



DATE: May 13, 2022
TO: Angela Calvillo, Clerk of the Board
FROM: Sailaja Kurella, Acting Director of Office of Contract Administration (OCA) and Purchaser
SUBJECT: Resolution to approve Term Contract 63002 – Class A Biosolids Management Services

Enclosed is the resolution authorizing execution of Term Contract 63002 (PeopleSoft Contract ID 1000025273) with Lystek International for the production and management of Class A biosolids. The Contract has an initial contract not to exceed amount of \$16,400,000 for five years and \$6,400,000 for two optional extension years, for a total not to exceed amount of \$22,400,000 and total contract duration of seven years, commencing on July 1, 2022, and ending on June 30, 2029.

This contract was awarded pursuant to a solicitation (Sourcing Event 0000006728) conducted on March 29, 2022 by the Office of Contract Administration (OCA).¹ The solicitation resulted in the award to Lystek International Limited as the lowest responsive bidder.

Description of Services

The City's two wastewater treatment facilities produce approximately 60,000 wet tons of biosolids. Term Contract 63002 entails the conversion and management of the City's biosolids into either a liquid fertilizer or a compost which meets the federal requirements for Class A biosolids. Biosolids are then transported to one of two facilities outside of San Francisco through a separate contract. Once the biosolids are converted into a liquid fertilizer or a compost, the contractor is responsible for the material's subsequent use. The not to exceed amount for this contract is based on the tonnage capacity requested at the facilities by the City multiplied by cost per ton over the contract's term.

This contract represents a vital management practice for biosolids produced by City's wastewater treatment facilities. Without this contract, the City would be in danger of not having adequate contracted capacity to manage its biosolids and would not have a way to manage its biosolids in a manner compliant with SB 1383.

If you have any questions or require additional information, please contact Evan Magante on my team at 415-487-5267.

Enclosures:

1. Contract 1000025273 (Lystek International Limited)
2. SFETH Form 126(f)4 - Contract 1000025273 (Lystek International Limited)
3. Resolution - Contract 1000025273 (Lystek International Limited)

¹ As of 2021, over 40 percent of the City's biosolids were managed through a contract with Lystek International under Term Contract 63001. Term Contract 63001 has reached the end of its allowable term and could not be renewed. As such, OCA was required to conduct a new solicitation by which to award a new contract for these services.