week) and up to 13 trucks per day (325 tpd), with a minimum guaranteed loading of 7 trucks (~175 tons) per week that are operationally available.

3 Project/Work Elements

3.1 General

The Contractor shall agree to haul, transport, and deliver OC San's biosolids at permitted and approved sites in quantities determined and directed by OC San (up to about 325 tpd). The Contractor is responsible for taking all required steps to provide this service, which may include, but is not limited to, permitting and hauling, while also meeting compliance with federal, state, and local regulations, including recordkeeping, reporting, and conforming to OC San's BCR (Appendix A).

OC San's facilities are almost entirely built-out with no available room for additional onsite facilities or equipment. Therefore, Contractor shall only provide off-site biosolids hauling services.

OC San is seeking to maximize the hauling diversity and capacity of its biosolids program by awarding contracts to up to three (3) qualified hauling Contractors by June 2024. In doing so, it is OC San's responsibility to provide biosolids to the

qualified Contractor(s) that meet the specifications described in the following sections.

3.2 Facility Description

- 3.2.1 There are two primary hauling destinations:
 - 3.2.1.1 Description of Inland Empire Regional Composting Facility (IERCF):
 - 3.2.1.1.1 OC San and IERCF have an agreement for IERCF to accept and compost approximately 250 wet tons per week, or 50 wtpd of OC San's biosolids at the IERCF.
 - 3.2.1.1.2 IERCF is located at 12645 Sixth Street Rancho Cucamonga, CA consisting of 445,275 square feet under roof, receiving and processing over 200,000 wet tons of biosolids and producing approximately 90,000 tons of compost a year.
 - 3.2.1.1.3 IERCF is a Joint Powers Authority formed by and between the Inland Empire Utilities Agency (IEUA) and Los Angeles County Sanitation District of (LACSD).
 - 3.2.1.1.4 IERCF requires live-bottom belt trailers capable of unloading from the rear of the trailer using a belt system to transport biosolids. Trailers delivering biosolids to these facilities shall meet the following clearance specifications to off-load material into the biosolids hoppers. All live bottom belt type trailers require a minimum clear distance of 15 inches between the ground surface and any trailer structure beyond or past the rear tires. This requirement does not apply to any flexible structure like a mud flap. Flexible structures may be removed or repositioned to allow adequate clearance.
 - 3.2.1.1.5 The IERCF hours of operation for unloading are from 6:15AM to 3:15PM, Monday through Friday. This schedule may be subject to change.
 - 3.2.1.1.6 No biosolids will be accepted outside the biosolids hauling schedule, unless approved by IERCF.
 - 3.2.1.2 Description of Prima Deshecha Landfill:
 - 3.2.1.2.1 Prima Deshecha Landfill is owned and operated by OC Waste and Recycling.
 - 3.2.1.2.2 OC San and OC Waste and Recycling have an agreement for Prima Deshecha to accept and landfill up to 350 wet tons per day of OC San's biosolids at their facility. However, OC San uses this facility as a fail-safe option and capacity.
 - 3.2.1.2.3 The Prima Deshecha Landfill is located at 32250 Avenida La Pata, San Juan Capistrano, CA consisting of 1,530 total acres, with 697 acres for waste disposal and receives and processes up to 4,000 tons daily.
 - 3.2.1.2.4 The facility hours of operation of unloading are from 7AM to 5PM, Monday through Saturday. No biosolids will be accepted outside the biosolids hauling schedule, unless approved by Prima Deshecha.
 - 3.2.1.3 Other potential locations are listed in the Bid Price Form, Exhibit B. All OC San land application, composting, and fail-safe delivery sites will be within three hundred (<300) miles of OC San Plant No. 1 in Fountain Valley. These other facility delivery hours typically range between 6:15AM to 4PM, Monday through Saturday. However, some of these facilities operate 24 hours a day, seven days a week. Hours and dates may change at the sole discretion of these facilities.

3.3 Biosolids Quality & Specifications

- 3.3.1 Biosolids quality includes cake dryness, nutrient content, concentration of metals, and other regulated contaminants.
- 3.3.2 OC San currently produces an average of 531 tpd at about 23-24% total solids at Plant No. 1 and 27-28% total solids at Plant No. 2.
- 3.3.3 OC San biosolids are below the pollutant levels of Tables 1 and 3 of 40 CFR Part 503.13.
- 3.3.4 OC San typically meets Class B pathogen reduction requirements as defined in 40 CFR Part 503.32
- 3.3.5 More detail on the biosolids quality may be found in the OC San Biosolids Management Compliance Report, 40 CFR Part 503, current year published at www.ocsan.gov/503 with an excerpt included in Appendix A. The data are for informational purposes only and indicate historical quality and not a guarantee of future quality.
- 3.3.6 Contractor shall have the required permits and approval to haul sub-Class B biosolids to designated facility(ies) as identified and/or approved by OC San.

