



December 17, 2020

Board of Directors
Ventura Regional Sanitation District
Ventura, California

APPROVE, AND AUTHORIZE THE BOARD CHAIR TO SIGN, AMENDMENT NO. 1 TO VRSD CONTRACT NO. 19-012 WITH BIOGAS ENGINEERING, INC.

RECOMMENDATION

Approve, and authorize the Board Chair to sign, Amendment No. 1 to VRSD Contract No. 19-012 with Biogas Engineering, Inc., to include procurement of a low nitrogen oxide (NOx) flare from Perennial Energy, LLC, and increase the contract amount by \$590,000, for a total amount not to exceed \$1,392,780.

FISCAL IMPACT

The funding for the proposed \$590,000 expenditure for the procurement of the flare is included in the FY2020-21 Budget for the Toland Road Landfill Gas Collection System (account code 90-490-499921-52340). Additional historical funding information is provided in the Background section of this letter.

BACKGROUND/ANALYSIS

The current landfill gas collection system flare at Toland Road Landfill has been underperforming, but still compliant with applicable regulations, for the past several years. This underperformance has caused VRSD to divert significant resources and budget expenditures to address flare operation and maintenance issues for the past few years. Since FY2019-20, VRSD Operations staff has planned to replace the existing flare with a new flare, which is expected to resolve current operational issues with the flare, as well as provide additional landfill gas destruction capacity for future landfill gas flows up to, and after, the closure of the landfill.

On June 20, 2019, the VRSD Board of Directors approved and authorized VRSD Contract No. 19-012 with Biogas Engineering, Inc., for an amount not to exceed \$225,000 for FY 2019-20. This is a five-year contract, with additional annual funding for the four subsequent fiscal years enabled by the approved annual budget and accomplished via annual renewal.

The scope of services for FY2019-20 was:

- (1) Design, development, and construction oversight of new vertical and horizontal gas wells at Toland Road Landfill; Continuation of master planning for expanding LFG collection system;
- (2) Design, development, and permitting of a new flare stack to be installed at the Toland Road Landfill during FY2020-21; and
- (3) Provide ongoing LFG engineering support at the Toland Road Landfill and closed landfill sites.

On July 22, 2020, Agreement No. 19-012 was renewed by the VRSD General Manager, with the amount of \$577,780 established by the Board of Directors in the FY2020-21 VRSD Budget. The current not exceed amount of the contract is \$802,780.

The scope of services for FY2020-21 is:

- (1) Toland Landfill LFG Engineering Support
- (2) Coastal Landfill LFG Engineering Support
- (3) Bailard Landfill LFG Engineering Support
- (4) Toland Landfill Gas Collection System

PROPOSAL FOR FLARE PURCHASE

Since there are few manufacturers in the landfill gas industry which produce the new low nitrogen oxide (NOx) flares that can meet strict California and Ventura County Air Pollution Control District (VCAPCD) requirements, VRSD asked its landfill gas consultant, Biogas Engineering, Inc., to interview various landfill gas flare manufacturing companies with the ability to manufacture and install low NOx flares cost-effectively and compliant with applicable air quality rules and regulations.

Because NOx emissions are a precursor to ozone pollution, which can cause serious human and environmental health problems and damage, the new flare must be designed to meet the new California Clean Air Act source review requirement for Best Available Control Technology (BACT) as well as related VCAPCD permit requirements. Biogas sought to verify which manufacturers could meet the Toland Road Landfill's physical site constraints, requirement for the new flare to be placed within the vicinity of the current flare, and use of existing infrastructure, as well as all VCAPCD requirements. As a result of landfill gas flare manufacturer interviews, Biogas and VRSD Operations staff determined that Perennial Energy, LLC is the only manufacturer that can cost-effectively provide a low NOx flare capable of accommodating the Toland Road Landfill site's footprint requirement.

Section 302 of VRSD Purchasing Policy Resolution No. 89-13 allows for the purchase of services through negotiated procurement "when the supply, equipment, or service can be

obtained by only one vendor.” It is recommended that a low NOx landfill gas destruction flare be procured from Perennial Energy, LLC, because they have:

- i. supplied several such flares to landfills across the country including California,
- ii. successfully demonstrated that their flare complies with California and VCAPCD low NOx standards, and
- iii. shown that their flare footprint and dimensions can fit within the space available near the existing flare.

The attached quote from Perennial Energy, LLC, for the new low NOx flare, totals \$540,847. The proposed amendment includes an additional \$49,153 for contingencies, for a total expenditure of up to \$590,000.

In summary, the VRSD contract with Biogas Engineering, Inc. is the most cost-effective means to procure the new flare for the Toland Road Landfill because Biogas Engineering is already obligated to design, develop, and secure, the proper permits for this new flare.

Contract No. 19-012 would be monetarily augmented to allow Biogas to, in a sense, become VRSD’s purchasing agent for the new flare and thus allow VRSD to leverage the existing services Biogas provides for the Toland Road Landfill gas collection system as renewed on July 22, 2020.

