

AMENDMENT NO. 12  
to the  
AGREEMENT Between  
ESG OPERATIONS, LLC  
And  
AUGUSTA, GEORGIA  
For  
Operations, Maintenance and Management Services

This Amendment is made and entered into this 1st day of January, 2025, between **AUGUSTA, GEORGIA, by and through the Augusta-Richmond County Commission**, a political subdivision of the State of Georgia (hereinafter "Augusta"), and **ESG OPERATIONS, LLC**, a Georgia corporation, (hereinafter "ESG"). This is Amendment No. 12 to the Agreement dated the 16th day of December 2009, between Augusta and ESG.

NOW THEREFORE, Augusta and ESG agree to amend the Agreement as follows:

REPLACE Article 4.1 with the following new Article:

- 4.1 Augusta shall pay to ESG a base fee equal to the Augusta budget shown in Appendix F. This includes the actual cost of the Scope of Services performed by ESG plus a Management and Administrative Fee. The base fee shall not include services which are not specifically defined by Section 2 of this Agreement. The base fee for this Amendment shall be Six Million Six Hundred Seventy-Nine Thousand Dollars (\$6,709,000.00) and the Management and Administrative Fee shall be Eight Hundred One Thousand Four Hundred and Eighty Dollars (\$805,080.00). The base fee and the Management and Administrative Fee shall be payable in advance in equal monthly installments which shall be Six Hundred Forty-Three Thousand and Nine Hundred Seven Dollars (\$643,907.00). Said base fee shall be for the period beginning on January 1<sup>st</sup>, 2025 and ending on December 31<sup>st</sup>, 2025. Thereafter, the base fee will be negotiated as described in Article 4.2. The Management and Administrative Fee shall increase proportionally with the base fee adjustments described in Articles 4.2 and 4.4.

REPLACE Article 7.1 with the following new Article:

- 7.1 The Agreement is extended for an additional five-year term which shall commence January 1, 2025 and end on December 31, 2029.

REPLACE Appendix F with the following new Appendix F.

REPLACE Appendix F1 with the following new Appendix F1.

ADD Appendix I.

REPLACE Appendix M with the following new Appendix M.

REPLACE Appendix N with the following new Appendix N.

REPLACE Appendix O with the following new Appendix O,

All other terms and conditions remain in effect in accordance with the Agreement referenced in this Amendment.

Both parties indicate their approval of this Amendment by signature below.

Authorized signatures:  
**INRARMARK, LLC**  
**d/b/a ESG Operations**

**AUGUSTA, GEORGIA**

By: \_\_\_\_\_  
Daniel E. Groselle,  
Chief Executive Officer

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Garnett L. Johnson,  
Mayor  
Date: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Clerk of Commission

Date: \_\_\_\_\_

**Appendix F**  
**2025 Project Budget and Staffing Plan**

**Project Budget**

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<b>PERSONNEL SERVICES</b>	<b>\$ 2,360,000.00</b>	
<b>ADMINISTRATIVE EXPENSES</b>	<b>\$ 109,000.00</b>	
<b>UTILITIES</b>	<b>\$ 190,000.00</b>	
<b>CHEMICALS</b>	<b>\$ 665,000.00</b>	
<b>MATERIALS &amp; SUPPLIES</b>	<b>\$ 210,000.00</b>	
<b>VEHICLES &amp; EQUIPMENT</b>	<b>\$ 115,000.00</b>	
<b>OUTSIDE SERVICES</b>	<b>\$ 600,000.00</b>	
<b>BIOSOLIDS MANAGEMENT</b>	<b>\$ 1,860,000.00</b>	
<b>MAINTENANCE &amp; REPAIR</b>	<b>\$ 600,000.00</b>	
<b>TOTAL OPERATING BUDGET</b>	<b>\$6,709,000.00</b>	
<b>MANAGEMENT &amp; ADMINISTRATIVE FEE (12%)</b>	<b>805,080.00</b>	
<b>CONTRACTOR'S SUBTOTAL</b>		<b>\$ 7,514,080.00</b>
<b>DIRECTOR'S ALLOWANCE</b>	<b>\$ 190,000.00</b>	
<b>MANAGEMENT &amp; ADMINISTRATIVE FEE (12%)</b>	<b>22,800.00</b>	
<b>DIRECTOR'S ALLOWANCE SUBTOTAL</b>		<b>212,800.00</b>
<b>TOTAL 2025 BUDGET</b>		<b>\$ 7,726,880.00</b>