3.4 Biosolids Allocations

- 3.4.1 OC San will select up to three (3) qualified biosolids Contractors that meet the Minimum Qualification Requirements in Appendix A.
- 3.4.2 This Contract anticipates a minimum loading of 7 trucks (~175 tons) per week, based on OC San's operational conditions, to the locations in the Bid Price Form, Exhibit B. Based on OC San's operational needs and discretion, Contractor may potentially haul up to 13 trucks per day (~325 tpd).
- 3.4.3 Contractor may be assigned additional loads upon hauling availability. The allocation of additional biosolids will be at the discretion of OC San based on the biosolids volume produced at its facilities and operational needs and requirements.
- 3.4.4 OC San will provide at least a 48-hr notice to take additional loads. However, if the Contractor doesn't respond with their decision on whether they can take these additional loads, it will constitute a performance issue (see Contractor Performance in section 3.12).
- 3.4.5 If there is an emergency either declared by the general manager and/or a load(s) needs to be moved within 24 hours, the first contractor to respond and transport the load(s) will receive a premium of one dollar per ton for every load.
- 3.4.6 Operational considerations including construction, maintenance, shutdowns, etc. may impact biosolids load allocations.

3.5 Hauling Capacity

- 3.5.1 Contractor shall maintain and demonstrate the ability to provide OC San the minimum capacity as indicated in Section 3.4.2 plus at least two additional trucks per day of hauling capacity. Although OC San prefers to keep to a steady weekly schedule, there can be week-to-week variations. Thus, OC San requires flexible and reliable biosolids hauling capacity from its Contractors to adapt to these fluctuations.
- 3.5.2 Failure of the Contractor to maintain and demonstrate the ability to provide OC San the minimum capacity as indicated in Section 3.4.2 plus at least two additional trucks per day of hauling capacity shall constitute a performance issue (see Contractor Performance in section 3.11).

3.6 Subcontractor(s)

- 3.6.1 Contractor may subcontract portions of the Contract. Subcontractors are subject to all the requirements of the Contract. Contractor is responsible for ensuring that the Subcontractor(s) comply with all Contract requirements.
- 3.6.2 Contractor shall provide a written request to OC San for approval in order to add a Subcontractor to the approved list of substitutes.
- 3.6.3 Contractor shall obtain written approval from OC San at least 30 days prior to the substitution of an approved Subcontractor.
- 3.6.4 Contractor's Subcontractor shall meet all of OC San's requirements, responsibility, and accountability measures contained herein.
- 3.6.5 Contractor is accountable and responsible to ensure that its Subcontractor(s) meet applicable OC San and management facility requirements including, but not limited to, providing suitable staff, training, equipment, resources to perform the scope of work, required insurance, and conformance with OC San's BCR (see Appendix A).
- 3.6.6 The cost for Subcontractor(s) shall be included in Contractor's cost.

3.7 Hauling, Scheduling, Storage, and Contingencies

- 3.7.1 The Contractor shall be responsible for ensuring drivers and hauling companies comply, as required, with all State of California, State of Arizona, and federal standards and requirements for Motor Carriers, including the California Vehicle Code and the Department of Transportation (DOT) Federal Motor Carrier Safety Administration standards and requirements. State of California and DOT requirements may include, but are not limited to, the following:
 - California Vehicle Code §658.17 Weight limits
 - DOT §393.95 Emergency equipment on all power units
 - DOT §395.3 Maximum driving time for property-carrying vehicles
 - California Air Resources Board Truck & Bus Regulation 13 CCR 2025
 - California Air Resources Board Clean Truck Check Regulation 13 CCR 2195 – 2199.1
 - California Air Resources Board Advanced Clean Fleets Regulation 13 CCR 2013 – 2013.4 and 13 CCR 2015 – 2015.6
- 3.7.2 Any federal, state, or local fees related to hauling, such as road use fees, toll fees, and any fines incurred by hauling operations as well as costs associated with releases shall be the responsibility of the Contractor.
- 3.7.3 In addition to the summary of key requirements contained in this section, the Contractor shall comply with all requirements contained in the BCR (Appendix A), including the submittal and maintenance of a "Biosolids Hauling Plan" and the submittal of the Training Checklist that ensures the Contractor's dispatcher has trained staff on OC San requirements (see Section 7 Deliverables). The Contractor shall periodically (or upon request by OC San) review, update, and re-submit the plans, with any changes, to OC San.
- 3.7.4 Contractor shall haul biosolids from either of OC San's two (2) plants to approved sites as directed by OC San's weekly schedule. Contractor shall conform to this schedule.
- 3.7.5 The 2017 OC San Biosolids Management Plan's Ten Tenets set a guidance to maintain 20% fail-safe hauling capacity. As much as OC San tries to keep a steady weekly schedule, operationally the biosolids production does vary week to week. The Contractor shall maintain at least 20% additional hauling capacity over routinely scheduled loads.