This proposed amendment would increase the total contract compensation amount by \$590,000 for a not-to-exceed amount of \$1,392,780.

This letter and the associated contract have been reviewed by Legal Counsel as to form.

If you should have any questions or need additional information, please contact me by phone at (805) 658-4648 or via email at richardjones@vrzd.com.

RICHARD JONES, INTERIM DIRECTOR OF OPERATIONS

APPROVED FOR FISCAL IMPACT: 
Alvertina Rivera, Director of Finance

APPROVED FOR AGENDA: 
Chris Theisen, General Manager

Attachments: 1. VRSD Amendment No. 1 to Contract No. 19-012

**VENTURA REGIONAL SANITATION DISTRICT
CONTRACT NO. 19-012**

**AMENDMENT NO. 1 TO CONTRACT NO. 19-012
AGREEMENT FOR LANDFILL GAS ENGINEERING SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
BIOGAS ENGINEERING, INC.**

THIS AMENDMENT is made and entered into this 17th day of December 2020, by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. (“DISTRICT”) and BIOGAS ENGINEERING SERVICES, Inc., a California Corporation (“CONTRACTOR”). Together, DISTRICT and CONTRACTOR shall be referred to herein as Parties.

RECITALS

A. On June 20, 2019, DISTRICT and CONTRACTOR entered VRSD Contract No. 19-012, Agreement for Landfill Gas Engineering Services (“Agreement”), wherein CONTRACTOR agreed to provide engineering services to the DISTRICT for the DISTRICT’s active and closed municipal solid waste landfills.

B. DISTRICT and CONTRACTOR acknowledged and agreed to renew and extend the Agreement on July 22, 2020 through a letter agreement pursuant to Article 2.B. of the Agreement whereby the Agreement was renewed for FY20-21 with corresponding Board allocations of \$577,780 for those services for FY20-21.

C. DISTRICT and CONTRACTOR have determined that there is an urgent need to replace the existing landfill gas collection system flare at the Toland Road Landfill to meet state and local air quality regulations as well as to handle future landfill gas production levels.

D. DISTRICT and CONTRACTOR acknowledge and agree that additional compensation is necessary to continue the landfill gas collection system engineering work and to accommodate an increased scope of work related to the purchase of a new flare for the Toland Road Landfill, and that this can be accomplished by amending Contract 19-012 accordingly.

AMENDMENT TERMS AND CONDITIONS

NOW, THEREFORE, based upon valuable consideration below, the recitals above, and Article 18 of the Agreement, it is mutually agreed by and between the Parties:

1. The following language shall replace the original provisions of Article 2.A and 2.B. TERM OF CONTRACT:

“A. Unless otherwise earlier terminated, this Agreement shall continue in force until the services specified herein have been fully performed. Upon execution of this Agreement by both Parties, CONSULTANT shall diligently pursue work to assure completion on a timely basis. Unless otherwise extended in writing by both Parties, this contract shall automatically terminate on June 30, 2024. Parties further agree that DISTRICT has the option of renewing or extending each fiscal year term of this Agreement for one fiscal year to reflect the DISTRICT’s fiscal condition, restraints and priorities as set forth in the corresponding FY Budget approved by the DISTRICT Board of Directors.

B. This Agreement shall be renewed or extended annually, no more than four (4) times, by mutual agreement of the Parties, so that the DISTRICT may adjust the total compensation and scope of work of this Agreement to be consistent with fiscal condition, restraints and priorities set forth in the DISTRICT Board of Directors approved FY Budget. The DISTRICT General Manager, on behalf of the DISTRICT Board of Directors, may sign such annual renewal or extension of the Agreement, on a form approved by the DISTRICT Legal Counsel.”

2. The following language shall replace the original provisions of Article 5.B.: Payment to Contractor:

“B. Total fees or compensation to be paid by DISTRICT to CONTRACTOR for CONTRACTOR’s services described herein shall be increased by \$590,000 from \$802,780 to \$1,392,780 and shall not exceed \$1,392,780 without prior written amendment by the Parties hereto.”

3. The following language shall be added to Exhibit A: Statement of Work & Rate Sheet:

“**Task 4** – Purchase landfill gas ultra low-NOx flare for installation at Toland Road Landfill (\$590,000)

CONSULTANT shall purchase and complete installation engineering plans for an enclosed ground flare station (EGFS) composed of a low NOx enclosed ground flare (LNEGF) and an enclosed ground flare station MCC/Control System (CP) from Perennial Energy consistent with the terms and conditions of the April 22, 2020 Quote (Rev 1 – December 8, 2020) from Perennial Energy to CONTRACTOR regarding 4000 SCFM LNEGFS. This Quote is attached and incorporated herein by reference.”

