

**AGREEMENT COVER MEMORANDUM**

To:	Barbara Torres, City Clerk's Office	From:	Tania Mercado, Purchasing	Date:	06/24/2014
Please route the two (2) attached agreements, as described below, for execution and please return one (1) executed copy to me.					

Company:	BCR Environmental Corporation
Contract Purpose:	To provide the following services for Phase I: Base Services, Technical Services, Hauling and Disposition Services, Supplemental Technical Services, Non-Standard Use Services, and Operational Improvements.

Contract Group:	Expenditure (Construction)	Effective Date:	TBD
Location:	City Clerk's Office (Routing)	Expiration Date:	TBD
Agreement Type:	Master	Renewal Options:	3 additional 5-year terms
Contract Value:	\$98,004.00	Notice Period:	120
Contract Value Description:	Request Commission approve the design build agreement between the City of Pembroke Pines and BCR Corporation for the Design-Build Services for the Wastewater Treatment Plant Biosolids Processing and Centrifuge Dewatering System installation for Phase One as a result of PSEN-13-02 and to approve the service agreement between BCR Corporation and the City of Pembroke Pines for the equipment being installed at a cost of \$98,004.00 per year for a term of five (5) years.		

Department:	Public Services	Approved by Commission:	Passed
Procurement Method:	Formal Solicitation	Commission Date (if Approved or Pending):	06/18/2014
Procurement Summary:	See Commission Approval.	For Commission Review:	Yes
Account Coding(s):	471-535-6022-34990	Reason For Commission Review:	Contract value exceeds \$25,000.
		Insurance Required:	Yes
		Bonds Required:	N/A

Additional Notes:	None.
Attachments	(2) Originals, Signed/Notarized/Witnessed by Vendor <ul style="list-style-type: none"> Exhibit A – Phase I Services Exhibit B – Fees Exhibit C – Operation Manual (Will be provided upon delivery of the equipment.) Exhibit D – Technical Services Certificate of Liability Insurance Commission Approval

SERVICE AGREEMENT

This Service Agreement ("Agreement"), dated as of 6/18, 2014 (the "Contract Date"), is by and between BCR Environmental Corporation, a Delaware corporation whose address is 3740 St. Johns Bluff Road South, Suite 21, Jacksonville, Florida 32224 ("BCR"), and a and the City of Pembroke Pines, Florida, a political subdivision of the State of Florida, with its principal office at 10100 Pines Blvd, Pembroke Pines, FL 33026 (the "City"). Capitalized terms used, but not otherwise defined, in this Agreement have the meanings given to them on Annex I attached to this Agreement.

RECITALS:

WHEREAS, BCR is performing Phase I of a multi-phase project to upgrade biosolids treatment at the City's wastewater treatment facility (the "Project") with construction of Phase II pending a separate written document to be approved by the City Commission; and

WHEREAS, the Project shall consist of two separate and distinct phases, a Phase I and Phase II, and the Services to be provided by BCR for the Phase I (the "Phase I Services") and Phase II (the "Phase II Services") shall be as defined in Exhibit A; and

WHEREAS, BCR possesses the expertise necessary to provide certain design, build, treatment, hauling and disposal services; and

WHEREAS, the City desires to contract with BCR, and BCR desires to contract with the City, to provide the foregoing services in accordance with the conditions, provisions and terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements, covenants, representations and warranties contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the Parties acknowledge, the Parties agree as follows:

ARTICLE I

ENGAGEMENT; SERVICES.

Section 1.1 Services. During the Term, and in accordance with the conditions, provisions and terms contained in this Agreement, BCR will provide the services as more particularly described on Exhibit A attached hereto (collectively, the "Services"). The services as described in this agreement shall be limited to Phase One only. Notwithstanding any other language in this agreement, Phase Two shall only commence with a separate/subsequent written document approved by the City Commission and executed by both parties.

Section 1.2 Term. This Agreement will be effective for the period commencing on the earlier of the Phase I Effective Date or Phase II Effective Date and initially ending five (5) years after the later of the Phase I Effective Date or the Phase II Effective Date, unless terminated earlier pursuant to Article III (including any extensions thereof, the "Term"). The Agreement may be extended for up to three (3) additional five (5) year terms subject to the written consent of the parties.

Section 1.3 Time Devoted; Accessibility. During the Term, BCR will devote its abilities, efforts, energies, interest and time as needed to provide the Services between the hours of 8 a.m. and 5 p.m. Monday through Friday excluding all nationally recognized holidays in the United States (the "Standard Hours").

Section 1.4 Agreements, Covenants, Representations and Warranties Regarding the Services.

(a) Quality Workmanship. BCR and its Representatives providing Services under this Agreement will provide the Services in a professional and workmanlike manner, consistent with the standards of care and diligence recognized in the industry for companies and individuals performing services of a similar nature. The Services will materially comply with the descriptions and representations as to the Services (including performance capabilities, completeness, specifications, configurations and function) agreed upon by the Parties.

(b) Compliance with Laws. Except as otherwise provided herein, BCR will, and will cause its Representatives to, perform all of the Services in compliance with all applicable ethical standards, Laws, Orders, and Permits, and the City's ordinance, policies, procedures and standards in effect from time to time during the Term.

(c) Required Insurance. BCR shall not commence work under this Agreement until he has obtained all insurance required under this paragraph and such insurance has been approved by the Risk Manager of the City nor shall BCR allow any Subcontractor to commence work on his sub-contract until all similar such insurance required of the subcontractor has been obtained and approved.

CERTIFICATES OF INSURANCE, reflecting evidence of the required insurance, shall be filed with the Risk Manager prior to the commencement of the Services. Policies shall be issued by companies authorized to do business in the State of Florida. The insurance company shall be rated no less than "A" as to management, and no less than "Class VI" as to financial strength according to the latest edition of Best's Insurance Guide published by A.M. Best Company.

Policies shall be endorsed to provide the City with thirty (30) day's notice of cancellation or BCR shall obtain written agreement from its Agent to provide the City 30 day's notice of cancellation.

Insurance shall be in force until all work required to be performed under the terms of the Agreement is satisfactorily completed as evidenced by the formal acceptance by the City. In the event the insurance certificate provided indicates that the insurance shall terminate and lapse during the period of this contract, then in the event, BCR shall furnish, at least thirty (30) days prior to the expiration of the date of such insurance, a renewal certificate of insurance as proof that equal and like coverage for the balance of the period of the Agreement and extension thereunder is in effect. BCR shall not continue to work pursuant to this Agreement unless all required insurance remains in full force and effect.

COMMERCIAL GENERAL LIABILITY INSURANCE written on an occurrence basis including, but not limited to: coverage for bodily injury and property damage, personal & advertising injury, products & completed operations, and contractual liability. Coverage must be written on an occurrence basis, with limits of liability no less than:

1. Each Occurrence Limit - \$1,000,000
2. Fire Damage Limit (Damage to rented premises) - \$100,000
3. Personal & Advertising Injury Limit - \$1,000,000
4. General Aggregate Limit - \$2,000,000
5. Products & Completed Operations Aggregate Limit - \$2,000,000

The City of Pembroke Pines must be shown as an additional insured with respect to this coverage.

WORKERS' COMPENSATION AND EMPLOYERS LIABILITY INSURANCE covering all employees, and/or volunteers of BCR engaged in the performance of the scope of work associated with this

Agreement. In the case any work is sublet, BCR shall require the subcontractors similarly to provide Workers Compensation Insurance for all the latter's employees unless such employees are covered by the protection afforded by BCR. Coverage for BCR and his subcontractors shall be in accordance with applicable state and/or federal laws that may apply to Workers' Compensation Insurance with limits of liability no less than:

1. Workers Compensation Coverage A: Statutory
2. Employers Liability Coverage B: \$500,000 Each accident
\$500,000 Disease-policy limit
\$500,000 Disease-each employee

If BCR claims to be exempt from this requirement, BCR shall provide CITY proof of such exemption along with a written request for CITY to exempt BCR, written on BCR letterhead.

BUSINESS AUTO LIABILITY INSURANCE covering all owned, non-owned and hired vehicles used in connection with the performance of work under this Agreement, with a combined single limit of liability for bodily injury and property damage no less than \$1,000,000 each accident limit for bodily injury and property damage.

Auto Policy shall include pollution liability coverage equivalent to that provided by ISO pollution liability-broadened coverage for auto endorsement CA9948 and the Motor Carrier Act endorsement MCS90.

ENVIRONMENTAL/POLLUTION LIABILITY with a limit of no less than \$1,000,000 per wrongful act. This coverage shall be maintained for a period of no less than two (2) years after final payment of the contract.

UMBRELLA/EXCESS LIABILITY with a limit of no less than \$2,000,000 each occurrence.

REQUIRED ENDORSEMENTS

1. The City of Pembroke Pines shall be named as an Additional Insured on all General Liability and Environmental/Pollution Liability Policies;
2. Waiver of all Rights of Subrogation against the City;
3. 30 Day Notice of Cancellation to the City;
4. Contractors' policies shall be Primary & Non-Contributory;
5. All policies shall contain a "severability of interest" or "cross liability" liability clause without obligation for premium payment of the City.

BCR shall name the City, as an additional insured on each of the policies required herein and shall hold the City, its agents, officers and employees harmless on account of claims for damages to persons, property or premises arising out of the services provided hereunder.

Any insurance required of BCR pursuant to this Agreement must also be required by any subcontractor in the same limits and with all requirements as provided herein, including naming the City as an additional insured, in any work that is subcontracted unless such subcontractor is covered by the protection afforded by BCR and provided proof of such coverage is provided to City. BCR and any subcontractors shall maintain such policies during the term of this Agreement.

(c) No Conflicts. Each of the Parties represents and warrants to the other Party that neither the execution and delivery by such Party of this Agreement, nor the performance by such Party or any of its Representatives of any acts contemplated by this Agreement (including the provision of the Services),

will conflict with, or result in any breach of, or cause a default (with or without notice or lapse of time or both) under any condition, provision or term contained in any Contract (including any confidentiality agreement, consulting agreement, employment agreement, non-compete agreement or similar agreement with any other Person) or Order to which BCR, the City or any of their respective Representatives is a party or a signatory, individually or as an officer, or by which BCR, the City or any of their respective Representatives is bound.