- 3.7.6 Contractor shall bill OC San based on OC San's scale-based weight tickets (not weight at destination facility). Contractor shall maintain and record truckload weight tickets.
- 3.7.7 Current loading windows are generally limited to Monday through Saturday but are subject to change based on operational needs and biosolids availability (see Appendix A).
- 3.7.8 OC San will consider Contractor's needs in setting loading times and schedules; however, operational logistics and plants' considerations determine the final schedule. Wait times at the plants prior to loading average about 15-30 minutes, but at peak times it can be as much as one (1) hour. Loading times also vary, averaging about 15-30 minutes.
- 3.7.9 Once biosolids are loaded into the Contractor's truck, responsibility, and ownership of the biosolids are deemed to have transferred from OC San to the Contractor. However, OC San maintains strict oversight of these biosolids throughout the final use process including coordination of reporting incidents during transportation and final product distribution.
- 3.7.10 OC San has limited storage capacity. Contractor shall provide facilities, hauling, equipment, and any other means necessary to ensure its ability to manage and store biosolids produced by OC San during inclement weather.
- 3.7.11 Contractor shall comply with the following requirements contained in Attachment G, Section I.F-G of OC San's NPDES permit (No. CA0110604) and any future permit renewals:
 - 3.7.11.1 All trucks hauling biosolids that are not Class A, as defined at 40 CFR 503.32(a), shall be cleaned as necessary after loading and after unloading, so as to have no biosolids on the exterior of the truck or wheels.
 - 3.7.11.2 Trucks used to haul Class B biosolids shall not be used to haul animal feed or food on the return trip, unless approved by USEPA after a demonstration of the truck cleaning methods at the unloading site has been made.
- 3.7.12 Haulers transporting biosolids off-site for further treatment, storage, use, or disposal shall take all necessary measures to keep the biosolids contained. Haulers shall adhere to OC San's spill clean-up plan. OC San is required to report any spills to USEPA and State agency in which the spill occurred.

3.8 Loading, Drivers, and Trailers

- 3.8.1 OC San reserves the right to reject loads (no make-up) or write-up the driver or trailer if any contractual requirements or BCR (Appendix A) are not met. See Section 7.
- 3.8.2 The Contractor shall be responsible for all transportation equipment. OC San reserves the right to inspect any of the Contractor's equipment to verify conformance with all requirements within these specifications and reject loads if equipment does not meet specifications.
- 3.8.3 Contractor shall provide adequate training to drivers, dispatchers, and other key staff on biosolids characteristics and emergency response procedures, including providing simple procedures written in the appropriate language format (such as English and Spanish).
- 3.8.4 Contractor's drivers shall conduct themselves in a professional and courteous manner. OC San reserves the right to ban drivers from OC San facilities that do not comply with the BCR or terms of the contract.
- 3.8.5 Dispatchers shall relay shutdown, operational, training, and other communications from OC San to drivers promptly, in a format that can be easily