4. A copy of the original Agreement (as renewed or extended) is attached to this Amendment as Exhibit “A” and incorporated herein by this reference. The Agreement shall, except as expressly modified herein, remain unchanged and shall be in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

VENTURA REGIONAL
SANITATION DISTRICT

By _____
BERT PERELLO
Chairman of the Board

BIOGAS ENGINEERING, INC.

By  _____
GAUTAM ARORA
Principal

ATTEST

By _____
JULIET RODRIGUEZ
Clerk of the Board

APPROVED AS TO FORM:

ARNOLD, LAROCHELLE,
MATHEWS, VANCONAS & ZIRBEL, LLP

By _____
ROBERT N. KWONG
Legal Counsel for District

APPROVED AS TO ADMINISTRATION

By _____
CHRIS THEISEN
General Manager



Biogas Engineering

Re: 4000 SCFM LNEGFS

Attn: Gautam Arora

Gautam

Per your request, following and attached please find our **quotation** to supply the described products and services relative to your project requirements. We appreciate the opportunity to furnish this proposal.

Perennial Energy proposes to provide a unitized, modular, landfill gas low NOx enclosed ground flare station, with off-loading and installation by others. The flare station shall be sized per the specification to accept **4000 SCFM of 30% to 50% methane content** landfill gas and combust it in a **120.0 MMBtu/hr** low NOx enclosed ground flare. The low NOx flare will need the specified landfill gas flow at up to 35" WC at the inlet of the fuel train. Temperature control feature is accomplished with automatic louver control. The three-phase, 480 VAC power panel and the single-phase load distribution panel are provided on the Perennial Energy system skid.

The flare is designed to meet **SCAQMD Rule 1118.1 emissions of:**

- 0.025 lbs/MMBtu NOX
- 0.06 lbs/MMBtu CO
- 98% Destruction Efficiency of NMOC's
- 99% Destruction Efficiency of methane
- Operating temperatures of 1500 °F -1800 °F.
- Typical sulphur containing compounds are expected to be oxidized at 98% efficiency
- NMOC destruction efficiency will be 98% or a reduction of the outlet NMOC concentration to less than 20 ppmvd, as hexane at 3% oxygen.

The Enclosed Ground Flare Station (EGFS) shall include two principal sub-systems:

- The Low NOx Enclosed Ground Flare (LNEGF)
- The Low NOx Enclosed Ground Flare MCC/Control System (CP)

Not included in this proposal are the following:

- Site Civil, Electrical, or Structural Engineering
- Freight, off-loading, or Installation
- Bonds or liquidated damages
- Taxes, permits, fees, etc.
- Exhaust Stack (Emissions) Testing services
- Spare Parts

The Low NOx Enclosed Ground Flare shall include:

- PEI 120.0 MMBtu/hr Rated Low NOx Enclosed Ground flare
- ASTM A-36 1/2" carbon steel flare shell assembly
- Approximate size: 150" diameter x 48' O.A.H.
- Perennial Energy Tru-tube delivery flow meter to monitor flow to the flare. Veris annubar primary element with differential pressure transmitter, pressure, temperature, and specific gravity compensated, PLC calculates SCFM and totalizes flow
- Thermal Mass flow meter to monitor combustion air flow
- 12" Stainless Steel V-Port modulating LFG flow control valve w/electric modulating actuator, 120 VAC power
- 16" butterfly valve w/ SS disc & stem and Viton seat w/ pneumatically controlled safety shutoff actuator w/spring assisted shutoff. Dry instrument quality compressed (80-100 psig) air or nitrogen supplied by others.
- 16" Eccentric flame arrester with aluminum housing and aluminum element.
- Upstream and downstream pressure / differential pressure indication across the flame arrester
- 16" IPS – ANSI 125# flanged Inlet Nozzle
- 16" stainless steel bellows type flex connector
- Stainless steel protection band around top of flare shell
- Stainless steel insulation retainer band and weather shield at top of flare
- **4"** ceramic fiber blanket insulation, installed in overlapping layers, this results in the specified 250 °F skin temperature.
- Stainless steel retainer pins and keepers (washers) for insulation
- High temperature sealant/fixative solution sprayed on insulation
- **4** each automatic air inlet louvers
- Three (3) thermocouples at various heights (for temperature control) in flare shell
- OSHA Ladder for access to thermocouples.
- Four (4) test ports for air quality testing sensor access
- Five (5) view ports . . . one at each thermocouple and two to view main flame and pilot
- Honeywell UV, self-checking flame safeguard sensors

- Honeywell pilot ignition transformer mounted on flare
- Propane gas pilot system, removable for service with flare in operation
- Propane pilot gas line with solenoid, valve and pressure gauge
- Engineered “four foot” mounting system
- Four (4) inches of air space beneath flare floor and equipment pad
- Perennial Energy Low NOx Forced Draft Burner with 200 HP combustion air blower.
- High Efficiency 2 stage air inlet filter, final filter rating is MERV 13
- Condensate destruction system, includes condensate nozzles, solenoid valves, manual isolation valves, and tubing on flare, pump system is provided by others, rated capacity is 1 gpm/30 MMBtu/hr (4 gpm max capacity)
- Flare and flare mounting structure designed to withstand 115 mph UBC wind loads and seismic zone D forces (Ventura County California) when installed on appropriately designed and installed concrete pad. Overturn calcs are stamped by a PE)
- All “on flare” flare wiring pre-installed and pre-conduited to junction boxes. Will require field reconnection of numbered wires to numbered terminals in junction box(s)
- All carbon steel surfaces sand blasted to SSPC SP-6 standards, primed and painted to Perennial Energy standard paint specs.