Section 1.5 Duties of the City. During the Term, to support BCR's efforts to provide the Services, the City, at its own cost and expense, will provide assistance, information and/or materials as reasonably requested by BCR, including:

- (a) providing Biosolids from the Plant to the Systems that conform to the standards set forth in the Operating Manual;
- (b) operating the Plants and the Systems in accordance with the Operating Manual and in compliance with all applicable ethical standards, Laws, Orders, and Permits in effect from time to time during the Term;
- (c) securing all Permits necessary to operate the Plant and the Systems during the Term;
- (d) providing BCR representatives reasonable and appropriate access to the Plant;
- (e) providing BCR with connectivity to the Systems;
- (f) preparing and submitting formal reports regarding the Plant as required by all applicable ethical standards, Laws, Orders, and Permits in effect from time to time during the Term;
- (g) purchasing, unless the City is self-insured, and maintaining, at its own cost and expense, such insurance as is appropriate and necessary to protect it from claims arising out of, based upon, connected with, incidental to or related to the City's operation of the Plant and the City's duties, Liabilities and obligations under this Agreement. The City will provide proof of such insurance to BCR upon BCR's reasonable request.
- (h) providing BCR with a tax exempt certificate each calendar year during the Term.

Section 1.6 Independent Contractor. BCR's engagement and provision of the Services will be as an independent contractor to the City. BCR, its Affiliates and their respective Representatives will not be an employee, joint venture or partner of the City or any of the City's Affiliates for any reason. As an independent contractor to the City, BCR will be solely responsible for all federal, local, provincial and state employment (including self-employment), income, social security and other similar levies and taxes payable by BCR on or with respect to its receipt of amounts pursuant to the conditions, provisions and terms contained in this Agreement. Nothing contained in this Agreement will confer upon BCR, its Affiliates or any of their respective Representatives any remedies or rights of any kind or nature whatsoever or to any benefits that may be provided, directly or indirectly, under any employee benefit arrangement, plan or policy, nor will anything contained in this Agreement constitute a limitation on or restriction against the right of the City or any of the City's Affiliates to amend, modify or terminate any such arrangement, plan or policy at any time and from time to time.

Section 1.7 No Agency. Neither BCR, its Affiliates nor any of their respective Representatives will have any authority to act for or to bind the City or any of the City's Affiliates in any way except as expressly provided in this Agreement, and BCR, its Affiliates and their respective Representatives will not

(a) hold herself, himself, itself or themselves out as having the power to make commitments to others on behalf of the City or any of the City's Affiliates without the City's prior written consent, or (b) extend credit in the name of the City or any of the City's Affiliates without the City's prior written consent. Except with respect to BCR's provision of the Services, neither BCR, its Affiliates nor any of their respective Representatives will make any representations or warranties on behalf of the City or any of the City's Affiliates without the City's prior written consent.

Section 1.8 City's Employees. The Parties acknowledge, agree and understand that BCR shall not supervise any of the City's employees or subcontractors in connection with this Agreement for any reason.

ARTICLE II

COMPENSATION

Section 2.1 Fees. As compensation for the Services, the City will pay BCR the Fees as more particularly described on Exhibit B attached hereto.

Section 2.2 Invoices. BCR will submit monthly invoices to the City for the Fees for the Services performed by BCR in the immediately preceding calendar month. Subject to the conditions, provisions and terms contained in this Agreement, the Fees due to BCR will be paid by the City within thirty (30) days following BCR's delivery of each invoice. Any amounts due hereunder that are not paid within thirty (30) days of the date of delivery of the applicable invoice will accrue interest at a rate of one and a half percent (1.5%) per month, or the maximum rate permitted by law, whichever is lower, from the date such amount was due hereunder until paid. Any condition, provision or term contained herein to the contrary notwithstanding, if the City fails to pay any amounts invoiced pursuant to the conditions, provisions and terms contained in this Agreement, then BCR will have the right, in addition to its other remedies and rights, to suspend performance of the Services (or to terminate this Agreement pursuant to the conditions, provisions and terms contained in Section 3.1), until all outstanding amounts have been paid in full, as determined by BCR in its absolute and sole discretion.

ARTICLE III

TERMINATION; EFFECT OF TERMINATION.

Section 3.1 Termination for Breach. Either Party may terminate this Agreement immediately upon written notice thereof if (a) the other Party is in breach of any of the conditions, provisions or terms contained in this Agreement which, if capable of cure, is not cured within the Cure Period after written notice of such breach providing reasonable specificity of the grounds therefor; provided that the breaching Party will not be entitled to cure such breach if the breaching Party has received a notice of breach within the immediately preceding twelve (12) months for substantially similar conduct, or (b) the other Party is Insolvent or makes any assignment for the benefit of its creditors, or initiates, consents to the initiation of, or is the subject of any Proceeding under any Bankruptcy or similar laws for the relief of debtors. Anything contained herein to the contrary notwithstanding, BCR may terminate this Agreement immediately upon written notice thereof if the City breaches the conditions, provisions and terms contained in Article II.

Section 3.2 Termination for Convenience. Notwithstanding any other provision of this Agreement, the City may terminate this Agreement for convenience by providing BCR with ninety (90) calendar days notice of the City's intention to terminate. In the event that the City terminates for convenience, BCR shall be paid Fees, if any, on a pro-rata basis through the date of termination.

Section 3.3 Termination for Non-Appropriation. This Agreement shall immediately terminate for which a Non-Appropriation has occurred. The termination shall be effective as of the last day for which funds were appropriated and BCR may then pursue its rights under Section 4.2 below. If any payments are due under this Agreement during such period, such Term will be extended and renewed only if: (a) an interim or emergency budget implemented by the governing body of the City pending enactment of a final budget makes available to the City money that may legally be used to make payments during such period; or (b) sums are otherwise available to make such payments. In the event either (a) an interim or emergency budget implemented by the governing body of the City pending enactment of a final budget makes available to the City money that may legally be used to make payments to BCR in accordance with the terms of this Agreement; or (b) sums are otherwise available to make such payments, this Agreement shall be reinstated and continue in full force and effect based on the terms contained herein and the City promptly will deliver all past due amounts to BCR.

Section 3.4 Effect of Early Termination. On the expiration or termination of this Agreement for any reason, BCR will be paid the Fees, if any, earned prior to and including the effective date of such termination and any other outstanding costs, expenses, fees and/or reimbursements owed to BCR in accordance with the conditions, provisions and terms contained in Article II.

Section 3.5 Return of Property. Within thirty (30) Business Days after the effective date of the expiration or termination of this Agreement by any Party for any reason, the receiving Party will deliver to the disclosing Party all of the disclosing Party's (a) personal property that is in the receiving Party's control or possession (in all forms and in all media), and all copies thereof, and (b) Confidential Information required to be returned pursuant to the conditions, provisions and terms contained in Section 5.2.

Section 3.6 Survival. Section 1.4(c), Section 1.6, Section 1.7, Section 1.8, 0, 0, this 0, Section 3.5 Article IV, Article V, Article VI, Article VII and Annex I will survive the expiration or termination of this Agreement for any reason.

ARTICLE IV

INDEMNIFICATION; LIMITATION OF LIABILITY; DISCLAIMER

Section 4.1 Indemnification by BCR. BCR agrees and covenants to defend, hold harmless, indemnify, reimburse and release the City and the City's Affiliates and their respective Representatives, against and from all and any claims, demands, Liabilities and Proceedings, including Litigation Expenses, on account of death or injury, or damage to or loss of property, that is caused, in part or in whole, by BCR's or any of BCR's Representative's failure to act or negligence, or arising out of, based upon, connected with, incidental to or related to the non-performance or performance by BCR of the conditions, provisions and terms contained in this Agreement; provided, however, that this Section 4.1 will not apply to the extent that any claim, demand, Liability or Proceeding is caused by the City's or any of the City's Representatives' (other than BCR or its Representatives) negligence or willful misconduct.

Section 4.2 Indemnification by the City. To the extent permitted by law and subject to the limitations set forth in Section 768.28, F.S., the City agrees and covenants to defend, hold harmless, indemnify, reimburse and release BCR and BCR's Affiliates and their respective Representatives, against and from all and any claims, demands, Liabilities and Proceedings, including Litigation Expenses, on account of death or injury, or damage to or loss of property, (a) that is caused, in part or in whole, by the City's or any of the City's Representative's failure to act or negligence, or arising out of, based upon, connected with, incidental to or related to the non-performance or performance by the City of the conditions, provisions and terms contained in this Agreement; provided, however, that this Section 4.2 will not apply

to the extent that any claim, demand, Liability or Proceeding is caused by BCR's or any of BCR's Representatives' negligence or willful misconduct, or (b) arising out of, based upon, connected with, incidental to or related to the delivery, use and/or storage of any Hazardous Substances at the Plant, including product liability claims. Nothing in this Agreement shall constitute a waiver of the City's sovereign immunity.

Section 4.3 Limitation of Liability.

(a) ANYTHING IN THIS AGREEMENT TO THE CONTRARY NOTWITHSTANDING, BCR'S LIABILITY IN EXCESS OF INSURANCE COVERAGES REQUIRED IN THIS AGREEMENT FOR LOSSES ARISING OUT OF, BASED UPON, CONNECTED WITH, INCIDENTAL TO OR RELATED TO THIS AGREEMENT AND/OR THE SERVICES PROVIDED HEREUNDER, WHETHER IN CONTRACT OR TORT (INCLUDING BCR'S OWN NEGLIGENCE), LAW OR EQUITY, WILL BE LIMITED TO THE LESSER OF THE ACTUAL DIRECT DAMAGES INCURRED BY THE CITY OR THE COMPENSATION BCR RECEIVED IN CONNECTION WITH THIS AGREEMENT IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE CLAIM.

(b) NEITHER PARTY WILL, IN ANY EVENT, BE LIABLE TO THE OTHER PARTY FOR ANY LOSS OF PROFITS, LOSS OF THE USE OF ANY REVENUE OR PROFITS NOR ANY CONSEQUENTIAL, ECONOMIC, INCIDENTAL, INDIRECT, PUNITIVE, OR SPECIAL DAMAGES INCURRED, EVEN IF SUCH OTHER PARTY HAS BEEN ADVISED OF THE LIKELIHOOD OR POSSIBILITY SUCH DAMAGES MAY BE INCURRED.

