

Item # 5-9c

**City of Carson City
Agenda Report**

Date Submitted: July 29, 2008

Agenda Date Requested: August 7, 2008

Time Requested: Consent

To: Mayor and Supervisors

From: Purchasing & Contracts

Subject Title: Action to determine that Wastewater Solids Management, Inc. is the lowest responsive and responsible bidder and to award Contract No. 0809-065 Carson City Waste Water Reclamation Plant Digester Cleaning to Wastewater Solids Management Inc. for a not to exceed amount of \$69,000.00 and a contingency amount of \$20,000.00 to be funded from the WWTP Upgrade Phase I A fund as provided in FY 2008/2009.

Staff Summary: Digesters need cleaning approximately every 10 years and the Carson City Waste Water Reclamation Plant has two digesters that have not been cleaned in approximately 14 years. Rags, sand, grit, and non-digestible products build-up in the digesters. The digesters must be completely drained to be cleaned. Due to the difficulty, staffing and equipment restraints, this job cannot be performed by staff. The organic waste materials, sludge and greases are digested to reduce the amount of solids produced at the Plant and disposed of at the Carson City Landfill. The build-up of non-digestible solids has reached the point where the capacity of the digesters has been reduced enough to affect operations. As a result, Carson City needs to employ a company that specializes in "Digester Cleaning" to regain the capacity and eliminate the operations problems that are occurring.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to determine that Wastewater Solids Management, Inc. is the lowest responsive and responsible bidder and to award Contract No. 0809-065 Carson City Waste Water Reclamation Plant Digester Cleaning to Wastewater Solids Management Inc. for a not to exceed amount of \$69,000.00 and a contingency amount of \$20,000.00 to be funded from the WWTP Upgrade Phase I A fund as provided in FY 2008/2009.

Explanation for Recommended Board Action: *NOTICE TO BIDDERS* were mailed on June 23, 2008 and the *NOTICE TO BIDDERS* was published in the Nevada Appeal on June 29, 2008. The bids were opened at 11:10 a.m. on July 10, 2008 at 201 North Carson Street, Carson City, Nevada 89701. Present during the bid opening was Sandy Scott, Purchasing & Contracts Management Assistant.

Proposals were received from three (3) bidders: Please refer to the **BID TABULATION** for specifics.

Proposals were reviewed for price; conformance to the specifications; qualifications; past performance, performance or delivery date; quality and utility of services, supplies, materials or equipment offered and the adaptability of those services, supplies, materials or equipment to the required purpose of the contract; and the best interests of the public.

Staff recommends award to Wastewater Solids Management Inc. as the lowest responsive and responsible bidder pursuant to N.R.S. Chapter 332.

Applicable Statue, Code, Policy, Rule or Regulation: N.R.S. Chapter 332 Purchasing: Local Governments.

Fiscal Impact: \$89,000.00

Explanation of Impact: \$89,000.00 contract for the services as described above.

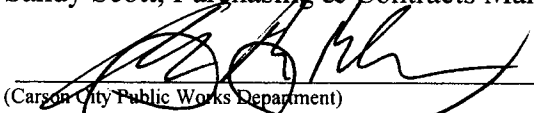
Funding Source: \$89,000.00 from 515-0000-434-7984 WWTP Upgrade Phase 1A Fund as provided for in FY 2008/2009.

Alternatives: Determine another bidder is the lowest and most responsible and responsive bidder pursuant to N.R.S. Chapter 332 or do not award contract.

Supporting Material: Bid Tabulation Report, Bid Responses

Prepared By: Sandy Scott, Purchasing & Contracts Management Assistant

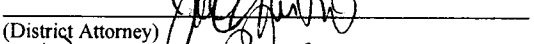
Reviewed By:


(Carson City Public Works Department)

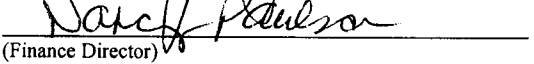
Date: 7/29/08


(City Manager)

Date: 7/29/08


(District Attorney)

Date: 7/29/08


(Finance Director)

Date: 7/29/08

Board Action Taken:

Motion: _____

1) _____ Aye/Nay
2) _____

_____ (Vote Recorded By)

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
Contract No. 0809-065

THIS CONTRACT made and entered into this 7th day of August, 2008, by and between the City and County of Carson City, a political subdivision of the State of Nevada, hereinafter referred to as the "**CITY**", and Wastewater Solids Management, Inc. hereinafter referred to as the "**CONTRACTOR**".

W I T N E S S E T H:

WHEREAS, the Purchasing & Contracts Director for the City and County of Carson City is authorized, pursuant to Nevada Revised Statutes Chapter 332 and Carson City Purchasing Resolution #1990-R71, to approve and accept this Contract as set forth in and by the following provisions; and

WHEREAS, it is deemed that the services of **CONTRACTOR** for **CONTRACT No. 0809-065 Carson City Waste Water Reclamation Plant Digester Cleaning** are both necessary and in the best interests of **CITY**; and

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1 REQUIRED APPROVAL:

1.1 This Contract shall not become effective until and unless approved by the Carson City Board of Supervisors.

2 CONTRACT TERM:

2.1 This Contract shall be effective for 120 days from the date the Notice to Proceed is issued, subject to Carson City Board of Supervisors' approval, anticipated to be August 7, 2008.

