



**San Francisco Office of the City Administrator
City Administrator Carmen Chu**

Class A Biosolids Management Services Contract (TC63002)

File 251025

Office of Contract Administration

Board of Supervisors' Budget and Finance Committee
November 5, 2025

Request Summary

- Approval to amend the existing contract with **Lystek International Limited** for biosolids waste management by:
 - Increasing the Not to Exceed from \$15.9M to \$36.67M (increase of \$20.77M); and,
 - Extending the term by 2 years to June 20, 2029.

What happens to our biosolids?

- Wastewater is treated in two plants: the Southeast Treatment Plant and the Oceanside Water Pollution Control Plant.
- Lystek International transports the City's nutrient-rich biosolids from our wastewater plants to one of two facilities, and converts them into either liquid fertilizer or solid compost.

Contract Summary

- The original contract was awarded to Lystek International Limited via competitive solicitation in March 2022, and has been amended three previous times.
- This contract is used exclusively by the San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise.
- The average monthly spend from contract start date in 2022 to June 30, 2025 is \$365,000.
- Based on the estimated annual usage, an increase in contract spend is anticipated, and the current contract balance is insufficient to meet City's business needs.

Conclusion

- OCA's contract for Class A biosolids management services are essential for maintaining SFPUC's wastewater treatment operations and complying with SB 1383.
- As amended, the contract with Lystek International Limited will provide these essential services to SFPUC for a duration of up to 7 years.
- OCA respectfully requests that the Board approve this contract amendment to allow SFPUC to continue procuring these services, thereby ensuring uninterrupted continuation of their wastewater treatment operations.

Thank You

Reference Materials

Contract Expenditures

Department	2022	2023	2024	2025 (up to June 30, 2025)	TOTAL
PUC	\$ 3,259,672	\$ 3,727,406	\$ 5,548,117	\$ 600,000	\$ 13,135,195
TOTAL	\$ 3,259,672	\$ 3,727,406	\$ 5,548,117	\$ 600,000	\$ 13,135,195

- Average monthly spend from contract start date of July 1, 2022 to June 30, 2025 = \$365,000
- Based on the estimated annual usage of 45,000 wet tons and current price per wet ton for the two facilities where biosolids are transported to, an increase in contract spend is expected. Current contract balance is insufficient to meet City's business needs.

Total Estimated Monthly Spend from July 2025 to June 2029

Facility	Estimated Annual Wet Tons	Price Per Wet Ton	Estimated Spend Per Year	Estimated Monthly Spend	Total Estimated Spend from July 1, 2025 to June 30, 2029
Lystek Fairfield Organics Material Recovery Center (OMRC)	36,628	\$ 122.33	\$ 4,480,703	\$ 373,392	\$ 17,922,813
SynaGro Central Valley Compost (CVC)	8,372	\$ 76.03	\$ 636,523	\$ 53,044	\$ 2,546,093
TOTAL	45,000		\$ 5,117,226	\$ 426,436	\$ 20,468,906

- Estimated monthly spend from July 1, 2025 to June 30, 2029 = \$426,436

Table 1: Contract NTE Calculation for Contract ID 1000025273 with Lystek International Limited

Description	Value
Total Encumbered Funds as of June 30, 2025	\$ 13,135,195
Estimated Monthly Encumbrances from July 1, 2025 to June 30, 2029	\$ 426,436
Number of Months from July 1, 2025 to June 30, 2029	48
Total Funds Needed from July 1, 2025 to June 30, 2029	\$ 20,468,906
Less Remaining Contract Balance as of June 30, 2025	\$ (2,764,805)
Plus Contingency (15%)	\$ 3,070,336
Total Additional Funds Needed from July 1, 2025 to June 30, 2029	\$ 20,774,436
Current Executed Contract NTE	\$ 15,900,000
Proposed Revised Executed Contract NTE	\$ 36,674,436
Proposed Revised Executed Contract NTE (Rounded to nearest \$10,000)	\$ 36,670,000

Table 2: Total PO Encumbrances by City Departments between October 2022 to June 2025 for Production and Management of Class A Biosolids

Department	2022	2023	2024	2025	Grand Total
PUC	\$ 3,259,672	\$ 3,727,406	\$ 5,548,117	\$ 600,000	\$ 13,135,195
Grand Total	\$ 3,259,672	\$ 3,727,406	\$ 5,548,117	\$ 600,000	\$ 13,135,195

Table 3: Total Estimated Spend from July 2025 to June 2029

Facility	Estimated Annual Wet Tons	Price Per Wet Ton	Estimated Spend Per Year	Estimated Monthly Spend	Total Estimated Spend from July 1, 2025 to June 30, 2029
Lystek Fairfield Organics Material Recovery Center (OMRC)	36,628	\$ 122.33	\$ 4,480,703	\$ 373,392	\$ 17,922,813
SynaGro Central Valley Compost (CVC)	8,372	\$ 76.03	\$ 636,523	\$ 53,044	\$ 2,546,093
Total	45,000		\$ 5,117,226	\$ 426,436	\$ 20,468,906