

AMENDMENT NO. 11
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, 2024, 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. 11 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 (\$6,679,000.00) and the Management and Administrative Fee shall be Eight Hundred One Thousand Four Hundred and Eighty Dollars (\$801,480.00). The base fee and the Management and Administrative Fee shall be payable in advance in equal monthly installments which shall be Six Hundred Twenty-Three Thousand and Three Hundred Seventy-Three Dollars (\$623,373.00). Said base fee shall be for the period beginning on January 1st, 2024 and ending on December 31st, 2024. 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 Appendix F with the following new Appendix F.

REPLACE Appendix F1 with the following new Appendix F1.

ADD Appendix I.

REPLACE Appendix N with the following new Appendix N.

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

By: _____
Garnett L. Johnson,
Mayor

Date: _____

Date: _____

ATTEST: _____
Clerk of Commission

Date: _____

Appendix F
2024 Project Budget and Staffing Plan

Project Budget		
PERSONNEL SERVICES	\$ 2,125,000.00	
ADMINISTRATIVE EXPENSES	\$ 109,000.00	
UTILITIES	\$ 190,000.00	
CHEMICALS	\$ 665,000.00	
MATERIALS & SUPPLIES	\$ 250,000.00	
VEHICLES & EQUIPMENT	\$ 90,000.00	
OUTSIDE SERVICES	\$ 600,000.00	
BIOSOLIDS MANAGEMENT	\$ 1,860,000.00	
MAINTENANCE & REPAIR	\$ 600,000.00	
TOTAL OPERATING BUDGET	\$6,489,000.00	
MANAGEMENT & ADMINISTRATIVE FEE (12%)	778,680.00	
CONTRACTOR'S SUBTOTAL		\$ 7,267,680.00
DIRECTOR'S ALLOWANCE	\$ 190,000.00	
MANAGEMENT & ADMINISTRATIVE FEE (12%)	22,800.00	
DIRECTOR'S ALLOWANCE SUBTOTAL		212,800.00
TOTAL 2024 BUDGET		\$ 7,480,480.00

Appendix F (Continued)
2024 Project Budget and Staffing Plan

Project Staffing Plan

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

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 2023 including applicable management fees, additional expenditures up to \$650,000 shall be payable upon submission of an invoice.

Appendix I

2024 Sewer Assessment Project Budget

Project Budget	
SL-RAT Deployment	\$335,000.00
ADMINISTRATIVE FEE (12.0%)	\$ 40,200.00
TOTAL 2024 BUDGET	\$ 375,200.00

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 N

2024 Water Tank Management Budget

Project Budget

WATER TANK ROUTINE MAINTENANCE	\$ 89,000.00
TOTAL 2024 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.