- understood by drivers, and document communications and trainings including the use of sign-in sheets.
- 3.8.6 Trailers are subject to inspection by OC San prior to commencement of work. Any exceptions to requirements must be requested in writing and approved by OC San staff.
 - 3.8.7 Contractor shall conform to OC San Safety Equipment Requirements and Pre-Loading Inspection Requirements (see Appendix A).
 - 3.8.8 Contractor's drivers shall carry a copy of the OC San's "Hauling Biosolids" laminated cards (Appendix A). Drivers shall understand and abide by all information contained in it, be familiar with Biosolids, and provide this informational booklet to onsite emergency responders if an incident occurs during transportation, especially to communicate that Biosolids are non-hazardous. Laminated cards are available to drivers at OC San's truck loading facilities.
 - 3.8.9 OC San requires the Contractor's participation in our commitment to being a good neighbor and preventing/minimizing noise and odors. Below is a summary of some of the requirements, but please refer to Appendix A for all requirements:
 - 3.8.9.1 OC San requires that Contractor's drivers travel with tarps secured at all times to minimize odors.
 - 3.8.9.2 Contractor is responsible to provide drivers access to facilities necessary to ensure trucks are clean. OC San will not provide a truck washing facility.
 - 3.8.9.3 No jake-breaking or other noise nuisance between 7pm and 7am.
 - 3.8.9.4 Contractor shall utilize staging areas and trucking route(s) with least impact to sensitive receptors within the public. The route(s), staging areas, and contingency routes in case of closures shall be included in the Hauling Plan submittal.
 - 3.8.10 Trailers shall be capable of receiving biosolids from an overhead hopper loading system (See Appendix A).
 - 3.8.11 OC San's loading facilities are capable of accommodating trailers that are up to 60 ft in length, 8 ft in width, and 10 ft in height. Truck and trailer height/clearance must be less than 12 ft for Plant 1 and less than 13.5 ft for Plant 2. Trailers must be able to load and haul a minimum of 20 tons of biosolids.
 - 3.8.12 Trailers shall have tall sides (about 8 ft high) so as to allow the driver to tarp the truck inside the loading facility, with the doors closed and without having to adjust the load since the biosolids may initially pile high in one area.
 - 3.8.13 Trailers equipped with an automatic tarping mechanism are preferred (not required) to allow the driver to tarp the truck inside the truck loading facility before the odor-control doors are opened. The tarping mechanism must be able to tarp the truck within the loading facilities' maximum clearance height of twelve (12) feet. Drivers will be allowed to exit the cab of the truck for tarping once the OC San Operator signals the all-clear after biosolids have completed loading.
 - 3.8.14 Trailers shall be watertight.
 - 3.8.15 Trailers shall have baffles or splashguards 18-24 inches on front, which must be completely welded or bolted and sealed.
 - 3.8.16 Trailers shall be equipped with manual locking devices as to prevent releases from hydraulic system failures. See BCR (Appendix A) for examples of such manual locking devices.
 - 3.8.17 Trailers shall be single trailers due to OC San's unique alignment of loading chutes at Plant No. 1 that makes it unsafe to move double trailers back and forth with the odor-control doors closed. This requirement does not apply to Plant No. 2.
 - 3.8.18 Trailers shall be clearly marked with a unique ID, which shall be visible and distinguishable.

- 3.8.19 Contractor shall conform with OC San Biosolids Response & Recovery Plan (Appendix A). The Contractor shall notify OC San Control Center (714-593-7025) within 30 minutes of accidents and spills during transportation and email an incident report within 48-hours (see Section 7.6).

3.9 OC San Scale and DataBridge Systems

- 3.9.1 New Driver and New Trailer Approval forms are required for each driver and trailer in order to register them in OC San's scale software prior to arrival at OC San.
- 3.9.1.1 Hauling dispatchers are required to email the form at least two (2) business days before the drivers' or trailers' initial visit to OC San.
- 3.9.1.2 Dispatchers and drivers are certifying that they understand and conform with requirements contained in the Pre-Loading Trailer Inspection Guidelines, Safety Equipment Inspection Guidelines, Biosolids Response and Recovery Procedures, OC San Hauling Biosolids laminated cards, and BCR.
- 3.9.2 OC San's DataBridge System is a software application that is used for tracking OC San's Biosolids loads to ensure accurate compliance reporting (see Appendix A).
- 3.9.3 OC San staff will review and reconcile tickets in DataBridge, using field tickets and logs.
- 3.9.3.1 The Contractor will receive an excel data spreadsheet of all the tickets on a frequent basis, such as every two weeks or monthly, where they are required to validate the data for each ticket including the destination and net tons for each load shipped.
- 3.9.3.2 Invoicing shall reflect data in DataBridge. Any incorrect or missing tickets will be identified during the ticket approval process. The Contractor shall communicate any ticket discrepancies as soon as possible to OC San.
- 3.9.3.3 These requirements transfer to any new or equivalent systems or processes implemented in the future.

3.10 Permits, Compliance, and Records

- 3.10.1 Contractor shall hold and maintain all valid federal, state, and local permits, licenses, and other approved legally required documentation to haul and transport biosolids.
- 3.10.2 Contractor shall submit all regulatory documents as part of its Biosolids Hauling Plan in its Contract.
- 3.10.3 Renewal of these documents shall be provided to OC San upon issuance and shall be available at the site.
- 3.10.4 The Contractor shall demonstrate compliance with all federal, state, and local regulatory standards (see Section 7 Deliverables).
- 3.10.5 Contractor shall include cost for permits and any incidentals in cost to haul to all facilities listed on the Bid Price Form, Exhibit B. Use of these alternative locations will typically be on an emergency basis, so costs may be higher than routine hauls.
- 3.10.6 Contractor shall submit copies of ALL reports submitted by the Contractor to regulators and any other reports required by OC San in accordance with Section 7 Deliverables.
- 3.10.7 Contractor shall notify OC San of any regulatory changes affecting hauling as soon as possible. The notification shall include how the changes impact hauling and the Contractor's plan for addressing the changes. Contractor shall provide a

copy of any regulatory requirement changes, reports, and correspondence as described in Section 7 Deliverables.