The Enclosed Ground Flare Station MCC/Control System shall include:

- Nema 12/3R Power Distribution Panel w/main breaker and branch breakers to feed all system loads. 480 VAC Three Phase **estimated 400 AMP** Main Breaker.
- Nema 3R Rain/Sun Shield
- Control Panel Lighting
- NEMA 4 controls/MCC enclosure includes:
 - Air conditioning and heater
 - Sun/Rain Shield
 - Control Panel Lighting
- 1 each **200 HP** Variable Frequency Drive for the Combustion Air blower
- Allen Bradley PLC digital and analog logical supervision system
- C-More Color Touchscreen operator interface
 - All temperatures, pressures, flows, and other analog data displayed
 - All timers, setpoints, PID loops, and other system operator inputs available
 - Alarms and shutdowns with history log

- Ethernet switch for remote connectivity to PLC/HMI
- Yokogawa FX-1006 chart recorder with compact flash memory, ethernet, math function, and report function
- Uninterruptable Power Supply for PLC, HMI, and communication devices
- OFF / ON switch for the System
- OPEN / CLOSED / AUTO switch for the safety shutdown valve
- TEST / OFF / AUTO switch for the propane pilot ignition system
- TEST / OFF / AUTO switch for the combustion air blower
- Flame failure reset (ALARM RESET / LAMP TEST switch)
- Combustion Air Blower run time indication (Touch Screen)
- Flame failure annunciation for the flare (Touch Screen)
- Shutdown Valve failure annunciation (Touch Screen)
- Low LFG flow rate annunciation (Touch Screen)
- Blower high vibration annunciation (Touch Screen)
- Alarm and shutdown message annunciation (Touch Screen)
- AC and DC control voltage surge protection
- 10 kVA 480:240/120 single phase transformer
- Single-phase load distribution panel
- U.L. 508A Listed Control Panel

General:

- System is priced on an **FOB Factory, West Plains, MO basis**. Freight can be pre-paid and added to invoicing.
- 1 trip, 3 days (quantity 3, 10-hour days) of on-site start-up & training services by a factory field services technician/engineer are included.
 - Additional days are approximately \$1800/day if included in the same trip
 - Weekends and holidays are subject to additional fees.
- 3 copies of full engineering submittals are included.
- 3 copies of “as-built” Operation & Maintenance Manuals are included.

The system as described above and attached is provided as completely pre-packaged, pre-wired, and factory pre-tested as is possible. The system is offered **FOB Factory**, with freight billed at 115% of shipping invoice(s).

The pricing does not include any site civil or structural engineering, or site preparation work of any kind. Neither does the price include any local, state or federal taxes, or any permits, or tariffs of any kind. The system as quoted is to be off loaded, set in place, installed and interconnected by others. The system is designed for installation on equipment pad(s) installed at the same finished elevation. The system includes only the standard Perennial Energy warranty for 18 months from notice of ready to ship or 12 months from date of first service, whichever occurs first. Please see copy of Perennial Energy warranty, attached. We are pleased to honor this quotation for 30 days from the date of this document. The pricing is dependent on receiving an approved order that would include industry standard commercial terms. Perennial Energy standard terms are:

- 10% with order
 - 30% with approved submittals or release for manufacturing
 - 30% upon receipt of major components
 - 25% upon notification to customer of ready to ship
 - 05% upon successful start-up, unless failure to achieve successful start-up is neither the fault nor cause of Perennial Energy, then net 60 days of shipment
- 10% order due upon Receipt of invoice. All other is Net 30 days of Invoice.*

The system as described above is offered for..... **\$540,847.00**

OPTIONS

Condensate Destruct System (Flare Items Only)

- Instrumentation includes pressure gauges and pressure switch
- Condensate flow control valve and condensate destruct nozzles
- Necessary tubing required for condensate destruct nozzles

Condensate Destruction System (Flare Only) is offered for **\$8,272.00**

Complete Condensate Destruct System

- Condensate pump, rated for 4 gpm, stainless steel construction
- Condensate flow meter
- Instrumentation includes pressure gauges and pressure switch
- Isolation valves for strainer/pump maintenance
- Condensate flow control valve and condensate destruct nozzles
- One each unitized structural skid to accommodate all above equipment in a fully integrated package.
- All devices fully installed, wired to skid mounted control panel, calibrated, and tested to the extent possible at the factory

- All carbon steel surfaces sand blasted to SSPC SP-6 standards, primed and painted to Perennial Energy standard paint specs.