Section 4.4 Disclaimer. BCR SPECIFICALLY DISCLAIMS ANY EXPRESS OR IMPLIED STANDARDS, GUARANTEES, OR WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTIES THAT MAY BE ALLEGED TO ARISE AS A RESULT OF CUSTOM OR USAGE, COURSE OF DEALING OR COURSE OF PERFORMANCE. BCR FURTHER DISCLAIMS ALL EXPRESS, STATUTORY AND IMPLIED WARRANTIES APPLICABLE TO ALL AND ANY CHEMICALS AND POLYMERS PROCURED BY BCR ON BEHALF OF THE CITY IN CONNECTION WITH THIS AGREEMENT. THE ONLY WARRANTIES APPLICABLE TO THE CHEMICALS AND THE POLYMERS PROCURED BY BCR ON BEHALF OF THE CITY IN CONNECTION WITH THIS AGREEMENT WILL BE THE WARRANTIES, IF ANY, OF THE MANUFACTURERS OF SUCH CHEMICALS AND POLYMERS.

ARTICLE V

RESTRICTIVE COVENANTS.

Section 5.1 General. Each Party acknowledges, agrees and understands that

(a) the conditions, provisions and terms contained in this Article V provide a special and unique benefit to the disclosing Party and its Affiliates, and that the receiving Party's and/or any of the receiving Party's Representatives' breach of or default under, or threatened breach of or default under, any of the conditions, provisions or terms contained in this Article V will result in (i) an irreparable injury to the disclosing Party and its Affiliates, (ii) the disclosing Party and its Affiliates having an inadequate remedy at law, and (iii) the disclosing Party and its Affiliates suffering damages that cannot be measured strictly in monetary terms. Upon the disclosing Party's adequate proof of the receiving Party's and/or any of the receiving Party's Representatives' breach of or default under, or threatened breach of or default under, any conditions, provision or term contained in this Article V, the disclosing Party will be entitled to receive immediate relief enjoining any further or threatened breach of or default under any of, or requiring

specific performance pursuant to, the conditions, provisions and terms contained in this Article V in order to enforce or prevent any violations of the conditions, provisions or terms contained in this Article V (without posting a bond or other security); and

(b) a breach or violation of any condition, provision or term contained in this Agreement by the disclosing Party, and/or any of the disclosing Party's Representatives, will not be a defense to the enforceability of the agreements and covenants contained in this Article V.

Nothing contained in this Article V will be construed to limit in any way the disclosing Party's remedies and rights that otherwise may exist at law or in equity with respect to the receiving Party's and/or any of the receiving Party's Representatives' breach of or default under, or threatened breach of or default under, any of the conditions, provisions and terms contained in this Article V.

Section 5.2 Confidential Information. During the Term, the Parties may become privy to Confidential Information of the other Party with respect to such other Party's business. During the Term and after the expiration or termination of this Agreement for any reason, neither Party will, and each Party will cause its Representatives not to, disclose, divulge, furnish, reveal, use or make available any of the Confidential Information of the other Party to any Person (a) without the other Party's prior written consent, or (b) in connection with any activity or business other than that of the other Party; provided, however, that this Section 5.2 will not apply to information that (i) is at the time of disclosure a part of the public domain or thereafter becomes a part of the public domain through no violation of this Agreement or any other agreement, or applicable Laws, (ii) was demonstrably in the possession of such receiving Party prior to its disclosure, (iii) is hereafter acquired by such receiving Party through a third party under no obligation of confidence, (iv) is independently developed by such receiving Party without the benefit or use of the other Party's information as evidenced by such receiving Party's written records, or (v) which is required to be disclosed by Law, regulation or valid court or Order but only to the extent required by such Law, regulation or Order and only if such receiving Party first notifies the other Party, to the extent permitted, of the Law, regulation or Order and permits the other Party to seek a protective order or other relief from disclosure. At any time upon demand of the disclosing Party, the receiving Party promptly will return to the disclosing Party or, at the disclosing Party's absolute and sole option, destroy all documents, materials and personal property that are in the receiving Party's control or possession (in all forms and in all media), and all copies thereof, that contain, disclose or embody Confidential Information, including any Confidential Information prepared by the receiving Party. Notwithstanding any other language in this Agreement, the parties acknowledge that the City is a public agency subject to Ch. 119, F.S., and that any confidentiality shall only be maintained to the extent permitted by law.

Section 5.3 Trade Marks; Service Marks. Each Party acknowledges, agrees and understands that it does not have, and will not acquire, any interest in the other Party's service marks, trade dress, trademarks, trade names or any other similar proprietary rights, unless otherwise expressly agreed to in a writing executed by both Parties.

ARTICLE VI

DISPUTE RESOLUTION

Section 6.1 Efforts by the Parties. The Parties will act in good faith and reasonably to promptly resolve, by negotiation, any dispute arising out of, based upon, connected with, incidental to or related to this Agreement. Any Party may give the other Parties written notice of any dispute not resolved in the normal course of business ("Dispute Notice"). Within seven (7) days after the delivery of a Dispute Notice, the Parties will meet at a mutually acceptable place and time, and thereafter as often as they deem

appropriate or necessary, to exchange relevant information and to attempt to resolve such dispute. During the course of such negotiations, all reasonable requests made from any Party to the another Party for information that is not confidential, privileged or proprietary and that reasonably arises out of, is based upon, is connected with, is incidental to or is related to this Agreement will be honored so that each of the Parties may be fully advised of the other Parties' position. All negotiations arising out of, based upon, connected with, related to or incidental to any Dispute Notice are confidential and will be treated as compromise and settlement negotiations for purposes of the rules of evidence of all applicable jurisdictions. If such dispute has not been resolved within fifteen (15) days after the deemed delivery of the Dispute Notice, or if the Parties fail to meet within seven (7) days after the delivery of the Dispute Notice, then any Party involved in such dispute may initiate mediation or other dispute resolution deemed necessary and appropriate.

Section 6.2 Costs, Expenses and Fees. The Parties involved in dispute resolution procedures pursuant to the conditions, provisions and terms contained in this Article VI will bear their respective Litigation Expenses in connection with such dispute resolution procedures, except that the Parties involved in such dispute resolution procedures will share equally the costs, expenses and fees of any neutral third party or arbitrator and the costs, expenses and fees of any facility used in connection with such dispute resolution procedures. In the event of any litigation to enforce the terms of this Agreement, the prevailing shall be entitled to recover reasonable attorney's fees.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Interpretation; Construction.

The use in this Agreement of the word "including" means "including, without limitation." The words "hereby," "herein," "hereinafter," "hereof," "hereto," "hereunder," and other words of similar import refer to this Agreement as a whole, including the Annexes, Attachments, Exhibits and Schedules attached to this Agreement, as the same may be altered, amended, modified, repealed, restated and/or supplemented in accordance with the conditions, provisions and terms contained in this Agreement, and not to any particular article, clause, paragraph section, subparagraph or subsection contained in this Agreement. All references to articles, clauses, paragraphs, sections, subparagraphs, subsections, Annexes, Attachments, Exhibits and Schedules means the articles, clauses, paragraphs, sections, subparagraphs and subsections contained in this Agreement and the Annexes, Attachments, Exhibits and Schedules attached to this Agreement, except as otherwise expressly provided in this Agreement. The title of and the article, section and paragraph headings contained in this Agreement are for convenience of reference only and will not affect or govern the interpretation of any of the conditions, provisions or terms contained in this Agreement. The use in this Agreement of the feminine, masculine or neuter forms also will denote the other forms, as in each case the context may require. The use in this Agreement of the singular form of a definition or term also will denote the plural forms of such definition or term, and vice-versa, as in each case the context may require. Where specific language is used to clarify by example a general statement contained in this Agreement, such specific language will not be deemed to limit, modify or restrict in any manner the construction of the general statement to which it relates. Each use of the term "shall" or "will" indicates a compulsory obligation. The Parties intend the use of the term "and/or" in an ordered list to make the items in the ordered list both several and inclusive of each other, as the context requires. Unless expressly provided otherwise, the measure of a period of a month or year for purposes of this Agreement will be that date of the following month or year corresponding to the starting date; provided, however, that if no corresponding date exists, the measure will be that date of the following month or year corresponding to the next day following the starting date. For example, one (1) month following February 18 is March 18, and one (1) month following March 31 is May 1.

Section 7.2 Notices.

(a) All demands, documents, notices, payments, reports, requests, returns or other communications delivered pursuant to the conditions, provisions and terms contained in this Agreement and other applicable Law will be in writing and will be deemed to be sufficient if (i) delivered personally, (ii) mailed by registered or certified mail, return receipt requested, postage prepaid, or (iii) sent by a nationally-recognized, overnight courier, to the Parties at the addresses set forth in the introductory paragraph of this Agreement (or at such other address for a Party as is specified by a written notice satisfying the conditions, provisions and terms contained in this Section 7.2).

(b) All such demands, documents, notices, payments, reports, requests, returns or other communications will be deemed to have been delivered and received (i) in the case of personal delivery, on the date of such delivery, (ii) in the case of delivery by certified or registered mail, on the third (3rd) Business Day following such mailing, and (iii) in the case of delivery by a nationally-recognized, overnight courier guaranteeing next Business Day delivery, on the Business Day following dispatch.

Section 7.3 Benefits of Agreement; Assignment. All of the conditions, provisions and terms contained in this Agreement will be binding upon and will inure to the benefit of the Parties and their respective Affiliates, permitted assignees and permitted successors. Except as otherwise expressly contained in this Agreement, this Agreement will not confer any remedies or rights upon any Person other than the Persons referred to in the immediately preceding sentence. This Agreement is not assignable by any Party without the prior written consent of each other Party, except that BCR may assign this Agreement and/or its authority, duties, Liabilities, obligations, powers, privileges and rights contained in this Agreement to any of its Affiliates or to any Person succeeding to all or any substantial portion of its assets or business.

Section 7.4 Force Majeure. Whenever any action is required to be taken pursuant to the conditions, provisions and terms contained in this Agreement within a specified period of time, such additional period of time will be provided to the Party required to take such action as will equal any period of delay resulting from causes beyond the reasonable control of the Party required to take such action, including actions of or interference by governmental or other regulatory authorities, acts of God (including flood, fire or acts of nature), acts of terrorism, labor disturbance, wars, riots or other civil disturbances (collectively, “Force Majeure Events”). No Party will be held in breach of any condition, provision or term contained in this Agreement because of any Force Majeure Event, provided that Party exercises commercially reasonable efforts to resume performance pursuant to the conditions, provisions and terms contained in this Agreement as soon as practicable after the occurrence of such Force Majeure Event (provided that resumption is a commercially reasonable option).