**Appendix F (Continued)**  
**2024 Project Budget and Staffing Plan**

**Project Staffing Plan**

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<b><u>Budgeted Position</u></b>	<b><u>Budgeted Number</u></b>
<b>Project Director</b>	<b>1</b>
<b>Lab/ IPP Manager</b>	<b>1</b>
<b>Operations Manager</b>	<b>1</b>
<b>Maintenance Manager</b>	<b>1</b>
<b>Land Application Manager</b>	<b>1</b>
<b>Operators</b>	<b>11</b>
<b>Lab Analysts</b>	<b>2</b>
<b>IPP/FOG Technicians</b>	<b>4</b>
<b>Mechanics</b>	<b>5</b>
<b>Maintenance Support</b>	<b>3</b>
<b>Administrative</b>	<b>2</b>
<b>Education Specialist</b>	<b>2</b>

## **Appendix F (Continued)**

AUD requests in this renewal term that ESG develop and implement a FOG management program. The costs associated with the implementation of this scope including two additional full-time employees and associated assets are included in this Appendix F and the scope of service is defined in the following overview of the FOG Management Program:

1. Components:
  - a. Grease Traps: Installation and maintenance of appropriate-sized grease traps at commercial establishments to prevent FOG from entering the wastewater system.
  - b. Grease Interceptors: Implementation of grease interceptors in high-volume FOG generating facilities to capture and remove FOG before it reaches the sewer lines.
  - c. Oil-Water Separators: Installation of oil-water separators in areas prone to high concentrations of FOG to effectively separate FOG from wastewater.
2. Tank Size and Specifications:
  - a. ESG will conduct a comprehensive assessment of the local wastewater system and recommend appropriate tank sizes for grease traps, grease interceptors, and oil-water separators.
  - b. Tank specifications will adhere to industry standards and local regulations, ensuring optimum performance and longevity.
3. Inspections and Monitoring:
  - a. ESG will establish an inspection schedule to visually visit each site annually, ensuring the proper functioning of grease traps, grease interceptors, and oil-water separators.
  - b. ESG will coordinate with pumpers to ensure adequate cleaning of facilities, thereby minimizing FOG buildup.
4. Sampling and Analysis:
  - a. ESG will develop a robust sampling and analysis protocol to monitor FOG levels in the wastewater system.
  - b. Regular sampling will enable early detection of FOG-related issues, facilitating timely corrective actions.
5. Public Awareness:
  - a. ESG will design and implement a comprehensive public awareness campaign to educate the community about the importance of proper FOG management.
  - b. The campaign will include educational materials, workshops, and outreach initiatives to raise awareness among residents, commercial establishments, and other stakeholders.
6. Revising FOG Ordinance:
  - a. ESG will review and revise the existing FOG ordinance to incorporate updated standards, specifications, and consequences for violations.
  - b. The revised ordinance will ensure compliance and act as a deterrent against non-compliance.
7. Training and Transition:
  - a. ESG will provide comprehensive training to Augusta Utilities staff on the operation and maintenance of the FOG management program.
  - b. Once the program is operational, Augusta Utilities staff will be fully equipped to take over the day-to-day management and maintenance activities.