- 3.10.8 The Contractor shall report any violations or investigations to the appropriate authority immediately, as well as to OC San, within 24-hours with a follow-up incident report as referenced in Section 7 Deliverables.
- 3.10.9 Contractor shall submit all annual biosolids compliance data as requested for OC San's annual biosolids compliance report and shall conform to reporting formats specified by OC San, including electronic reporting in January, for OC San to submit timely reports by the February 19th deadline (Appendix A).
- 3.10.10 Contractor shall maintain, document, and copy OC San on all compliance and any non-compliances with all federal, state, and local regulations. OC San reserves the right to contact the Contractor's regulators.
- 3.10.11 OC San may require additional supplemental reports, data, or plans as needed.

3.11 Contractor Performance

- 3.11.1 OC San reserves the right to withhold loads for any reason, including but not limited to:
 - 3.11.1.1.1 Contractor not meeting any elements of the Scope of Work or Contract requirements.
 - 3.11.1.1.2 Contractor not adequately addressing neighbor complaints, potential onsite nuisances, or any other concern documented in an inspection.
 - 3.11.1.1.3 Contractor not conforming to the BCR document (Appendix A). OC San periodically updates and reissues this document to Contractor.
 - 3.11.1.1.4 Contractor's Subcontractor(s) not meeting or conforming to any one of the requirements, which are the responsibility of the Contractor to ensure conformance.
- 3.11.2 Repeated issues with performance can be grounds for termination of the Contract.

3.12 Conformance with OC San's Biosolids Management System

- 3.12.1 OC San's biosolids management system includes requirements for the Contractor, most of which are incorporated into this Scope of Work and Appendix A. Additional requirements include, but are not limited to, participation in audits and corrective and preventive actions, hauling inspections, review meetings, and potential additional reporting requirements.
- 3.12.2 Changes in requirements are included in updated BCRs that are posted to www.ocsan.gov/bcr.

3.13 Cost Adjustments

- 3.13.1 Due to the volatility of diesel fuel prices, OC San has issued contracts for biosolids management that include fuel adjustments that reflect the variability of diesel prices.
- 3.13.2 As shown on the Bid Price Form in Exhibit B, the fuel adjustment is based on a formula provided by OC San, which requires Contractor to provide a specific "Multiplier". Among other variables, the multiplier typically considers distance and fuel efficiency of vehicles.
- 3.13.3 The Multiplier provided is multiplied by the difference in average diesel cost per gallon in the previous month in California minus \$5.216, which is the base diesel

fuel price per gallon in California for April 2024 (U.S. Energy Information Administration).

- 3.13.4 The fuel adjustment Multiplier will be included in the evaluation of overall cost.
- 3.13.5 OC San shall pay a fuel surcharge once per month based on the previous month's average pricing provided by the Department of Energy.
- 3.13.6 The fuel surcharge will only apply if the result of the calculation is greater than \$0.25.
- 3.13.7 The Contractor shall include the monthly fuel adjustment (credit or debit) on the monthly invoice.
- 3.13.8 Since the Consumer Price Index (CPI) accounts for the fuel and maintenance costs, which consists of approximately 10% of the CPI, the Contractor may request up to 90% of the CPI adjustment each year following the effective date of the Notice to Proceed in accordance with Contract terms.

3.14 Back Charge

- 3.14.1 Contractor shall reimburse OC San for any costs, fines, and/or corrective actions taken due to Contractor's non-performance. This may include costs incurred by OC San due to failure of the Contractor to accept and remove the agreed upon volume of biosolids from the plants, onsite truck leaks, or due to biosolids releases (spills). OC San reserves the right to offset any funds paid out on behalf of the Contractor from invoiced amounts payable to the Contractor.
- 3.14.2 Contractor shall reimburse OC San for any property damage caused by Contractor or Subcontractors.

3.15 Coordination

- 3.15.1 Contractor shall participate in OC San-required conference calls or Microsoft Teams (or current OC San software) meetings to review performance, issues, upcoming projects, and generally ensure effective communications coordination between OC San and Contractor at no cost to OC San (see Appendix A).

4 Resources Available

OC San will provide all the necessary infrastructure and ancillary equipment for biosolids loading conducted at Reclamation Plant No. 1 and Treatment Plant No. 2. Contractor is otherwise responsible for all equipment, instrumentation, and supplies and all associated costs required for receiving and hauling biosolids. Contractor is responsible for providing personal protective equipment for its work force. The safety equipment shall meet or exceed OC San's safety standards. Office facilities for Contractor's workforce are the responsibility of Contractor. Conference call meetings involving dial-in services are the responsibility of Contractor.

In close coordination with assigned OC San staff, the Contractor is responsible for requesting from OC San the needed information necessary for performing their contractual obligation. OC San will provide all available information to assist the Contractor in performing the work elements as described above.