Section 7.5 Remedies. Subject to the conditions, provisions and terms contained in Article IV, each Party will have and retain all remedies and rights existing in its favor under this Agreement, at law or in equity, including rights to bring actions for injunctive relief, specific performance and other equitable relief to enforce or prevent a breach of or default under, or threatened breach of or default under, any condition, provision or term contained in this Agreement. The pursuit of any remedy or right by a Party will not be deemed an election of such remedy or right and will not preclude such Party from exercising or pursuing any other available remedy or right. To the extent permitted by any applicable Law, but subject to the conditions, provisions and terms contained in Article IV, all such remedies and rights (a) will be cumulative, (b) will be in addition to any other remedies and rights provided by applicable Law, and (c) may be exercised concurrently or separately. Nothing contained in this Section 7.5 may be construed to limit in any way the benefits and rights of, or the remedies available to, any Party.

Section 7.6 Waiver. The failure of any Party to seek redress for a breach of or default under, or failure to insist upon the strict performance of, any condition, provision or term contained in this Agreement, including specifically any failure to exercise any recourse, remedy or right, will not prevent a subsequent act or failure from having the effect of an original breach of or default under, or failure to satisfy, any such condition, provision or term contained in this Agreement. No waiver of any condition, provision or term contained in this Agreement will be effective unless it is contained in a written document executed by each Party, and then only to the extent specifically provided in such writing. No waiver by any Party of any breach of or default under any agreement, covenant, representation or warranty hereunder, whether intentional or not, will be deemed to extend to any prior or subsequent breach of or default under any agreement, covenant, representation or warranty hereunder, or affect in any way any rights arising out of, based upon, connected with, incidental to or related to any such prior or subsequent occurrence.

Section 7.7 Litigation Expenses. Except as otherwise expressly contained in this Agreement, including the conditions, provisions and terms contained in Section 6.2, the prevailing Party in any Proceeding brought to enforce, or resolve a dispute under, the conditions, provisions and terms contained in this Agreement will be entitled to an award of Litigation Expenses incurred by such prevailing Party arising out of, based upon, connected with, incidental to or related to such Proceeding (whether incurred before the Proceeding or during the Proceeding), which award of Litigation Expenses will be in addition to any other remedy awarded in such Proceeding.

Section 7.8 Transaction Expenses. Except as otherwise expressly contained in this Agreement, each Party will bear its own costs, expenses and fees (including attorneys' costs, expenses and fees) incurred in connection with the negotiation of this Agreement, the performance of its duties, Liabilities and obligations contained in this Agreement, the consummation of the transactions contemplated by this Agreement, and its compliance with the conditions, provisions and terms contained in this Agreement.

Section 7.9 Governing Law and Venue

(a) This Agreement will be construed, governed by and interpreted in accordance with the domestic Laws of the State of Florida without giving effect to any choice of law or any conflicting provision, rule or term (whether of the State of Florida or any other jurisdiction) that would cause the Laws of any jurisdiction other than the State of Florida to be applied. In furtherance of the foregoing, the domestic Laws of the State of Florida will control the construction and interpretation of this Agreement, even if under such other jurisdiction's choice of law or conflict of law analysis, the substantive Laws of another jurisdiction ordinarily would apply. Venue for any disputes arising out of this Agreement shall be in Broward County.

Section 7.10 Public Records

The City of Pembroke Pines is public agency subject to Chapter 119, Florida Statutes. BCR shall comply with Florida's Public Records Law. Specifically, BCR shall:

(a) Keep and maintain public records that ordinarily and necessarily would be required by the City in order to perform the service;

(b) Provide the public with access to such public records on the same terms and conditions that the City would provide the records and at a cost that does not exceed that provided in chapter 119, Fla. Stat., or as otherwise provided by law;

(c) Ensure that public records that are exempt or that are confidential and exempt from public record requirements are not disclosed except as authorized by law; and

(d) Meet all requirements for retaining public records and transfer to the City, at no cost, all public records in possession of the contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt. All records stored electronically must be provided to the City in a format that is compatible with the information technology systems of the agency.

The failure of BCR to comply with the provisions set forth in this agreement/contract shall constitute a Default and Breach of this Agreement, for which, the City may terminate the Agreement.

Section 7.11 Independence of Agreements, Covenants, Representations and Warranties.

All agreements and covenants contained in this Agreement will be given independent effect so that if a certain action or condition constitutes a breach of or default under a certain agreement or covenant, the fact that such action or condition is permitted by another agreement or covenant will not affect the occurrence of such breach or default, unless expressly permitted under an exception to such initial agreement or covenant. All representations and warranties contained in this Agreement will be given independent effect so that if a particular representation or warranty is breached or proves to be inaccurate or untrue, the fact that another representation or warranty concerning the same or similar subject matter is not breached or is accurate and true will not affect the breach of or the inaccuracy or untruth of such initial representation or warranty.

Section 7.12 Mutual Contribution. The Parties and their respective legal counsel have contributed mutually to the drafting of this Agreement, and the Parties have chosen the language used in this Agreement to express their mutual intent. Consequently, no condition, provision or term contained in this Agreement will be construed against any Party on the ground that such Party (or such Party's counsel) drafted the condition, provision or term or caused the condition, provision or term to be drafted.

Section 7.13 Severability. If any condition, provision or term contained in this Agreement would be held in any jurisdiction to be illegal, invalid, prohibited or unenforceable for any reason, then such condition, provision or term, as to such jurisdiction, will be ineffective, without invalidating the remaining conditions, provisions and terms contained in this Agreement or affecting the enforceability, legality or validity of such condition, provision and/or term in any other jurisdiction. Anything in the immediately preceding sentence to the contrary notwithstanding, if such condition, provision or term could be drawn more narrowly so as not to be illegal, invalid, prohibited or unenforceable in such jurisdiction, it will be so narrowly drawn, as to such jurisdiction, without invalidating the remaining conditions, provisions and terms contained in this Agreement or affecting the enforceability, legality, or validity of such condition, provision or term in any other jurisdiction.

Section 7.14 Counterparts and Electronic Delivery. The Parties may execute this Agreement in any number of counterparts, and each such counterpart will be deemed an original signature page to this Agreement. All such counterparts will be considered one and the same Contract and will become effective when one (1) or more counterparts have been executed by each Party and delivered to each other Party, it being understood that all Parties need not execute the same counterpart. Any counterpart or other signature delivered by facsimile, e-mail or other electronic device will be deemed for all purposes as constituting good and valid execution and delivery of this Agreement by such Party.

Section 7.15 Amendment. Except as otherwise expressly contained in this Agreement, this Agreement may not be altered, amended, modified, restated and/or supplemented except pursuant to a written document signed by each Party.

Section 7.16 Entire Agreement. This Agreement and the other agreements and documents referenced herein and attached to this Agreement (including the Annexes, Attachments, Exhibits and Schedules attached hereto) and any other document contemporaneously entered into with this Agreement

contain all of the Contracts among the Parties with respect to the transactions contemplated hereby and thereby and supersede all prior Contracts among the Parties with respect to such transactions. The Parties acknowledge, agree and understand that they are not relying on any oral or written inducements, promises, representations or warranties not included or referenced in this Agreement.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Contract Date.

CITY:

By: Charles F. Dodge
Name: CHARLES F. Dodge
Title: CITY MANAGER

BCR:

BCR ENVIRONMENTAL CORPORATION

By: [Signature]
Name: ALAN F. SCHUL
Title: PRESIDENT/CEO

APPROVED AS TO LEGAL FORM
[Signature]
OFFICE OF THE CITY ATTORNEY
DATED: June 23, 2014

ANNEX I

Definitions

As used in this Agreement, the following capitalized terms have the meanings given to them in this Annex I. Any capitalized terms not defined in this Annex I have the meanings given to them in the respective sections of this Agreement in which they first appear.

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the specified Person. As used in this definition of Affiliate, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by Contract or otherwise.

“Agreement” means this Service Agreement, together with all Annexes, Exhibits and Schedules attached hereto, as the same may be altered, amended, modified, restated and/or supplemented from time to time pursuant to the conditions, provisions and terms contained herein and therein.

“Annex I” means this Annex I, as the same may be altered, amended, modified, restated or supplemented from time to time in accordance with the conditions, provisions and terms contained in this Agreement.

“Bankrupt” or “Bankruptcy,” as applicable, means, with respect to any Person, any (a) assignment for the benefit of such Person’s creditors, (b) application or petition for the appointment of a custodian, liquidator, receiver or trustee of any substantial part of such Person’s assets, (c) filing of an application or a petition, or commencement of a Proceeding, by such Person relating to herself, himself or itself under any arrangement, bankruptcy, insolvency, reorganization or similar Law, or (d) filing of an application or a petition, or commencement of a Proceeding, under any arrangement, bankruptcy, insolvency, reorganization or similar Law against such Person where either (i) such Person effectively has given her, his or its adoption, approval, authorization, confirmation, consent and/or ratification, or (ii) such application, petition or Proceeding has continued undischarged and unstayed for a period of sixty (60) days.

“Base Fee Amount” shall have the meaning given to such term in Exhibit B.

“Base Services” shall have the meaning given to such term in Exhibit A.

“Base Service Fees” shall have the meaning given to such term in Exhibit B.

“Business Day” means any day that is not a Saturday, Sunday or a day on which banking institutions in Jacksonville, Florida are authorized or required to be closed.

“Chemical Supply and Delivery Plan” shall have the meaning given to such term in Exhibit A.

“Chemical Supply and Delivery Plan Fees” shall have the meaning given to such term in Exhibit B.

