

AMENDMENT NO. 4 TO WASTEWATER PLANT OPERATION AND MAINTENANCE AGREEMENT

This Amendment No. 4 (this “**Amendment**”), with an effective date of March 1, 2024, is an amendment to that certain Contract for the Operation and Maintenance of Water, Wastewater Facilities for the Town of Discovery Bay Community Services District, with an effective date of May 1, 2011 (as amended, the “**Agreement**”), by and between Veolia Water West Operating Services, Inc., a Delaware corporation (“**VWWOS**”), and Town of Discovery Bay Community Services District, a California public utility district (“**Town**” or “**District**” and, together with VWWOS, the “**Parties**”).

RECITALS

WHEREAS, the Town and VWWOS entered into the Agreement in order to provide for the operation and maintenance of the Town’s water and wastewater systems; and

WHEREAS, the Parties wish to amend the Agreement to, among other things, incorporate recently constructed assets into the scope of work of VWWOS and increase the Annual Fee payable to VWWOS.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Amendment, Town and VWWOS agree as follows:

1. Capitalized terms used but not otherwise defined in this Amendment shall have the same meaning given to those terms in the Agreement.
2. Section 1.2.2, as amended by the First Amendment to the Agreement, is hereby deleted and replaced in its entirety with the following:

“VWWOS shall designate at all times a Project Manager/Plant Manager for all of the TOWN’s facilities operated by VWWOS. VWWOS and the TOWN intend the Project Manager/Plant Manager role to be a full-time position (provided that the Project Manager/Plant Manager may provide support to other Veolia sites on an as-needed, temporary basis), but in the event of a vacancy in the position, VWWOS shall designate an interim Project Manager/Plant Manager and shall take commercially reasonable steps to promptly fill the Project Manager/Plant Manager position. Prior to selection of a new full-time Project Manager/Plant Manager, VWWOS shall meet and confer with the TOWN regarding VWWOS’s selection of its Project Manager/Plant Manager to give the TOWN reasonable input, including the right to participate in an interview with job candidates prior to their selection by VWWOS. If the TOWN reasonably determines that the Project Manager/Plant Manager is performing in an unsatisfactory manner or that the relationship between the TOWN and the Project Manager/Plant Manager is unworkable, then the TOWN can request in writing for VWWOS to change the Project Manager/Plant Manager, and VWWOS shall replace the Project Manager/Plant Manager within one (1) year of the date of notice; provided,

however, that the TOWN shall not make such a request unless and until the TOWN has exercised reasonable good faith efforts to rectify to its satisfaction the adverse circumstances regarding the Project Manager/Plant Manager.”

3. Section 1.2.4, as added by the First Amendment to the Agreement, is hereby deleted and replaced in its entirety with the following:

“VWVWOS shall have designated at all times a Certified Operator-In-Charge who shall be responsible for the wastewater process operations and shall sign and certify the State and Regional Water Quality Control Board reports described in Section 4.6.2 of **Appendix B-1**. The Certified Operator-In-Charge shall possess a minimum Grade 4 Wastewater, State of California license or higher if required by the State of California, and shall have at least 5 years’ experience.”

4. Each of Section 1.2.5 and the corresponding Appendix F-1 and Appendix F-2, as added by the First Amendment to the Agreement, is hereby deleted in its entirety.

5. Section 2.1 of the Agreement is hereby deleted and replaced in its entirety with the following:

“The TOWN shall pay to VWVWOS an Annual Fee. Beginning March 1, 2024, the Annual Fee shall be \$2,182,325.10; provided, however, that TOWN intends to decommission Well # 5 in the near future, and when that asset is decommissioned, it will be removed from VWVWOS’s scope of work and the then-applicable Annual Fee shall be reduced by \$42,000.”

6. Section 2.4 of the Agreement is hereby deleted and replaced in its entirety with the following:

“Beginning on May 1, 2024, the Annual Fee shall be adjusted on May 1 of each year during the term of this AGREEMENT using the formula set forth in Appendix C-6.”