Any and all fees required by State, County, City and/or municipal laws, codes and/or tariffs that pertain to work performed under the terms of this Agreement will be paid by Contractor.

5 Project Schedule

Milestones/Timeline	Deadline
	(Weeks from Notice to Proceed Date)
Kick-Off Meeting	5 working days from Notice to Proceed
Scope of Work for Implementation Phase	15 working days from kick-off meeting
Report (PDF, Microsoft Excel, etc.)	Monthly, Annually
Meeting to discuss lessons learned	As Needed

Work and meetings involving OC San staff shall take place Monday through Thursday, between the hours of 7:00 A.M. to 3:00 P.M.

6 Project Management

Project management includes Contractor's attendance at a kick-off/safety meeting, written monthly updates, and planning for, coordination of, and attendance of quarterly project coordination meetings. Contractor will also be responsible for notifying any regulatory agencies and OC San of permit conditions, non-compliance (violation) events, etc. to the AZDEQ and/or SWRCB, upon approval by OC San.

At the kick-off meeting, Contractor shall provide a list of personnel that will be hauling biosolids and the key personnel not limited to dispatcher and management team. Contractor shall not reassign the key project personnel without prior approval of OC San. However, OC San may request reassignment of any of Contractor's personnel, based on the adequacy of performance.

6.1 Project Kick-Off Meeting

Within five (5) business days of receiving the Notice-to-Proceed, Contractor shall schedule, attend, and lead a project kick-off meeting with OC San's Environmental Services staff at OC San's Administrative Office or through an alternative method as directed by OC San. The Contractor shall be available to attend follow-up meetings and/or conference calls as deemed necessary by OC San.

6.2 Project Coordination Conferences

Contractor shall provide written monthly updates on the status of the project to OC San's Project Manager. Furthermore, Contractor shall coordinate meetings with the OC San's Project Manager as outlined in the Project Schedule in Section 5 above.

At a minimum, these meetings shall be attended by OC San's Project Manager and Contractor's Project Manager. The primary purpose of the meetings shall be to review the Contractor's Project Manager's report regarding completion of milestones and the status of the project scope, schedule, budget, as well as any issues which may affect completion of the project. However, additional items may be added to the agenda at OC San's and/or Contractor's request, upon agreement of the respective Project Managers.

Progress reports should be submitted to OC San for review one week prior to the corresponding project status meetings. Additional meetings may be scheduled on an as-needed basis as deemed necessary by OC San and Contractor's respective

Project Managers. Contractor shall schedule, attend, and lead progress meeting at OC San's Administrative Office or through an alternative method as directed by OC San.

7 Deliverables

- 7.1** The Contractor shall provide biosolids hauling services that requires removal or acceptance of the transportation of biosolids from OC San's Reclamation Plant No. 1 or Treatment Plant No. 2 or both, for quantities as determined and directed by OC San as described above.
- 7.2** The Contractor shall submit a Biosolids Hauling Plan as part of the submittal package to demonstrate conformance with Appendix A.
- 7.3** The Contractor shall submit the following information to the OC San Project Manager at least 30-days prior to proceeding with the work under this Contract:
 - 7.3.1** The Training Checklist for hauling that ensures the Contractor's dispatcher has trained staff on OC San requirements at least 30-days prior to the commencement of work.
 - 7.3.2** Names and emails for staff that will need access to OC San's DataBridge System.
 - 7.3.3** A list of driver names and trailer numbers that will be used to haul the material.
 - 7.3.4** OC San New Driver and New Trailer Approval forms completed and submitted by the hauling dispatcher (Appendix A).
 - 7.3.5** Certificate of Reported Compliance for any fleet hauling material, including subcontractors, as required per the Heavy-Duty Inspection and Maintenance (HD I/M) Regulation within 30 days of the Regulation's effective date.
 - 7.3.6** Proof of fleet compliance with the Truck and Bus Regulation.
- 7.4** BCR Updates: The Contractor shall meet requirements for reporting in the current version of the BCR (Appendix A), which is updated periodically. Updated versions and requirements are posted to www.ocsan.gov/bcr and contractors are notified when updated versions are made available. The Contractor shall download and conform to future updates.
- 7.5** Monthly Reports: The Contractor shall meet reporting requirements in the BCR. The Contractor shall email a monthly report by the 15th of each month to the OC San Project Manager for the previous month's activities. The monthly report shall include:
 - 7.5.1** Statement affirming that the Contractor was in compliance with all regulations and requirements, while explaining any exceptions with relevant back-up included.
 - 7.5.2** Copies of all letters and reports submitted to regulatory agencies.
 - 7.5.3** Copies of all regulatory inspection reports.
 - 7.5.4** Copies of renewed or updated permits or regulatory requirements originally submitted as part of the Biosolids Hauling Plan.
 - 7.5.5** Changes to the Biosolids Hauling Plan that was submitted as part of the original Work Plan or later revisions thereof.
 - 7.5.6** Updated driver list (quarterly).
 - 7.5.7** Distribution to each facility (volumes or tonnages to each facility).
 - 7.5.8** Contractor shall document and provide to OC San a report of all public participation, proactive outreach, and communication.
- 7.6** Contractor Notifications and Incident Reports to OC San
 - 7.6.1** In conformance with the requirements set forth above and the requirements in the BCR (Appendix A), the Contractor shall notify OC San of the following and provide a corresponding incident report within 48-hours.

