



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

# **Class-A Biosolids Management Services**

*File 220600; Contract 1000025273*

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Office of Contract Administration

Board of Supervisors' Government Audit & Oversight Committee

June 16, 2022

# Contract Summary

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- Proposed contract awarded to Lystek International Limited via competitive solicitation issued on March 29, 2022.
- Contract is to convert the city's biosolids (the nutrient rich solids produced during wastewater treatment) into a fertilizer and manages the subsequent use of the fertilizer.
- Pricing based on "fixed unit price" per wet ton of biosolids for the first 12 months. Pricing can be adjusted annually based on CPI.
- Used exclusively by the SFPUC Wastewater Enterprise.

# Previous Contract Expenditures

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Year	2018	2019	2020	2021	1/2022 - 5/2022	TOTAL
Wet Tons	11,470	15,081	11,458	25,996	14,373	78,378
Expenses	\$0.72M	\$1.03M	\$0.79M	\$1.85M	\$1.03M	\$5.42M

# Projected Expenditures

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	TOTAL
Wet Tons	26,020	31,121	31,494	31,872	32,255	32,642	33,033	218,437
Expenses	\$2.54M	\$2.97M	\$3.08M	\$3.18M	\$3.29M	\$3.40M	\$3.52M	\$21.98M

- Increase in wet tonnage due to requirement to comply with Senate Bill 1383 and leverage carbon sequestration benefits of biosolids
- Increase in processing, transport, and labor costs from prior contract

# Proposed Contract

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- Request approval of resolution, as amended, to execute contract with Lystek International Limited:
  - Initial 5 year duration and NTE of \$16.4M
  - One two- year option to extend, for total NTE of \$22.8M

**Thank You**