“Compliant End Product Material” shall have the meaning: i) during Phase I it shall be dewatered treated biosolids that meet Class B pathogen, vector attraction and metals standards in accordance with the U.S. 40 C.F.R. Part 503 and have a solids concentration of greater than 18.0%, or ii) i) during Phase II it shall be dewatered treated biosolids that meet Class A/EQ pathogen, vector attraction and metals standards in accordance with the U.S. 40 C.F.R. Part 503 and have a solids concentration of greater than 18.0%

“Confidential Information” means any confidential or proprietary information owned, possessed or utilized by the disclosing Party, its subsidiaries or any of their respective Affiliates (whether or not specifically labeled or identified as “confidential”), in any form or media, with respect to the affairs, business, products, research and development, or services of the disclosing Party, its subsidiaries’ or any of their respective Affiliates, or any of their respective customers, distributors, independent contractors, suppliers or other business relations, including (a) all Intellectual Property Rights, (b) the “look and feel” of any software and websites, (c) internal business information such as agent and independent contractor lists and related information, books and records, business acquisition plans, business plans, compilations, cost information, current and anticipated customer requirements, customer lists and related information, customer data and documentation and databases (including architectures, structures, systems and technologies), details of Contracts (including Contracts with agents, customers, employees, independent contractors, suppliers and vendors), distribution channels, environmental and regulatory information, financial information and data (including budgets, financial statements, forecasts and projections), market studies, marketing plans, new personnel acquisition plans, operational methods, personnel, pricing information (including price lists and pricing policies), product development plans and techniques, reports, research and development (including past, current and planned), strategies, supplier lists and related information, technical information, test results, vendor lists and related information, and (d) any information that constitutes a “trade secret” under the Laws of the State of Florida. Notwithstanding any other provision, “confidential information” shall not include any information that is a public record as defined by Ch. 119, F.S.

“Contract” means any bond, commitment, concession, credit agreement, franchise, grant of easement, indenture, lease, license, loan agreement, mortgage, note, Permit, purchase order, right of way, sale order, service order, sublease, or other agreement, arrangement, commitment, contract, instrument or understanding, whether oral or written.

“Consumer Price Index” shall mean the unadjusted change in the Bureau of Labor Statistics’ All Items Index for the preceding 12 months prior to each anniversary of the Contract Date.

“Cure Period” means thirty (30) days; provided, however, if the breaching Party has been and continues to diligently pursue the cure, then such thirty (30) day period will be automatically extended to sixty (60) days.

“Effective Date” shall be the date on which startup of Phase I of the Project occurs (the “Phase I Effective Date”) and the date on which startup of Phase II of the Project occurs (the “Phase II Effective Date”).

“Fees” means, collectively, all of the fees more particularly described on Exhibit B.

“Governmental Authority” means any domestic or foreign government or political subdivision thereof, whether on a federal, local, provincial or state level and whether executive, legislative or judicial in nature, including any agency, authority, board, bureau, commission, court, department or other instrumentality thereof.

“Hazardous Substance” means any chemical, material, product, substance or waste whose intensity, nature, presence and/or quantity of disposal, effect, existence, manufacture, release, spill, transportation and/or use, either by itself or in combination with other materials expected to be at the Plant, is either (a) potentially injurious to the environment, the public health, safety or welfare, or the Plant, (b) monitored or regulated by any Governmental Authority, or (c) a basis for potential Liability of the City or any of its Affiliates to any Governmental Authority or other Person under any applicable Law. Hazardous Substances will include asbestos, chemicals, crude oil, gasoline, hydrocarbons, noise, pesticides, petroleum, pollutants, polychlorinated biphenyls, radiation, toxic chemicals, and any products and/or by-products thereof.

"Insolvent" or "Insolvency," as applicable, means, with respect to any Person, (a) the admission by such Person in writing that he, she or it is unable to pay her, his or its Liabilities generally as they become due, (b) the taking by such Person of any action (corporate or otherwise) in furtherance of any application, petition or Proceeding relating to herself, himself or itself under any arrangement, bankruptcy, insolvency, reorganization or similar Law, or (c) such Person becoming insolvent or being unable to pay her, his or its Liabilities generally as they become due.

"Intellectual Property Rights" means all industrial and intellectual property rights of every kind and nature and all compilations, derivative works, improvements, modifications and revisions thereof, whether published or unpublished, and whether or not copyrightable, patentable or otherwise subject to legal protection, in whatever form and in whatever media, including (a) copyrightable works, copyright applications, copyrights, moral rights and neighboring rights, (b) mask works, (c) patentable business methods, patentable designs, patentable devices, patentable discoveries, patentable improvements, patentable inventions, patentable methodologies, patentable procedures, patentable processes, patentable products, patentable recipes, patentable research and development, patent applications, patent rights and patents, including all additions, continuations, continuations-in-part, divisions, extensions, reissues, renewals and supplements, (d) service marks, service mark applications, trade dress, trademarks and trademark applications and trade names, and (e) algorithms, business methods, certificates of public convenience and necessity, compositions, concepts, data, designs, development tools, devices, discoveries, domain names, drawings, formats, formulae, franchises, graphics, ideas, improvements, instructions, inventions, know-how, letters patent, licenses, logos and designs, marketing materials, methodologies, plans, procedures, processes, products, programs, recipes, research and development, slogans, software, specifications, techniques, user interfaces and all other technology, and all documentation and media constituting, describing or arising out of, based upon, connected with, incidental to or related to the foregoing, including manuals, memoranda and records.

"Law" means any applicable (a) domestic or foreign directive, ordinance, regulation, rule, statute, treaty or similar condition, provision or term having the effect or force of law, whether on a federal, local, provincial or state level, (b) domestic or foreign common law, whether on a federal, local, provincial or state level, or (c) Order of any Governmental Authority.

"Liability" means any debt, liability or other obligation, whether absolute or contingent, accrued or unaccrued, asserted or unasserted, known or unknown, or liquidated or unliquidated, matured or unmatured, and whether due or to become due, regardless of when asserted.

"Litigation Expenses" means all and any out-of-pocket costs, expenses and fees incurred in connection with asserting, appealing, defending or investigating any claim or dispute in a Proceeding arising out of, based upon, connected with, incidental to or related to this Agreement, including all and any of the following: arbitration and mediation costs, expenses and fees; commercial delivery, mailing and courier charges; reasonable consultant and expert witness fees; reasonable copying and document reproduction costs, expenses and fees; court costs, expenses and fees; court filing fees, court reporter and transcript fees (whether for deposition, evidentiary hearing, non-evidentiary hearing or trial); electronic discovery costs and expenses; electronic research costs, expenses and fees (including Westlaw and Lexis Nexis); reasonable information technology support charges; reasonable investigation costs and expenses; post-judgment collection costs, expenses, and fees; telephone charges; reasonable travel expenses; and reasonable fees and disbursements of outside accountants, consultants, expert witnesses, investigators, legal counsel and other professionals and para-professionals, regardless of whether such costs, expenses and fees are non-taxable or taxable under applicable Law. Litigation Expenses include the costs, expenses and fees of legal counsel in any Proceeding to determine entitlement to reasonable fees and disbursements of legal counsel, as well as in determining and quantifying the amount of the foregoing costs, expenses and fees.

“Non-Compliant End Product Material” shall be any biosolids or material that does not meet the conditions and specifications of Compliant End-Product.

“Operational Improvements” means any applicable (a) service, (b) equipment, (c) design, (d) software, or (e) other offering by BCR to City from time to time during the Term.

“Operating Manual” means BCR’s operating manual for the System attached hereto as Exhibit C, as the same may be altered, amended, modified, restated and/or supplemented from time to time.

“Order” means any administrative order, compliance agreement, decree, injunction, judicial order, judgment, writ or other determination of any arbitrator or Governmental Authority.

“Party” means a party to this Agreement.

“Parties” means, collectively, the parties to this Agreement.

“Permits” means all approvals, authorizations, certificates, consents, franchises, licenses, permits, registrations, variances and similar rights obtained, or required to be obtained, from a Governmental Authority.

“Person” should be construed as broadly as possible and will include an individual or natural person, and an association, a business, a corporation, a Governmental Authority, a joint stock company, a joint venture, a limited liability company, a partnership (including a general partnership, a limited partnership, a limited liability partnership and a limited liability limited partnership), a trust, an unincorporated organization and any other entity.

“Proceeding” means any action, appeal, investigation, proceeding or suit before any arbitrator, Governmental Authority or mediator, including Bankruptcy and Insolvency proceedings.

“Processed Fee Amount” shall have the meaning given to such term in Exhibit B.

“Repair and Maintenance Plan” shall have the meaning given to such term in Exhibit A.

“Repair and Maintenance Plan Fee” shall have the meaning given to such term in Exhibit B.

“Representatives” means, with respect to any Person, such Person’s Affiliates, agents, directors, employees, lenders, managers, members, officers, owners, partners, shareholders, trustees and other representatives (including its accountants, attorneys and financial advisors).

“Services” means, collectively, all of the services more particularly described on Exhibit A.

“Supplemental Technical Services” shall have the meaning given to such term in Exhibit A.

“Supplemental Technical Service Fees” shall have the meaning given to such term in Exhibit B.

“System or Systems” shall mean the CleanB™ as it relates to Phase I and the Neutralizer® as it relates to Phase II

“Total Chemical Management Plan” shall have the meaning given to such term in Exhibit A.

“Total Chemical Management Plan Fees” shall have the meaning given to such term in Exhibit B.

“WAS” shall have the meaning given to such term in Exhibit A.

EXHIBIT A

Services

Phase I Services

During the Term commencing on the Phase I Effective Date, BCR will provide the following Services in accordance with the conditions, provisions and terms of this Exhibit A and the Agreement.

(a) Base Services. BCR will provide to City the following base services (collectively, the "Base Services"):

(i) Remotely monitoring the data output from the System at the Plant, including, monitoring the System's chemical usage and tank levels;

(ii) Providing at a minimum an annual inspection of the System to ensure proper operations and maintenance;

(iii) Providing an annual System performance summary report within thirty (30) days of completing the annual System inspection;

(iv) Providing annual System operator training to include instruction on overall operations and standard operating procedures, repair and maintenance procedures, and safety procedures associated with the System;

(v) Subject to Non-Standard Use Services, providing all repair and maintenance services for the System upon City's written request and subsequent written acceptance by BCR. Such repair and maintenance services shall commence (i) within seventy-two (72) hours of BCR receiving the parts required to provide the service, or (ii) within seventy-two (72) hours of BCR's written acceptance should no parts be required;

(vi) Providing up to five (5) hours per month of technical services via computer, email, or telephone, as reasonably determined appropriate by BCR, regarding the operation of the System, including instructing City's personnel regarding (1) the daily operating procedures for the System, (2) System safety procedures, and (3) testing and compliance procedures associated with the System (collectively, the "Technical Services"). Such hours will not roll over to subsequent months if not used by City;

(vii) Remotely monitoring the data output from the System at the Plant to determine chemical tank levels to coordinate chemical ordering;

(viii) Providing chemicals necessary to operate the System and providing logistical services to have such chemicals delivered to the Plant;

(ix) Maintaining a chemical supply base including monitoring quality control of suppliers;

(x) Coordinating with City to provide training on specific testing and handling procedures for the chemicals necessary to operate the System; and

(xi) Training City's employees on quality control procedures for chemicals necessary to operate the System.