7. Appendix B-1, as added by the First Amendment to the Agreement, is hereby amended as follows.

(a) The references to “May 1, 2016” in parts a., b., and e. are deleted and replaced with “March 1, 2024.”

(b) The reference to Wastewater Treatment Plan #1 in part a. is hereby deleted and replaced with the following “Retention Pond, Influent Pump Station & Bypass Pump Station Y” with the address remaining as 2500 Channel Road.

(c) The reference to Well #8 is hereby amended to delete the phrase “(planned as of May 1, 2016)” and add “(this asset is under development with a *de minimis* scope of services associated with this asset, and once Well #8 and the associated

treatment process is constructed and commissioned, the expanded scope of services associated with those assets will be treated as Additional Services as set forth in Sections 1.9 and 2.5.”

(d) The table of generators and rolling stock in part f. is hereby deleted in its entirety and replaced with the table in Exhibit 1 attached to this Amendment.

(e) Section 4.1.8 is amended to delete the sentence “The current system is Jobs Plus.”

(f) Section 4.1.9 is amended to delete the sentence “The current GIS system is through INFONET.”

(g) Section 4.1.12 is amended to delete the word “INFONET.”

(h) Section 4.2.2.3 is hereby deleted and replaced in its entirety with the following:

“Contractor shall flush all hydrants within the water distribution system annually unless water conservation restrictions are in place due to drought. Contractor shall track the water volume used to conduct this service as part of the annual water use accounting.”

(i) Section 4.2.2.4 is hereby deleted and replaced in its entirety with the following:

Each year, Contractor shall exercise 25% of all distribution valves in the water system, such that over a four-year period 100% of all such valves shall be exercised. Each valve shall be verified to be left in proper operating position and in working condition. If a valve box is not properly aligned over the valve, or if a valve box is sitting too low on a paved road, Contractor shall inform the Town of such condition, so the valve box can be scheduled for repair. For all new valves and valves that have been relocated in the water system, Contractor shall note the location of each such valve using a geographic positioning system (GPS) and shall report such location to the Town so that the Town can enter such location in the Town’s GIS.”

(j) Section 4.2.3.6 is amended to (1) delete “the INFONET” in the first sentence and replace it with the word “a” and (2) delete “INFONET” in the second sentence and replace it with the words “Town’s GIS.”

8. Appendix C-6 of the Agreement is hereby deleted and replaced in its entirety with Appendix C-6 attached to this Amendment.

9. This Amendment sets forth the entire agreement between the Parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements. Except as expressly modified or amended herein, all the terms and conditions set forth in the Agreement remain unchanged, in full force and effect, and are incorporated by reference. In the event of a conflict between the provisions of the Agreement and this Amendment, the provisions of this Amendment shall govern and control.

10. This Amendment may be executed in multiple counterparts, each of which is deemed an original but together constitute one and the same instrument, and a signature delivered by facsimile, email, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signature. The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity, and authority to enter into this Amendment on behalf of the respective legal entities of VWWOS and the Town. This Amendment shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment as of the date first written above.

TOWN OF DISCOVERY BAY CSD

By: _____
Name:
Title:

ATTEST:

By: _____
Name:
Title:

APPROVED AS TO FORM

By: _____
Name:
Title:

VEOLIA WATER WEST OPERATING SERVICES, INC.

By: _____
Name:
Title:

APPENDIX C-6

ANNUAL FEE ADJUSTMENT FORMULA

Beginning May 1, 2024, until the expiration or earlier termination of this Agreement, the Service Fee shall be adjusted annually, such adjustment becoming effective on the anniversary date of the commencement date of the Initial Term, according to the change in the Escalation Factor. The Escalation Factor is comprised of the following:

- (a) 30% of the year-to-year change in the Consumer Price Index, All Urban Consumers (“CPI-U”), Not Seasonally Adjusted, US City Average, All Items, Series ID: CUUR0000SA0, as published by the United States Department of Labor, Bureau of Labor Statistics;

plus

- (b) 70% of the year-to-year change in the Employment Cost Index (“ECI”), Not Seasonally Adjusted Table 4, Compensation-Civilian Workers-Service Occupation, as published by the United States Department of Labor, Bureau of Labor Statistics.