## **Appendix F-1**

### **Budget Reconciliation**

As provided by the terms of Article 4.2, following the year end reconciliation of the actual cost and the performance of the annual audit associated with the terms of this Agreement for the audited actual costs attributable to the performance of the Scope of Services for Contract Year 2024 including applicable management fees, additional expenditures up to \$650,000 shall be payable upon submission of an invoice.

## Appendix I

### 2025 Sewer Assessment Project Budget

#### Project Budget

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<b>SL-RAT Deployment</b>	<b>\$598,000.00</b>
<b>ADMINISTRATIVE FEE (12.0%)</b>	<b>\$ 71,760.00</b>
<b>TOTAL 2025 BUDGET</b>	<b>\$ 669,760.00</b>

Subject to the terms here-in, ESG will facilitate the following activities. The collection system will be assessed with the SL-RAT to comply with EPD system assessment requirements. AUD Collections Department will select all locations and scope for deployment of SL-RAT operations. During SL-RAT operations, manholes will be inspected and asset data accuracy verified in GIS. Manhole data collected will be used to assist with the I&I program and infrastructure improvements. When segments consistently have low scores, mains will be cleaned and video recorded. Data will be entered into CityWorks, and repair work orders generated as needed.

**Appendix M**  
**Fort Eisenhower WTP Valve Actuator Modifications**

**Project Budget**

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<b>Fort Eisenhower WTP Valve Actuator Modification Project</b>	<b>\$262,790.00</b>
<b>ADMINISTRATIVE FEE (12.0%)</b>	<b>\$ 31,535.00</b>
	<hr/>
<b>TOTAL 2025 BUDGET</b>	<b>\$ 294,325.00</b>
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ESG will furnish all labor, equipment, and materials to remove and replace existing control valves in the filter gallery at the irrigation plant at Fort Eisenhower according to plans and specifications provided by GMC in Augusta Project #FG\_2018-005 as defined in GMC Project # CAUG180004. ESG will bill on a percent complete basis until the project is complete, inclusive of a 12 percent markup.

## Appendix N

### 2025 Water Tank Management Budget

#### Project Budget

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WATER TANK ROUTINE MAINTENANCE	\$ 89,000.00
TOTAL 2025 BUDGET	<u>\$ 89,000.00</u>

Subject to the terms herein, ESG or its subcontractor shall provide the labor to perform the following tasks (collectively the “Inspection Services”): visual inspections (annual) and washout inspections (bi-annual) of the Tanks for the purpose of reviewing any paint and/or maintenance needs of the identified Tanks of the Owner.

The **Visual Inspection** is completed annually which includes climbing the tank to verify not only coating condition, but safety and sanitary conditions related to maintaining compliance with Georgia EPD regulations. All screens are inspected and replaced yearly as needed, and tank hatches secured to prevent any unauthorized entry. The tank’s legs, rods and connection points, ladders, safety equipment, roof and interior are visually inspected as part of each inspection. The condition is photographed and documented in our CMMS (Computerized Maintenance Management System) and a yearly Condition Assessment report is provided. These inspections are completed while the tank remains in service and they will not cause any interruptions in service.

In addition to the annual Visual Inspection, a bi-annual **Washout Inspection** is completed to perform a complete interior coating inspection. As part of the Washout Inspection, the tank will be drained and removed from service, by the Owner, so that any dirt, sediment, silt, or other foreign matter may be removed from the bowl area by pressure washing at 3500 psi. After cleaning, if any minor areas of corrosion are noted in the tank’s bowl area, they will be repaired at this time. After the inspection is completed, the tank will be disinfected per AWWA C652 and readied for return to service. The bi-annual inspections are documented in our CMMS system and on every other Contract Year will be provided with the Condition Assessment report for that same Contract Year. Typically, this work can be completed in one days’ time, based on the tank being drained and ready for service upon arrival of crew.