(b) Hauling and Disposition Services. BCR will provide to City all of the services necessary to haul and dispose of the Compliant End-Product Material and Non-Compliant End-Product Material (the "Hauling Services"), which includes causing the Compliant End-Product Material and Non-Compliant End-Product Material to be hauled away from the Plant in accordance with City's Permit(s) and all applicable Laws that are in effect as of the Contract Date.

(c) Supplemental Technical Services. BCR will provide to City supplemental Technical Services (the "Supplemental Technical Services") in the event that City (A) requests that BCR provide additional Technical Services outside of the monthly allowance (5 hours per month), or (B) requests that a BCR representative provide on-site support of the System at the Plant. In the event on-site Supplemental Technical Services are required, a BCR representative will begin providing such Supplemental Technical Services within forty-eight (48) hours of its acceptance to provide the same.

(d) Operational Improvements. BCR may introduce Operational Improvements into the market. BCR will inform City when such Operational Improvements become available. In the event City elects to purchase and or implement such Operational Improvements, BCR will provide City with (a) a description of the Operational Improvements to be provided, (b) the rates payable to BCR in consideration of the provision of the Operational Improvements, and (c) any other relevant conditions, provisions and terms applicable to the Operational Improvements.

(e) Non-Standard Use Services. Any repair and maintenance required as a result of misuse or neglect shall be outside of the scope of this Agreement. City may request BCR perform such repair and/or maintenance services; however, such services shall be subject to the below-listed Non-Standard use service fees (the "Non-Standard Use Services Fees") should BCR agree to perform the services.

Phase II Services

During the Term commencing on the Phase II Effective Date, BCR will provide the following Services in accordance with the conditions, provisions and terms of this Exhibit A and the Agreement.

(a) Provide a Base Service to the City of all of the services BCR deems necessary to provide the following services, including (collectively, the "Base Services"):

(i) Remotely monitoring the data output from the System at the Plants, including, monitoring each System's chemical usage, temperature, pressure, oxidation reduction potential, waste activated sludge ("WAS") flow, and WAS solids concentration;

(ii) Providing at a minimum an annual inspection of the System to ensure proper operations and maintenance;

(iii) Providing an annual System performance summary report within thirty (30) days of completing the annual System inspection;

(iv) Providing annual System operator training to include instruction on overall operations and standard operating procedures, repair and maintenance procedures, and safety procedures associated with the System;

(v) Providing eight (8) hours of Technical Services as more particularly described on Exhibit D per month. Such hours will not roll over to subsequent months if not used by the City;

(vi) Providing a non-exclusive, non-transferable, royalty-free license to the City for the use of BCR's Intellectual Property Rights as specifically pertain to the City's use with regards to owning and operating the System, and BCR hereby grants such license to the City;

(vii) Providing the City with the software and software upgrades required to operate the System;

(viii) Remotely monitoring the data output from the System at the Plant to determine chemical tank levels to coordinate chemical ordering;

(ix) Ordering chemicals necessary to operate the System and providing logistical services to have such chemicals delivered to the Plant;

(x) Maintaining a chemical supply base including monitoring quality control of suppliers;

(xi) Coordinating with the City to provide training on specific testing and handling procedures for the chemicals necessary to operate the System;

(xii) Training the City's employees on quality control procedures for chemicals necessary to operate the System; and,

(xiii) Provide the preventative maintenance required to maintain the effectiveness of the centrifugal dewatering equipment.

(b) Hauling and Disposition Services. BCR will provide to City all of the services necessary to haul and dispose of the Compliant End-Product Material and Non-Compliant End-Product Material (the "Hauling Services"), which includes causing the Compliant End-Product Material and Non-Compliant End-Product Material to be hauled away from the Plant in accordance with City's Permit(s) and all applicable Laws that are in effect as of the Contract Date.

(c) Chemical Supply and Delivery Plan. BCR will provide to the City all of the services BCR deems necessary to supply the Plants with the chemicals necessary to operate the System (the "Chemical Supply and Delivery Plan").

(i) Alternative Chemical Procurement Option. One year after the Phase II Effective Date, the City shall have the option to pursue alternative chemical procurement and delivery of the chemicals required to operate the Systems. In the event that the City elects to procure chemical from a source other than BCR the Chemical Supply and Delivery Plan may, in the City's sole discretion, be terminated by the City.

(d) Supplemental Technical Services. BCR will provide to the City supplemental Technical Services (the "Supplement Technical Services") in the event that either (i) the City (A) continues to engage BCR under the Technical Service Plan, (B) requests that BCR provide Technical Services outside of the Standard Hours, and (C) previously exhausted the monthly allowance of Technical Services described in Section (a)(ii) of this Exhibit A, or (ii) the City (A) elected not to continue the Technical Service Plan, (B) requests that BCR provide Technical Services, and (C) previously exhausted the monthly allowance of Technical Services described in Section (a)(ii) of this Exhibit A. In the event Supplemental Technical

Services are required, a BCR representative will begin providing such Supplemental Technical Services within forty-eight (48) hours of its acceptance to provide the same.

(e) Repair and Maintenance Plan. Upon the City's written request and subsequent written acceptance by BCR, BCR will provide certain repair and maintenance services for the Plants and/or Systems (collectively, the "Repair and Maintenance Plan").

(f) Operational Improvements. BCR may introduce Operational Improvements into the market. BCR will inform the City when such Operational Improvements become available. In the event the City elects to purchase such Operational Improvements, BCR will provide the City with (a) a description of the Operational Improvements to be provided, (b) the costs and / or rates payable to BCR in consideration of the provision of the Operational Improvements, and (c) any other relevant conditions, provisions and terms applicable to the Operational Improvements.

EXHIBIT B

Fees

Phase I

During the Term commencing on the Phase I Effective Date, City will pay to BCR the following Fees in accordance with the conditions, provisions and terms of this Agreement; provided, however, City will pay to BCR the Supplemental Technical Service Fees for any Supplemental Technical Services requested by City during the Term commencing on the Contract Date:

(a) Base Service Fees. In consideration of the Base Services provided by BCR, Client will pay BCR a monthly base service fee (the "Base Service Fee") of \$8,167.00.

(b) Hauling and Disposition Service Fees.

(i) Hauling and Disposition Service Fee for Compliant End Product Material. In consideration of the Hauling and Disposition Services provided by BCR for Compliant End-Product Material, City will pay BCR a fee of \$48.00 per wet ton (the "Hauling and Disposition Service Rate") of Compliant End Product Material (the "Hauling and Disposition Service Fee").

(ii) Hauling and Disposition Service Rate Adjustment. The Hauling and Disposition Service Rate will be adjusted annually to reflect any changes in the costs of processing and hauling during the previous contract year due to inflation. At least forty (40) calendar days prior to the annual anniversary of the Effective Date, BCR may submit a written adjustment to the Hauling and Disposition Service Rate. The adjustment to the Hauling and Disposition Service Rate shall be based on the changes in the Consumer Price Index for All Urban Consumers: Selected areas, by expenditure category and commodity and service group, South (the "CPI") and Department of U. S. Energy Information Administration, Gasoline and Diesel Fuel Update, U.S. On-Highway Diesel Fuel Prices, Lower Atlantic (PADD1C) (the "EIA"), as applicable, during the previous year. The adjustments shall reflect the percentage change in the CPI and EIA, measured from the first day after the anniversary of the Effective Date in the previous calendar year to the anniversary of the Effective Date in the calendar year in which the adjustment will occur. Thirty five percent (35%) of the total adjustment to the Hauling and Disposition Service Rate shall be based on the change in the cost of diesel fuel, as reflected by the change in EIA. Sixty five percent (65%) of the total adjustment to the Hauling and Disposition Service Rate shall be based on the change in the cost of BCR's other expenses, as reflected by the change in the CPI. If the CPI or EIA is discontinued or substantially altered, the Parties will mutually agree upon another relevant price index published by the United States Government or by a reputable publisher of financial and economic indices.

Description	% of total adjustment	Index
Diesel fuel & insurance	35	EIA
All other expense	65	CPI

The following hypothetical example demonstrates how the annual adjustment to the Rates will be calculated. If (a) the cost of diesel fuel increased eight percent (8%) during the prior year, as shown by an increase in EIA, and (b) all of the Company's other expenses increased three percent (3%), as shown by the CPI, then (c) the total adjustment to the Rates will be four and three fourths percent (4.75%), as shown by the calculation in the table below:

Description	% of total adjustment (%)	Actual Change in Index (%)	Adjustment to Rates (%)
Diesel fuel & insurance	35%	8.0%	2.80%
All other expense	65%	3.0%	1.95%
Total	100%		4.75%

(iii) Hauling and Disposition Service Rate Adjustment Due to Regulatory or Law Change. In addition, BCR may, from time to time, provide written notice to City of an adjustment to the Hauling and Disposition Service Rate due to any material changes in any applicable Law that arise after the Effective Date that adversely affect BCR's ability to transport or dispose of the Compliant End Product Material, as determined by BCR and agreed upon by City. Such adjustment shall not be unreasonably withheld by the City.

(iv) Hauling and Disposition Service Fee for Non-Compliant End Product Material. In consideration of the Hauling and Disposition Services provided by BCR for Non-Compliant End Product Material that does not meet Class B standards in accordance with the U.S. 40 C.F.R. Part 503 or have a solids concentration of greater than 18.0%, City will notify BCR of such non-compliance and request BCR to haul and dispose of such non-conforming material in accordance with City's Permit. BCR shall charge City a fee for Non-Compliant End Product Material hauling and disposition services equal to the actual costs incurred by BCR plus a markup of 25%. Provided however, during the warranty period BCR shall provide hauling and disposition services at the Hauling and Disposition Service Rate, provided that non-compliance is related to a warranty event.

(c) Supplemental Technical Service Fees. In consideration of the Supplemental Technical Services provided by BCR, if any, City will pay BCR (i) an hourly rate of \$175.00 for each BCR engineer and \$100.00 for each BCR technician that provides such Supplemental Technical Services (the number of BCR representatives shall be agreed upon by City), which hourly rates will increase annually by the lesser of (A) the annual increase in the overall Consumer Price Index for All Urban Consumers (CPI-U) "All Items" or (B) 2%, plus (ii) all reasonable and mutually agreed upon costs and expenses incurred by BCR for Supplemental Technical Services requested by City and performed by BCR (the "Supplemental Technical Service Fees").