Condensate Destruction Complete System is offered for..... **\$22,187.00**

We anticipate that we could deliver the system in **16 to 22** weeks from receipt of approved submittals or other irrevocable release to order all materials. Actual shipping estimates will have to be given at time of order. We anticipate that submittals can be provided in **2 to 4** weeks from receipt of an approved order.

Thank you for your consideration of Perennial Energy landfill gas products and services. Should you have any questions, or require further information in this regard, please do not hesitate to call.

Respectfully,

David Mathews



Perennial Energy, LLC
West Plains, MO 65775

**VENTURA REGIONAL SANITATION DISTRICT
CONTRACT NO. 19-012**

**AGREEMENT FOR
LANDFILL GAS ENGINEERING SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
BIOGAS ENGINEERING, INC.**

THIS AGREEMENT is made and entered into this 20th day of June 2019, by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. ("DISTRICT") and BIOGAS ENGINEERING, INC., a California Corporation ("CONSULTANT"). Together, DISTRICT and CONSULTANT shall be referred to herein as Parties.

RECITALS

A. DISTRICT has a need for a consultant who has specialized knowledge and experience in providing landfill gas collection system (LFGCS) engineering services to the DISTRICT.

B. CONSULTANT represents that it has the expertise and experience to provide LFGCS engineering services to the DISTRICT.

C. DISTRICT has selected CONSULTANT, based upon the above representations and in conformance with the negotiated procurement provisions of Section 403 of the DISTRICT Purchasing Resolution No. 89-13, to provide LFGCS engineering services at Toland Road Municipal Solid Waste Landfill and its closed landfill sites.

D. Parties agree to enter into this Agreement based upon the valuable and mutual consideration set forth below and the recitals above and to abide by its terms and conditions as set forth herein.

AGREEMENT

ARTICLE 1: WORK STATEMENT/SCOPE OF SERVICES

A. CONSULTANT shall provide the consulting services to the DISTRICT as described in the STATEMENT OF WORK & RATE SHEET which is attached as Exhibit "A" to this Agreement and incorporated herein by reference.

B. CONSULTANT shall use its best professional efforts and best industry practices in providing consulting services to DISTRICT and shall cooperate fully with DISTRICT and provide DISTRICT with all available information and assistance in relation to Exhibit A.

C. The Parties acknowledge and agree that CONSULTANT owes the DISTRICT a fiduciary duty to conduct all affairs of the DISTRICT in accordance with all applicable federal and state laws and the highest standards of good faith, trust, confidence and candor, and to endeavor, to the best of CONSULTANT'S ability, to promote and protect the best interests of the DISTRICT.

D. CONSULTANT shall not, at any time during the term of this Agreement, directly or indirectly, act as a partner, officer, director, consultant or employee, or provide landfill gas engineering services to any other business enterprise or governmental agency that conflicts with the DISTRICT's mission and business operations or CONSULTANT's duty of loyalty or fiduciary duty to the DISTRICT.

E. CONSULTANT shall begin work, as needed, immediately after the Agreement is signed by both parties. PARTIES agree that any and all work shall be done in a diligent and professional manner to DISTRICT's satisfaction.

ARTICLE 2: TERM OF CONTRACT

A. Unless otherwise earlier terminated, this Agreement shall continue in force until the services specified herein have been fully performed. Upon execution of this Agreement by both Parties, CONSULTANT shall diligently pursue work to assure completion on a timely basis. Unless otherwise extended in writing by both Parties, this contract shall automatically terminate on June 30, 2024.

B. This Agreement may be extended annually, no more than four (4) times, by mutual agreement of the Parties. The DISTRICT General Manager, on behalf of the DISTRICT Board of Directors ("BOARD") shall prepare in a form approved by the DISTRICT Legal Counsel.

C. The Parties acknowledge and agree that this Agreement for landfill gas engineering services is dependent upon the availability of District funding. If funding to make payments in accordance with the provisions of this Agreement is not forthcoming from the District Board of Directors, or is not allocated or allotted to this Agreement by the District Board of Directors for periodic payment in the current or any future fiscal period, then the obligations of the District to make payments after the effective date of such non-allocation or non-funding will cease and terminate.