For purposes of this Agreement, the indices applicable to calculation of the Escalation Factor shall be the indices published in March.

If the Escalation Factor for any Agreement Year would be 2% or less, then the Escalation Factor for such Agreement Year shall be deemed to be 2%. If the Escalation Factor for any Agreement Year would be 5% or more, then the Escalation Factor for such Agreement Year shall be deemed to be 5%.

Where:

A = Blended Escalation Adjustment Factor

B = CPI-U Escalation Adjustment Factor

C = ECI Escalation Adjustment Factor

B1 = Previous Year CPI-U Index (month of the prior Agreement Year)

B2 = Just-ended Year CPI-U Index (month of the current Agreement Year)

C1 = Previous Year ECI Index (month of the prior Agreement Year)

C2 = Just-ended Year ECI Index (month of the current Agreement Year)

Calculation:

$$B = (B2-B1)/B1 \times .3$$

$$C = (C2-C1)/C1 \times .7$$

$$A = 1 + (B+C)$$

$$\text{Adjusted New Service Fee} = \text{Old Service Fee} \times A$$

Example:

$$B = (110-107)/107 \times .3 = .008411$$

$$C = (110-107)/107 \times .7 = .019626$$

$$A = 1 + (.008411 + .019626)$$

$$A = 1.028037$$

$$\text{Adjusted New Service Fee} = \$300,000 \times 1.028037 = \$308,411.10$$

EXHIBIT 1

Generators and Rolling Stock

Year	Equipment	Horsepower	Fuel Type	VIN/Serial Number	License Plate
2006	Chevy 5500 / Jomac STC-80 4 ton capacity Service Truck Crane	N/A	Diesel	1GBE5C1226F433550 / 569-08-06	1217613
2010	CASE 570-MXT Front Loader Tractor	N/A	Diesel	JJGN570MCBC547030	N/A
2022	Dayton Electric Trash Pump Model 11G237	N/A	Gasoline	220901051	N/A
1999	Caterpillar Forklift GP30K 6,000lb capacity	N/A	Propane	AT13E30402	N/A
2014	Red Trailer with Hotsy Pressure Washer	N/A	N/A	LN2UT114EZ198755	N/A
2003	GEHL CTL-60 Track Loader	67 HP	Diesel	21300998	N/A
2005	Forest River Emergency Utility Trailer	N/A	N/A	5NHUVH0176T604000	1167686
2012	Pioneer 4" Trash Pump	N/A	Diesel	1P9PGD12CC622421	1437084
2006	Hull Fuel Tank with Trailer Clear/Red	1/4 HP	Electric	D8595	1306774
2023	Freightliner / GapVac Vacuum Truck	N/A	Diesel	1FVHG3DVXPHUG2504 / MC1510-0561	1607506
2000	Mighty Mover Muniquip Generator #1 DCA-60SS12 60kW	60kW / 77 HP	Diesel	4AGDU1224YC033261	1306775
2001	Whiteman Multiquip Generator #2 DCA-60SS12 60kW	60kW / 77 HP	Diesel	4GNFU12251B006567	1306759

2005	Cummings Multiquip Generator #3 DSHAA-5747225 150kW	150kW / 364 HP	Diesel	4AG3U23285C039608	1306758
1999	Energey Generator D350FRV4 Well #5 350kW	350 kW / NA	Diesel	1E9AB1722X1231016	SE481328
2007	C&D Multiquip Generator DCA- 300SSC42 #313 150/132kW	150-132 kW / NA	Diesel	SLBG15277L002237	1306757
2015	MQ 300 Generator 300kW	300 kW / NA	Diesel	5SLBG2025FL016553	N/A