(d) Repair and Maintenance Plan Fees. In consideration of the Repair and Maintenance Plan provided by BCR, if any, City will pay BCR a fee equal to (i) the product of (A) the actual cost of any parts required to perform such services, and (B) 1.25, plus (ii) all of the labor required to install such parts at an hourly rate of \$175.00 for each BCR engineer and \$100.00 for each BCR technician, which hourly rates will increase annually by the lesser of (1) the annual increase in the overall Consumer Price Index for All Urban Consumers (CPI-U) "All Items" or (2) 2% (the "Repair and Maintenance Plan Fees").

(e) Operational Improvement Fees. Any payment or fees due as part of an Operational Improvement shall be mutually agreed upon between City and BCR in writing.

(f) Phase II Delay. In the event that the City does not provide BCR with notice to proceed on Phase II by December 31, 2014, BCR may, by January 31, 2015, provide written notice to City of an adjustment to the Phase I Fees as determined may be required by BCR to provide Phase I Services for the remainder of the Term. Any adjustments shall be mutually agreed upon by City in writing and not unreasonably withheld.

Phase II

During the Term commencing on the Phase II Effective Date, City will pay to BCR the following Fees in accordance with the conditions, provisions and terms of this Agreement; provided, however, City will pay to BCR the Supplemental Technical Service Fees for any Supplemental Technical Services requested by City during the Term commencing on the Contract Date:

(a) Base Service Fees. In consideration of the Base Services provided by BCR, the City will pay BCR a monthly base service fee (the “Base Service Fees”) of \$11,667.00 (the “Base Fee Amount”),

(b) Hauling and Disposition Service Fees.

(i) Hauling and Disposition Service Fee for Compliant End Product Material. From the Phase II Effective Date for a period of five (5) years (the “Initial Hauling and Disposition Service Term”), in consideration of the Hauling and Disposition Services provided by BCR for Compliant End Product Material, City will pay BCR a fee of \$20.00 per wet ton (the “Hauling and Disposition Service Rate”) of Compliant End Product Material (the “Hauling and Disposition Service Fee”).

(ii) Hauling and Disposition Service Rate Adjustment. The Hauling and Disposition Service Rate will be adjusted annually to reflect any changes in the costs of processing and hauling during the previous contract year due to inflation. At least forty (40) calendar days prior to the annual anniversary of the Effective Date, BCR may submit a written adjustment to the Hauling and Disposition Service Rate. The adjustment to the Hauling and Disposition Service Rate shall be based on the changes in the Consumer Price Index for All Urban Consumers: Selected areas, by expenditure category and commodity and service group, South (the “CPI”) and Department of U. S. Energy Information Administration, Gasoline and Diesel Fuel Update, U.S. On-Highway Diesel Fuel Prices, Lower Atlantic (PADD1C) (the “EIA”), as applicable, during the previous year. The adjustments shall reflect the percentage change in the CPI and EIA, measured from the first day after the anniversary of the Effective Date in the previous calendar year to the anniversary of the Effective Date in the calendar year in which the adjustment will occur. Thirty five percent (35%) of the total adjustment to the Hauling and Disposition Service Rate shall be based on the change in the cost of diesel fuel, as reflected by the change in EIA. Sixty five percent (65%) of the total adjustment to the Hauling and Disposition Service Rate shall be based on the change in the cost of BCR’s other expenses, as reflected by the change in the CPI. If the CPI or EIA is discontinued or substantially altered, the Parties will mutually agree upon another relevant price index published by the United States Government or by a reputable publisher of financial and economic indices.

Description	% of total adjustment	Index
Diesel fuel & insurance	35	EIA
All other expense	65	CPI

The following hypothetical example demonstrates how the annual adjustment to the Rates will be calculated. If (a) the cost of diesel fuel increased eight percent (8%) during the prior year, as shown by an increase in EIA, and (b) all of the Company’s other expenses increased three percent (3%), as shown by the CPI, then (c) the total adjustment to the Rates will be four and three fourths percent (4.75%), as shown by the calculation in the table below:

Description	% of total adjustment (%)	Actual Change in Index (%)	Adjustment to Rates (%)

Diesel fuel & insurance	35%	8.0%	2.80%
All other expense	65%	3.0%	1.95%
Total	100%		4.75%

(iii) Hauling and Disposition Service Rate Adjustment Due to Regulatory or Law Change. In addition, BCR may, from time to time, provide written notice to City of an adjustment to the Hauling and Disposition Service Rate due to any material changes in any applicable Law that arise after the Effective Date that adversely affect BCR's ability to transport or dispose of the Compliant End Product Material, as determined by BCR and agreed upon by City. Such adjustment shall not be unreasonably withheld by the City.

(iv) Hauling and Disposition Service Rate Adjustment Due to Term or City Identified Outlets. During the Initial Hauling and Disposition Service Term if the City identifies a more economical outlet for Compliant End-Product than \$20.00 per wet ton the City may, in its sole discretion, a) direct BCR to contract with the requisite interested party, or b) remove Hauling and Disposition Services from the scope of work provide by BCR under this Agreement. At the completion of the Initial Hauling and Disposition Service Term, BCR may provide written notice to City of an adjustment to the Hauling and Disposition Service Rate due to any material changes that arise and adversely affect BCR's ability to transport or dispose of the Compliant End Product Material, as determined by BCR and agreed upon by City. Such adjustment shall not be unreasonably withheld by the City.

(v) Hauling and Disposition Service Fee for Non-Compliant End Product Material. In consideration of the Hauling and Disposition Services provided by BCR for Non-Compliant End Product Material that does not meet Class A/EQ standards in accordance with the U.S. 40 C.F.R. Part 503 or have a solids concentration of greater than 18.0%, City will notify BCR of such non-compliance and request BCR to haul and dispose of such non-conforming material in accordance with City's Permit. BCR shall charge City a fee for Non-Compliant End Product Material hauling and disposition services equal to the actual costs incurred by BCR plus a markup of 25.0%. Provided however, during the warranty period BCR shall provide hauling and disposition services at the Hauling and Disposition Service Rate, provided that non-compliance is related to a warranty event.

(c) Chemical Supply and Delivery Plan Fees. In consideration of the Chemical Supply and Delivery Plan provided by BCR, the City will pay BCR a fee equal to the product of (i) the actual cost of chemicals delivered to the Plant and (ii) 1.12 (the "Chemical Supply and Delivery Fees").

(d) Supplemental Technical Service Fees. In consideration of the Supplemental Technical Services provided by BCR, if any, City will pay BCR (i) an hourly rate of \$175.00 for each BCR engineer and \$100.00 for each BCR technician that provides such Supplemental Technical Services (the number of BCR representatives shall be agreed upon by City), which hourly rates will increase annually by the lesser of (A) the annual increase in the overall Consumer Price Index for All Urban Consumers (CPI-U) "All Items" or (B) 2%, plus (ii) all reasonable and mutually agreed upon costs and expenses incurred by BCR for Supplemental Technical Services requested by City and performed by BCR (the "Supplemental Technical Service Fees").

(e) Repair and Maintenance Plan Fees. In consideration of the Repair and Maintenance Plan provided by BCR, if any, City will pay BCR a fee equal to (i) the product of (A) the actual cost of any parts required to perform such services, and (B) 1.25, plus (ii) all of the labor required to install such parts at an hourly rate of \$175.00 for each BCR engineer and \$100.00 for each BCR technician, which hourly rates

will increase annually by the lesser of (1) the annual increase in the overall Consumer Price Index for All Urban Consumers (CPI-U) "All Items" or (2) 2% (the "Repair and Maintenance Plan Fees").

(f) Operational Improvement Fees. Any payment or fees due as part of an Operational Improvement shall be mutually agreed upon between City and BCR in writing.

EXHIBIT C

Operating Manual

See attached.

EXHIBIT D

Technical Services

Upon the City's request as more particularly described in Exhibit A, BCR will provide to the City all of the technical services BCR deems necessary to operate the Systems, including (collectively, the "Technical Services"):

- (a) Instructing the City's personnel at the Plant(s) regarding: (i) the daily operating procedures for the System(s), and (ii) System maintenance procedures;
- (b) Training the City's personnel at the Plant(s) regarding (i) the daily operating procedures for the System(s), (ii) System maintenance procedures, (iii) System safety procedures, and (iv) testing and compliance procedures associated with the System(s); and,
- (c) Testing of the calibration of meters and pumps.



BCREN-1

OP ID: JI

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/31/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Brown & Brown of Florida, Inc. Building 100, Suite 100 10151 Deerwood Park Blvd Jacksonville, FL 32256 Josh Becksmith	CONTACT NAME: Josh Becksmith	
	PHONE (A/C, No, Ext): 904-565-1952	FAX (A/C, No): 904-565-2440
INSURED BCR Environmental Corporation 3740 St Johns Bluff Rd. S. #21 Jacksonville, FL 32224	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Crum & Forster Specialty	
	INSURER B: American States Insurance Co	
	INSURER C:	
	INSURER D:	
	INSURER E:	
INSURER F:		
NAIC #		

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X		EPK-105451	09/19/2014	09/19/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			01-CI-671400-3	09/19/2014	09/19/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			EFX-101828	09/19/2014	09/19/2015	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate holder is named as additional insured as respects General Liability as required by written contract.

CERTIFICATE HOLDER**CANCELLATION**

PEMBR03 City Of Pembroke Pines Building Department 10100 Pines Blvd Pembroke Pines, FL 33026	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

© 1988-2014 ACORD CORPORATION. All rights reserved.



City of Pembroke Pines, FL

Agenda Request Form

10100 Pines Blvd.
Pembroke Pines, Florida
33026
www.ppines.com

Agenda Number: 26.

File Number: 14-3040

File Type: Commission Items

Status: Passed

Version: 0

Reference:

Controlling Body: City Commission

Requester: Purchasing Manager

Initial Cost: \$ 2,070,156.00

Introduced: 04/15/2014

File Name: Approve contract for PSEN-13-02 Biosolids for BCR Corporation

Final Action: 06/18/2014

Title: MOTION TO APPROVE THE DESIGN BUILD AGREEMENT BETWEEN THE CITY OF PEMBROKE PINES AND BCR CORPORATION FOR DESIGN-BUILD SERVICES FOR THE WASTEWATER TREATMENT PLANT BIOSOLIDS PROCESSING AND CENTRIFUGE SYSTEM INSTALLATION IN THE AMOUNT OF \$2,070,156 FOR PHASE ONE AS A RESULT OF PSEN-13-02 AND TO APPROVE THE SERVICE AGREEMENT BETWEEN BCR CORPORATION AND THE CITY OF PEMBROKE PINES FOR THE EQUIPMENT BEING INSTALLED AT A COST OF \$98,004 PER YEAR FOR A TERM OF FIVE YEARS.