D. If funding, to make payments in accordance with the provisions of this Agreement, is delayed or is reduced from the District Board of Directors for this Agreement, or is not allocated or allotted in full by the District Board of Directors for this Agreement for periodic payment in the current or any future fiscal period, then the CONSULTANT shall either accept the delayed or reduced payment obligations of District or agree that District has the right to terminate the Agreement as provided in Article 6. If such funding is reduced, District in its sole discretion shall determine which aspects or tasks of the Agreement shall proceed and which work or tasks shall be performed, with corresponding CONSULTANT'S Charges for such Services and associated Deliverables. In these situations, District agrees to pay CONSULTANT for Services and Deliverables and certain of its costs in accordance with the terms of Exhibit A to the Agreement. Any obligation to pay by District will not extend beyond the end of District's then-current funding period, except as otherwise provided herein.

E. CONSULTANT expressly agrees that no penalty or damages shall be applied to, or shall accrue to, District in the event that the necessary funding to pay under the terms of this Contract is not available, not allocated, not allotted, delayed or reduced.

ARTICLE 3: INDEPENDENT CONSULTANT RELATIONSHIP

A. It is expressly understood between the Parties that no employee/employer relationship is intended, the relationship of CONSULTANT to DISTRICT being that of an independent CONSULTANT. DISTRICT shall not be required to make any payroll deductions or provide Workers' Compensation Insurance coverage or health benefits to CONSULTANT.

B. CONSULTANT is solely responsible for selecting the means, methods and procedures for performing its services hereunder as assigned by DISTRICT and for coordinating all portions of the work

so the result will be satisfactory to the DISTRICT. CONSULTANT will supply all tools and instrumentalities required to perform its services under this Agreement.

C. CONSULTANT, pursuant to this Agreement, is rendering professional services only and any payments made to it are compensation solely for such services as it may render and recommendations it may make in the performance of services.

ARTICLE 4: CONFIDENTIAL RELATIONSHIP and OWNERSHIP OF DOCUMENTS

A. CONSULTANT agrees that all dealings of the Parties under this Agreement shall be confidential and no report, data, information or communication developed, prepared or assembled by CONSULTANT under this Agreement, or any information made available to CONSULTANT by DISTRICT, shall be revealed, disseminated or made available by CONSULTANT to any person or entity other than DISTRICT without the prior written consent of DISTRICT. All data, calculations, drawings and other documents developed, prepared, completed or acquired by CONSULTANT during the performance of its services hereunder shall be given or turned over to DISTRICT upon termination of this Agreement.

B. CONSULTANT shall provide copies of original source electronic files (i.e., Microsoft Word or Excel files, digital photos, etc.) of all work completed as part of this Contract. Such files shall not be protected, encrypted or otherwise have their access restricted.

C. Any and all documents, reports, surveys, data compilation, interview results or records produced pursuant to this Agreement by the CONSULTANT shall be the property of the DISTRICT and under the ownership of the DISTRICT.

ARTICLE 5: PAYMENT TO CONSULTANT

A. In consideration of CONSULTANT's performance of services as described herein, DISTRICT shall pay CONSULTANT fees for its services according to the schedule of rates set forth in Exhibit "A" attached and incorporated by reference herein. On or prior to the tenth (10th) day of each calendar month after actual work is started, CONSULTANT shall submit an invoice in sufficient detail to show the total amount of work done to the last day of the month preceding the one in which the invoice is submitted. DISTRICT shall review and approve CONSULTANT's invoice for accuracy and agree with CONSULTANT on any adjustments that may be appropriate. Such approvals shall not be unreasonably withheld. DISTRICT shall pay CONSULTANT for all approved work and materials within thirty (30) days of agreement on the amount of the invoice. In the event of disagreement with CONSULTANT on adjustments or disallowances, said amounts and disputes shall be withheld until resolved. Upon resolution of the disagreements, payment of the approved amount shall be made within thirty (30) days after deducting therefrom all previous payments and all sums to be retained under the terms of the agreement.

B. Total fees or compensation to be paid by DISTRICT to CONSULTANT for CONSULTANT's services described herein shall not exceed \$225,000 without a mutually acceptable, written amendment hereto.

ARTICLE 6: TERMINATION OF CONTRACT

CONSULTANT specifically acknowledges and agrees that DISTRICT may terminate CONSULTANT's services at any time with or without cause, regardless of whether CONSULTANT's services or the Project are completed. Any termination or any special instructions hereunder from DISTRICT shall be made in writing. In the event of such termination, CONSULTANT shall have the right to expend additional time (not to exceed 10% of the total fees payable under this Agreement) to assemble the work in progress for the purpose of proper filing and closing the job. Such additional time shall not increase CONSULTANT's total compensation beyond the maximum stated in Article 5.

ARTICLE 7: INDEMNIFICATION AND HOLD HARMLESS

CONSULTANT agrees to defend, indemnify and hold harmless DISTRICT and its officers, agents and employees, from and against any and all liability, damages, costs, losses, claims and expenses, however caused, resulting directly or indirectly from or connected with CONSULTANT's negligent performance of this Agreement (including, but not limited to such liability, cost, damage, loss, claim or expense arising from the death of or injury to, or damage to property of CONSULTANT, DISTRICT, or their respective employees or agents), except to the extent that such liability, damages, costs, losses, claims or expenses are caused by the negligent or wrongful acts or omissions of DISTRICT or any of its agents or employees.