- 7.6.1.1 Within 30 minutes of any traffic incident or biosolids released during transportation, Contractor shall notify OC San's 24-hour Control Center (714-593-7025).
- 7.6.2 Within 24 hours of any:
 - 7.6.2.1 Incident of non-compliance including notices of violation
 - 7.6.2.2 Complaint received
 - 7.6.2.3 Public or media questions received
 - 7.6.2.4 Regulatory inspection
 - 7.6.2.5 Verbal notification from regulator that an Area of Concern, Violation, or other notice of regulatory non-compliance may be received in the future.
 - 7.6.2.6 Receipt of regulatory non-compliance or Areas of Concern or any other action taken by an enforcement agency regarding non-compliance with permit provisions or general applicable regulatory standards (provide OC San a copy of the regulatory document with notification).
 - 7.6.2.7 Discovery of a regulatory non-compliance for which the Contractor will be notifying the regulatory agency.
 - 7.6.2.8 Accidents or health and safety incidents related to biosolids hauling, processing, or marketing/reuse.
 - 7.6.2.9 Product batches that do not meet specifications.
 - 7.6.2.10 Regulatory-defined "Special Occurrences" on-site
 - 7.6.2.11 Regulatory inspection report received.
 - 7.6.2.12 Critical equipment breakdowns and corrective and preventive actions.
 - 7.6.2.13 Significant changes (including temporary and interim changes) to processes, input, outputs, and markets.
- 7.6.3 Incident reports shall include the information regarding the incident, which regulatory requirements are impacted (if any), regulatory notifications made (if any), the Contractor's response, root cause analysis, detailed corrective and preventive actions, and pictures when appropriate. The Contractor shall take corrective and preventive actions to address root causes.
- 7.6.4 The Contractor shall notify OC San of maintenance shutdowns by Wednesday of the preceding week in order for OC San to properly schedule loads for the week of the shutdown.
- 7.6.5 In the event of any process interruption after biosolids are received at the biosolids management sites, Contractor shall notify OC San as soon as possible, but within 24 hours. OC San will likely discontinue loads until the process is restored.
- 7.6.6 In response to OC San inspection findings, the Contractor shall provide OC San within five (5) business days a written incident report including root cause analysis and detailed corrective and preventive action plans. The Contractor shall take corrective and preventive actions to address root causes of OC San findings, especially when issues could result in nuisance complaints or compliance concerns.

8 Safety & Hazardous Materials

Safety is the top priority at OC San. The CONTRACTOR shall attend a Contractor Safety Orientation (CSO) meeting prior to the start of work. The CSO is an OC San safety orientation conducted between OC San's Risk Management Division (safety and health) and the Contractor. Participation in this instruction is **mandatory**. This orientation does not replace any safety measures described in the Request for Proposals. Consultant shall include in its proposal at least one-hour dedicated to safety onboarding prior to conducting any work. The Contractor and any Subcontractor shall follow all state, federal, and local safety standards. Failure to do so could result in removal and permanent suspension from OC San's property.

In addition, the Contractor will follow all OC San and management facility safety guidelines established for guests, contractors, and vendors at the time this Agreement is executed. In addition, OC San will have the right to modify the way the training is delivered if it is not able to be done in person due to extraordinary circumstances such as COVID-19, including but not limited to recorded or live virtual training. Please review the latest OC San, Centers for Disease Control and Prevention (CDC), California Department of Public Health (CDPH), and Orange County Health Care Agency (OCHCA) COVID-19 guidelines in order to be informed on the most current safety requirements.

OC San reserves the right to stop work at no cost to OC San if there is an imminent safety hazard caused by the Contractor or any of its Subcontractor(s). If work is stopped due to imminent safety hazards caused by the Contractor, no stand-by pay will be paid by OC San.