Notes:

Attachments: 1. Agenda 2-19-2014

2. Service Agreement - BCR - Phase One (2)-Added 6-17-14

3. PPines Contract DBuild Agreement - Phase One Biosolids Centrifuge at WWTP - BCR Corporation (3) Added 6-17-14

Agenda Date: 06/18/2014

Agenda Number: 26.

Enactment Date:

Enactment Number:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
0	City Commission	06/18/2014	approve				Pass
			Aye: 5	Mayor Ortis, Vice Mayor Schwartz, Commissioner Castillo, Commissioner Shechter and Commissioner Siple			
			Nay: 0				

SUMMARY EXPLANATION AND BACKGROUND:

1. On February 19, 2014, the City Commission approved the recommendation of the Evaluation Committee and awarded PSEN-13-02 Design Build Services for the Wastewater Treatment Plant Biosolids Processing System to BCR Corporation and directed the City Manager to negotiate a contract for services to bring back to the City Commission for final consideration.

2. The agenda item for the February 19, 2014 Commission meeting resulted in the City

Commission directing the City Manager to negotiate a contract in two phases to include upgrading the existing dewatering solution at the Wastewater Treatment Plant by installing two new centrifuges in phase one and installing the BCR Corporation Neutralizer Biosolids Processing System in phase two.

3. At this time City Administration is prepared to move forward with Phase One of the project. Phase Two will be presented to Commission at a later time.

4. The following changes have taken place as a result of negotiating the contract.

Phase One of this project, the installation of the centrifuges, is to be placed in the existing building that currently houses the dewatering belt presses. Upon further review of the project by Administration it was determined that some of the existing equipment that is part of the dewatering system and some components of the existing building structure need to be replaced. The cost for Phase One was increased to \$2,070,156 to include a new polymer feed system, a new conveyor system to move the material into the hauling trucks, and sales tax on all the equipment BCR deducted from the scope of the work in anticipation of the City implementing the Sales Tax Program. Administration explained to BCR that the tax needed to be included in the initial project cost so a protocol for documenting the sales tax savings program could be implemented according the Florida State Department of Revenue guidelines. The difference in price is \$193,950. Administration anticipates that of the \$2,070,156 cost for Phase One, there is approximately \$75,000 that can be saved by implementing a Tax Saver Program on this project and purchasing some of the larger equipment directly from the equipment manufacturer bringing the estimated total cost to \$1,995,156.

BCR has also agreed to provide the City with their Clean B biosolids processing system at no cost. Currently the City's permit for treating sewage requires the end process to result in a Class B biosolid. While the City maintains this requirement, the installation of the CleanB system will ensure the City consistently meets the Class B requirement plus will significantly reduce all odor associated with the processing and dewatering of biosolids.

Below is a summary of what is included in Phase One of the project:

- Perform design services, delivery and installation of two skid mounted Centrisys 21-4 decanter centrifuges and ancillary equipment comprised of polymer feeder sub-assembly, sludge conveyance water booster pump, and control/electrical sub-panels.
- Installation of the CleanB biosolids processing system to produce Class B biosolids.
- Demolition of existing equipment and the installation of new piping, electrical controls and facility modifications.

5. In addition to the cost of construction, the BCR requires the approval of a service agreement for the Clean B systems.

The service agreement is a five (5) year agreement with three (3) additional five (5) year renewals.

The Services to be provided in Phase One for the Clean B system are as follows:

"Basic Services"

- (i) Remotely monitoring the data output from the System at the Plant, including, monitoring the System's chemical usage and tank levels;
- (ii) Providing at a minimum an annual inspection of the System to ensure proper operations and maintenance;
- (iii) Providing an annual System performance summary report within thirty (30) days of completing the annual System inspection;
- (iv) Providing annual System operator training to include instruction on overall operations and standard operating procedures, repair and maintenance procedures, and safety procedures associated with the System;
- (v) Providing all repair and maintenance services for the System upon City's written request and subsequent written acceptance by BCR. Such repair and maintenance services shall commence (i) within seventy-two (72) hours of BCR receiving the parts required to provide the service, or (ii) within seventy-two (72) hours of BCR's written acceptance should no parts be required;
- (vi) Providing up to five (5) hours per month of technical services via computer, email, or telephone regarding the operation of the System, including instructing City's personnel regarding (1) the daily operating procedures for the System, (2) System safety procedures, and (3) testing and compliance procedures associated with the System.
- (vii) Remotely monitoring the data output from the System at the Plant to determine chemical tank levels to coordinate chemical ordering;
- (viii) Providing all chemicals necessary to operate the System and providing logistical services to have such chemicals delivered to the Plant at no additional cost;
- (ix) Maintaining a chemical supply base including monitoring quality control of suppliers;
- (x) Coordinating with City to provide training on specific testing and handling procedures for the chemicals necessary to operate the System; and
- (xi) Training City's employees on quality control procedures for chemicals necessary to operate the System.

The annual cost of the "Basic Services" is \$98,004 per year.

"Hauling and Disposition Services": BCR will provide to City all of the services necessary to haul and dispose of the End-Product Material in accordance with City's Permit(s) and all applicable Laws that are in effect. The cost to provide hauling and disposition services will be \$48.00 per wet ton. This is the same price the City is paying the current contractor, H&H Liquid Sludge Disposal. Currently the City hauls approximately 6,250 wet tons each year. The estimated cost for hauling and disposition services is \$300,000 with that amount only decreasing with the increased efficiency of the centrifuge reducing the volume that is being hauled annually.

5. In summary, the cost of the project is \$2,070,156 for Phase One. The City anticipates annual savings in operating costs of approximately \$150,000 per year for Phase 1. The savings are inclusive of the additional cost of the chemicals and the service agreement.

6. Request Commission approve the design build agreement between the City of Pembroke Pines and BCR Corporation for the Design-Build Services for the Wastewater Treatment Plant Biosolids Processing and Centrifuge Dewatering System installation in the amount of

\$2,070,156 for Phase One as a result of PSEN-13-02 and to approve the service agreement between BCR Corporation and the City of Pembroke Pines for the equipment being installed at a cost of \$98,004 per year for a term of five (5) years.

7. The final design build contract for Phase One and the Service Agreement will be provided to the City Commission on Monday July 16, 2014 prior to the Commission meeting.

Item has been reviewed by the Commission Auditor and approved for the Agenda.

FINANCIAL IMPACT DETAIL:

a) Initial Cost:

Phase 1 - \$2,070,156.00

Service Agreement - \$98,004

b) Amount budgeted for this item in Account No:

Phase 1 - \$700,000 budgeted in 471-535-6022-64400 - Other Equipment for the rehabilitation of the belt presses will be transferred to 471-535-6022-834-63183 - Sewer Treatment Rehabilitation to properly code the rehabilitation of the Sewer Treatment Plant.

c) Source of funding for difference, if not fully budgeted:

Phase 1 - The remainder of the funds needed for Phase 1 is \$1,370,156. If the contract is approved, to complete the funding of Phase 1 the following adjustment will be required for this fiscal year:

From:

471-535-6022-834-63183 - Sewer Treatment Rehabilitation - \$850,000 budgeted to rehabilitate the west surge tank. This project will be postponed and added to the 2014-15 proposed budget

471-535-6022-834-63183 - Sewer Treatment Rehabilitation - \$520,156 is a partial budget of the \$1.7 million budgeted to rehabilitate plant #5. Administration does not anticipate spending the entire \$1.7 million this fiscal year and will budget for the completion of the project in the 2014-15 budget.

To:

471-535-6022-834-63183 - Sewer Treatment Rehabilitation \$1,370,156

Service Agreement - The Service Fee of \$98,004 will be added to the 2014-2015 budget in the account 471-535-6022-34990 - Contractual Services.

d) 5 year projection of the operational cost of the project: This project will increase the efficiency of the belt presses which will reduce the operational cost of the dewatering process.

Project Cost

	Current	Year 2	Year 3	Year 4	Year 5
Revenues	\$0				
Expenditures	\$2,070,156				
Cost	(\$2,070,156)				
Est Tax Saving	\$75,000				

Net Cost (\$1,995,156)

Operating Costs - The Service Fee amount of \$98,004 will take effect in the 2014-2015 fiscal year upon the completion of Phase 1 construction. The estimated annual savings for Phase 1 is \$150,000. The savings will come from the increased dewatering efficiency by replacing belt filter presses with the more efficient centrifuge technology reducing the amount of sludge to be hauled thus reducing the sludge hauling costs and repair and maintenance costs on the antiquated belt presses.

e) Detail of additional staff requirements: None



February 9, 2015

The City of Pembroke Pines
Attention: Riley Smith
10100 Pines Blvd
Pembroke Pines, FL 33026

Sent by email

Dear Riley:

In an effort to provide our clients with high quality service, BCR Environmental Corporation had formed a wholly-owned subsidiary, NuTerra Management, LLC.

NuTerra will focus all of its attention on providing superior service to our customers which includes responding to your calls and questions, hauling and disposing of your end product where applicable and ordering chemicals for your system.

Our service Team, led by Todd Chambers remains the same. Your contact for service also remains unchanged. We hope to make this change without any disruption to your operations.

BCR Environmental has assigned the service contract with you to NuTerra Management, LLC in January 2015. This assignment has been made consistent with our current Agreement:

- Agreement Name: Service Agreement
- Agreement Date: Effective June 18, 2014
- Agreement Section: Section 7.3

Accordingly you will begin receiving normal monthly invoices from NuTerra Management, LLC. For purposes of your Accounts Payable information we have attached a W-9 for NuTerra as well as a copy of our insurance coverage information. You should be receiving a copy of the insurance certification directly from our carrier as well.

Should you have any questions regarding this assignment, please do not hesitate to call:

Aaron Zahn - 312-286-1040

Fred Zahn – 218-731-2606

BCR ENVIRONMENTAL
3740 St Johns Bluff Rd S
Suite 21
Jacksonville FL 32224

P 904-819-9170
F 904-998-3828

bcrenv.com

*Transforming Biosolids
& Organics Management*