ARTICLE 8: INSURANCE

CONSULTANT shall provide and keep in effect during the term of this Agreement insurance as follows:

A. Workers' Compensation and Employer's Liability policies in accordance with and as required by applicable laws.

B. Commercial General Liability policies with combined single limit coverage of at least \$1,000,000 for any personal injury, death, or property damage.

C. Comprehensive Automobile Liability policies with combined single limit coverage of at least \$1,000,000 for personal injury, death, or property damage.

CONSULTANT shall provide certificates of such insurance to DISTRICT prior to the start of work. Said certificates shall specifically provide that: (1) DISTRICT is an additional insured for the coverage in Items B and C above; (2) any other insurance coverage applicable to the loss shall be deemed excess coverage and CONSULTANT's insurance shall be primary for the coverage in Items B and C above; and (3) such insurance shall not be terminated or canceled without thirty (30) days' prior written notice having been given DISTRICT at its address set forth in this Agreement.

ARTICLE 9: SUBCONSULTANTS

This Agreement is a personal service contract and the consulting work hereunder shall not be delegated or assigned by CONSULTANT to any person or entity without the prior written consent of DISTRICT. Breach of this provision shall be grounds for immediate termination of this Agreement.

ARTICLE 10: AUTHORITY TO EXECUTE AGREEMENT

Both DISTRICT and CONSULTANT do covenant that each individual executing this Agreement on behalf of each Party is a person duly authorized and empowered to execute Agreements for such Party.

ARTICLE 11: NO WAIVER

No failure or delay by DISTRICT in asserting any of DISTRICT's rights and remedies as to any default of CONSULTANT shall operate as a waiver of the default, of any subsequent or other default by CONSULTANT, or of any of DISTRICT's rights or remedies. No such delay shall deprive DISTRICT of its right to institute and maintain any action or proceeding which may be necessary to protect, assert or enforce any rights or remedies arising out of this Agreement or the performance of this Agreement.

ARTICLE 12: PARTIAL INVALIDITY

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full

force and effect, and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 13: TERMS

No alteration or amendment of the terms of this Agreement shall be valid unless made in writing and signed by the Parties. No oral understanding or agreement not incorporated herein shall be binding on any of the Parties.

ARTICLE 14: CALIFORNIA LAW

This Agreement shall be interpreted and construed pursuant to the laws of the State of California. This Agreement shall be governed by the Uniform Commercial Code of the State of California, as amended. The Parties agree that should litigation arising from this Agreement be commenced within California, such litigation shall occur within a court of competent jurisdiction within the County of Ventura.

ARTICLE 15: COMPLIANCE WITH LAWS

CONSULTANT shall be solely responsible for giving all notices and complying with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority relating to CONSULTANT's work, the safety of the persons or property involved, and their protection from damage or injury. CONSULTANT shall defend, indemnify and hold DISTRICT harmless from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including reasonable attorneys' fees and costs, brought or recovered against DISTRICT, for or on account of any liability under said laws, ordinances, rules, regulations and orders which may be incurred by reason of any work to be performed by CONSULTANT with this Agreement.

ARTICLE 16: FORCE MAJEURE

Neither CONSULTANT nor DISTRICT shall be liable or deemed to be in default for any delay or failure in performance under this Agreement due to interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of suitable parts, materials, labor or transportation, or any similar cause beyond the reasonable control of CONSULTANT or DISTRICT.

ARTICLE 17: DISPUTE RESOLUTION

In the event that CONSULTANT and DISTRICT have a dispute concerning the payment of sums pursuant to their Contract, the Parties agree to be governed by Public Contracts Code Section 20104, et seq. In the event of such dispute, CONSULTANT shall file a written claim with DISTRICT. DISTRICT shall respond in writing within forty-five (45) days or, within thirty (30) days request additional documentation and respond within fifteen (15) days after said request.

ARTICLE 18: MODIFICATION or AMENDMENT

This Agreement, in whole or in part, may not be amended, modified, or altered in any way unless it is first put in writing and then mutually agreed to by authorized representatives of the Parties.

ARTICLE 19: NOTICES

All notices or other official correspondence relating to contractual matters between the Parties shall be made by depositing the same as first-class, postage-paid mail addressed as follows:

To CONSULTANT: Gautam Arora, Principal
BIOGAS ENGINEERING
2425 Maxson Court
Signal Hill, CA 90755

To DISTRICT: Finance & Administration
VENTURA REGIONAL SANITATION DISTRICT
1001 Partridge Drive, Suite 150
Ventura, CA 93003-0704

or to such other address as either Party may designate hereinafter in writing delivered to the other Party. All notices shall be deemed to have been received three (3) days after mailing.