8.1 Job Hazard Analysis

The Contractor shall develop and maintain a Site-Specific Safety Program for the worksite, in accordance with OC San Construction Safety Standards. The Plan shall include a description of the work to be performed, highlighting the hazard analysis for each general site condition(s) and specific work task(s), as follows:

- Identification of the Contractor's management, supervision, competent, and qualified persons
- Identification of precautions to be implemented
- Decision logic for the utilization of personal protective equipment
- Site access control, including security measures
- Emergency response plan
- Incident reporting methodology
- Safety Data Sheet inventory list; all Cal/OSHA recognized carcinogens or reproductive hazardous materials shall be denoted and highlighted on the inventory list
- Training and certification documentation
- Communication methodology
- The Drug Free Workplace program if not included in the Injury and Illness Prevention Program
- Measures to mitigate public exposure to hazards as applicable
- The Contractor shall submit its Site-Specific Safety Program to OC San for review no later than fifteen (15) days after the effective date of the Notice to Proceed and prior to commencing work

- 8.2** Contractor shall be aware of the use of bleach, hydrogen peroxide, ferric chloride, acid and caustic soda and the potential presence of hazardous gases in and around the plants.
- 8.3** There are various alarm systems installed to alert employees of possible hazardous conditions. The Contractor shall instruct its employees of these dangers and that they shall evacuate the area, including tunnels, immediately should an emergency situation occur.
- 8.4** Contractor is advised that digesters are classified as Class 1, Division 1, Hazardous Areas both inside and to a distance of five (5) feet beyond all the exterior walls and roof, and to a distance of ten (10) feet beyond all existing gas handling equipment.
- 8.5** Contractor shall take all necessary safety precautions required to meet all safety requirements for work in areas as designated above, at no additional cost to OC San.

- 8.6 Contractor is cautioned that the tunnels with digester gas piping are Class 1, Division 2 areas.
- 8.7 All Contractor employees shall wear hard hats, safety vests, safety toed shoes, safety glasses, and appropriate protective equipment while on OC San plant sites.
- 8.8 Contractor shall carry and use a 4-gas monitor at all times when on the plant site. The 4-gas monitor shall detect carbon monoxide, oxygen, hydrogen sulfide, and lower explosive limits.
- 8.9 Contractor is responsible for every aspect of health and safety on the worksite, including the health and safety of Subcontractors, suppliers, and other persons on the worksite.
- 8.10 Contractor shall notify OC San Project Manager of near misses or injuries within 24 hours. Contractor shall transmit to the OC San Project Manager written investigations of accidents and injuries encountered during work within five (5) business days.

9 Contract Management

Invoices: The Contractor shall generate a separate invoice for each plant after the end of each month and the Contractor shall submit the following documentation for each of the previous month's loads hauled from OC San as back-up for the electronic invoice. Monthly billing invoices shall match tonnages contained in OC San's records, unless an alternative method is approved by OC San. The invoices shall be emailed to the OC San Project Manager and OC San Accounts Payable (APStaff@ocsan.gov).

- 9.1.1 Date
- 9.1.2 Trailer identification number
- 9.1.3 OC San weight ticket number
- 9.1.4 Net wet tons contained in each trailer
- 9.1.5 Total daily tons hauled to the facility(ies) from OC San
- 9.1.6 Total monthly tons hauled to the facility(ies) from OC San
- 9.1.7 Total number of loads hauled to the facility(ies) from OC San

OC San reserves the right to withhold payment if incomplete or incorrect information is provided with invoices or monthly reports.

10 Staff Assistance

The Contractor will be assigned a single point of contact on this project. Any meetings and/or correspondence related to this project shall be scheduled and approved by the Project Manager.

11 Safety and Health Requirements

The Contractor and any Subcontractors shall comply with all applicable provisions of the OC San Contractor Safety Standards, Federal OSHA, California OSHA, and Local regulations, whichever is most stringent.

11.1 Injury and Illness Prevention Program

The Contractor shall submit a copy of their written Injury and Illness Prevention Program (IIPP). The IIPP must address responsibility, compliance, communication, hazard assessment, incident investigation, hazard correction, and training as required by Title 8, California Code of Regulations, Section 3203.

11.2 Contractor Safety Orientation

The Contractor shall attend a CSO meeting prior to the start of work. The CSO is a Sanitation District safety orientation conducted between the Risk Management Division (safety and health) and the Contractor. The CSO is conducted once per year or as job conditions or scope of work changes. The Contractor shall participate in these meetings by providing work plans and other requested safety deliverables described below.

11.3 Fall Protection

Fall protection will be required if drivers must climb above 4' to tarp trailers.

11.4 Training Records

Contractor shall submit copies of its employee trainings records to Risk Management for retention.

11.5 PPE

Contractor in process areas shall wear Level D personal protective equipment (PPE), which includes hard-toe work boots, safety glasses, hard hats, high-visibility safety vests, long pants, sleeved shirts, gloves, and hearing protection (as needed).