Each visual inspection and washout inspection of the Tanks will include a written recommendation of suggested corrective maintenance repairs related to exposed and assessable components such as steel replacement, steel parts, expansion joints, water level indicator, venting, safety climb systems, sway rod adjustments, manhole covers, gaskets and any other components of each tanks which are readily assessable to visual inspection. Inspection Services shall be limited to those tasks which are normally included in routine preventive maintenance inspection practices as provided by members of the storage tanks maintenance profession in the Southeastern United States.

Inspection Services shall not include or encompass the performance by ESG of any inspection related to any portion of the Tanks which is contained below ground, embedded in steel or part of any in-ground valves and piping. The City acknowledges that the Inspection Services to be performed by ESG do not include and are not related to Lead Abatement Procedures or disposal of any Hazardous Waste Materials, nor the detection or mitigation of deterioration of any embedded structural or non-structural elements encased within any concrete structure which is a part of the Tanks.

Following each inspection, the City will receive from ESG inspection reports and photographs describing the condition of any Tank(s). ESG acknowledges that the referenced inspections are not intended to determine the design integrity or structural integrity, inclusive of any latent design or construction defects



of the Tanks. In each inspection report (visual or washout), ESG will identify necessary maintenance or repairs of the Tanks, if any, and may perform such maintenance and repairs subject to the terms and conditions of an addendum to this Agreement mutually agreed to and executed by the ESG and City.

The City shall, during the term of the Agreement, provide the following in order to facilitate the performance of the services described by this Exhibit H: a) provide electrical service (110 Volt) to the Tank(s) site; b) provide at a minimum a ¾" water service to any site of a Tank(s) site; and c) provide an access road to any Tank(s) site sufficient for the performance of the Inspection Services by ESG.

The Inspection Services provided by ESG under the terms of this Appendix N are of a professional nature and shall be performed in accordance with the degree of skill and care ordinarily exercised by members of the storage tanks maintenance profession in the Southeastern United States for similar and comparable water storage tanks.

## Appendix O –

### Painting and Renovation, Cleaning of Tobacco Rd. Berkman Rd. High Point, and Faircrest Tanks 1 & 2

ESG agrees to prepare, paint, renovate, and/or pressure wash tanks as described below. The estimated cost is as follows:

Summary of Costs		
Item	Description	Cost
1	Tobacco Rd.	\$168,500.00
2	Berkman Rd.	\$187,500.00
3	High Point	\$493,500.00
4	Faircrest Tank 1	\$28,800.00
5	Faircrest Tank 2	\$12,350.00
	<b>Total</b>	<b>\$890,650.00</b>

ESG's cost estimate is Eight Hundred-Ninety Thousand and Six Hundred and Fifty dollars (\$890,650.00). ESG will invoice Augusta monthly on a percent complete basis for this work. The proposal includes all labor, equipment, and materials needed to renovate the interior, exterior and complete the repairs or logo installations as listed below. All work will be inspected and signed off by a NACE Certified Coating Inspector.

The interior renovations will consist of a paint system meeting the AWWA D102-21 paint system as listed below.

#### High Point Tank Interior Specifications

Surface Preparation: SSPC-SP10/NACE2

Primer: Tnemec 94 H2O Zinc applied at 2.5 to 3.5 mils dry

Stripe: Tnemec Series 140-15BL applied at 2.0 to 3.0 mils dry

Finish: Tnemec Series 21-1255 applied at 10.0 to 12.0 mils dry

#### High Point, Berckman, and Tobacco Rd. Tank Exterior Specifications

Surface Preparation: Pressure wash exterior with rotary nozzle at a minimum of 3500 psi

Spot Prime: Tnemec Series 135 Uni-Bond Mastic, DFT 4-6 mils

Primer: Tnemec Series 135 Uni-Bond Mastic, DFT 4-6 mils

Finish: Tnemec Series 700 Endura-Shield, DFT 2-3 mils

#### Faircrest Tanks 1 and 2

Labor, equipment, and materials needed to pressure wash and clean exterior of Faircrest Tanks 1 and 2 in a single mobilization.