ARTICLE 20: EXECUTION IN COUNTERPARTS

This Agreement and any amendments hereto may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original, but all such counterparts shall constitute one and the same Agreement, as may be amended from time to time. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, PDF or other electronic means shall have the same impact and effect as original counterparts and shall be valid, enforceable and binding.

-- THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK --

IN WITNESS WHEREOF, the Parties hereto have executed this agreement the day and year first above written.

VENTURA REGIONAL
SANITATION DISTRICT

By Kevin Kildee
KEVIN KILDEE
Chairman of the Board

BIOGAS ENGINEERING, INC.

By Gautam Arora
GAUTAM ARORA
Principal

APPROVED AS TO FORM:

ARNOLD, LAROCHELLE,
MATHEWS, VANCONAS & ZIRBEL, LLP

By Robert N. Kwong
ROBERT N. KWONG
Legal Counsel for District

ATTEST:

By Juliet Rodriguez
JULIET RODRIGUEZ
Clerk of the Board

EXHIBIT A

STATEMENT OF WORK & RATE SHEET

The following specifies the work statement/scope of work to be performed by CONSULTANT and the rates to be charged in connection with CONSULTANT'S delivery of LFGCS engineering services to DISTRICT.

I. Overall Work Description

CONSULTANT shall provide LFGCS engineering services as specified in the tasks below:

Task 1 – LFG Wellfield Engineering at Toland Road Landfill (\$50,000)

- A. CONSULTANT shall design, develop, and handle construction oversight of new vertical and horizontal gas wells at Toland Road Landfill on an ongoing, as needed basis as the landfill expands and fills.
- B. CONSULTANT shall continue working on master planning for expanding LFG collection system on an ongoing, as needed basis as the landfill expands and fills.

Task 2 – Design, develop, and assist in permitting of a new flare stack to be installed at the Toland Road Landfill (\$75,000)

- A. CONSULTANT shall design new LFG flare stack that is compliant with all applicable federal, state and local laws and regulations.
- B. CONSULTANT shall prepare engineered drawings of the new LFG flare stack for use in obtaining necessary air quality permit from the Ventura County Air Pollution Control District (VCAPCD).
- C. Coordinate and cooperate with DISTRICT staff in completing and obtaining necessary air quality permit from VCAPCD.

Task 3 – Provide ongoing LFG engineering support at the Toland Road Landfill and closed landfill sites (\$100,000)

CONSULTANT shall timely respond to DISTRICT needs with respect to the operations and maintenance of the LFGCS at the Toland Road Landfill and closed landfill sites in order for DISTRICT to comply with applicable laws and regulations.

II. CONSULTANT Billing Rates

<u>Position</u>	<u>Hourly Rate</u>
Project Director/Technical Director	\$210
Sr. Project Manager/Sr. Project Engineer	\$170
Project Manager/Project Engineer	\$156
Construction Management and CQA	\$135

Plant Operator and Mechanic	\$120
Field Technician	\$120
Autocad Designer/Drafter/Intern	\$110

General Terms

1. Vehicle usage will be billed on a per-trip basis at \$150/day covering first 160 miles, any additional mileage will be billed on a \$0.75/mile basis.
2. All travel costs, expenses, subcontractor costs, materials or third-party expenses (fees) will be billed with 7.5% mark-up.
3. Time will be billed in increments of 0.5 hours.

VENTURA REGIONAL SANITATION DISTRICT

1001 PARTRIDGE DRIVE, SUITE 150 • VENTURA, CA 93003-0704



July 22, 2020

Biogas Engineering, Inc.
2321 E. 28TH St. Suite 400
Signal Hill, CA 90755

Subject: Agreement for Landfill Gas Engineering Services
VRSD Contract Number 19-012 – Renewal #1

Dear Gautam Arora:

Per our contract with you cited above we wish to renew our contract with you for a one-year period from July 1, 2020 to June 30, 2021. The contract states:

Article 2 - B. This Agreement may be extended annually, no more than four (4) times, by mutual agreement of the Parties. The DISTRICT General Manager, on behalf of the DISTRICT Board of Directors ("BOARD") shall prepare in a form approved by the DISTRICT Legal Counsel.

Amended for the one-year period from July 1, 2020 to June 30, 2021:

Article 5 – B. Total fees or compensation to be paid by DISTRICT to CONTRACTOR for CONTRACTOR's services described herein shall not exceed \$577780 without a mutually acceptable, written amendment hereto.

If you agree to this contract extension, please sign and date below and return this signed letter to Ventura Regional Sanitation District through Adobe Sign.

Chris Theisen, General Manager


Chris Theisen (Jul 22, 2020 12:04 PDT)

Jul 22, 2020

Signature

Date

Agreed:
Biogas Engineering, Inc.


GAUTAM ARORA (Jul 22, 2020 12:58 PDT)

Jul 22, 2020

Signature

Date

Print Name & Title: GAUTAM ARORA

PRESIDENT