3 NOTICE:

3.1 Unless otherwise specified, termination shall not be effective until thirty (30) calendar days after a party has served written notice of default, or without cause upon the other party. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by e-mail with simultaneous regular mail, by telephonic facsimile with simultaneous regular mail, or by certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address specified below.

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For P&C Use Only	
CCBL expires	_____
GL expires	_____
AL expires	_____
PL expires	_____
WC expires	_____

3.2 Notice to **CONTRACTOR** shall be addressed to:

Wastewater Solids Management, Inc.
Victoria Prince, General Manager
PO Box 430
Yachats, Oregon 97498
541-547-3213/541-547-3213
vprince@wastewatermanagement.com

3.3 Notice to **CITY** shall be addressed to:

Carson City Purchasing & Contracts
Sandy Scott, Management Assistant
201 North Carson Street Suite 11
Carson City, NV 89701
775-887-2133 extension 30137 / FAX 775-887-2107
SScott@ci.carson-city.nv.us

4 SCOPE OF WORK:

4.1 **CONTRACTOR** shall provide and perform the following services for and on behalf of **CITY** hereinafter referred to as the "**SERVICES**".

4.2 All materials in the digester will be dewatered and the solids coming off the dewatering device must meet the "paint filter" test requirement. Carson City will supply disposal containers and the disposal permit. All sludge will be disposed of at the Carson City Landfill. The contractor must run and provide documentation of a "pH" and "paint filter" test on each load going to the landfill. Once the digester is empty, hosed out and thoroughly cleaned, contractor will be relieved of duties once the digester has met the approval of Carson City Inspection staff.

4.3 **CONTRACTOR** represents that it is duly licensed by Carson City for the purposes of performing the **SERVICES**.

4.4 **CONTRACTOR** represents that it is duly qualified and licensed in the State of Nevada for the purposes of performing the **SERVICES**.

4.5 **CONTRACTOR** represents that it and/or the persons it may employ possess all skills and training necessary to perform the **SERVICES** described herein and required hereunder. **CONTRACTOR** shall perform the **SERVICES** faithfully, diligently, in a timely and professional

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manner, to the best of its ability, and in such a manner as is customarily performed by a person who is in the business of providing such services in similar circumstances.

CONTRACTOR shall be responsible for the professional quality and technical accuracy of all **SERVICES** furnished by **CONTRACTOR** to **CITY**.

4.6 **CONTRACTOR** represents that neither the execution of this Contract nor the rendering of services by **CONTRACTOR** hereunder will violate the provisions of or constitute a default under any other contract or agreement to which **CONTRACTOR** is a party or by which **CONTRACTOR** is bound, or which would preclude **CONTRACTOR** from performing the **SERVICES** required of **CONTRACTOR** hereunder, or which would impose any liability or obligation upon **CITY** for accepting such **SERVICES**.

4.7 Before commencing with the performance of any work under this Contract, **CONTRACTOR** shall obtain all necessary permits and licenses as may be necessary. Before and during the progress of work under this Contract, **CONTRACTOR** shall give all notice and comply with all the laws, ordinances, rules and regulations of every kind and nature now or hereafter in effect promulgated by any Federal, State, County, or other Governmental Authority, relating to the performance of work under this Contract. If **CONTRACTOR** performs any work that is contrary to any such law, ordinance, rule or regulation, he shall bear all the costs arising therefrom.

5 **CONSIDERATION:**

5.1 The parties agree that **CONTRACTOR** will provide the **SERVICES** specified in **Section 4 Scope of Work** and **CITY** agrees to pay **CONTRACTOR** the **CONTRACT SUM** based upon time & materials and the attached fee schedule for a not to exceed maximum amount of \$Sixty Nine Thousand Dollars and No Cents (\$69,000.00).

5.2 **CONTRACT SUM** represents full and adequate compensation for the completed **WORK**, and includes the furnishing of all materials; all labor, equipment, tools, and appliances; and all expenses, direct or indirect, connected with the proper execution of the **WORK**.

5.3 **CITY** has provided a sample invoice and **CONTRACTOR** shall submit its request for payment using said sample invoice.

5.4 Payment by **CITY** for the **SERVICES** rendered by **CONTRACTOR** shall be due within thirty (30) calendar days from the date **CITY** acknowledges that the performance meets the requirements of this Contract or from the date the correct, complete, and descriptive invoice is received by **CITY** employee designated on the sample invoice, whichever is the latter date.

5.5 **CITY** does not agree to reimburse **CONTRACTOR** for expenses unless otherwise specified.

6 **TIMELINESS OF BILLING SUBMISSION:**

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6.1 The parties agree that timeliness of billing is of the essence to this Contract and recognize that **CITY** is on a fiscal year which is defined as the period beginning July 1 and ending June 30 of the following year. All billings for dates of service prior to July 1 must be submitted to **CITY** no later than the first Friday in August of the same year. A billing submitted after the first Friday in August will subject **CONTRACTOR** to an administrative fee not to exceed \$100.00. The parties hereby agree this is a reasonable estimate of the additional costs to **CITY** of processing the billing as a stale claim and that this amount will be deducted from the stale claim payment due to **CONTRACTOR**.

7 CONTRACT TERMINATION:

7.1 Termination Without Cause:

7.2 Any discretionary or vested right of renewal notwithstanding, this Contract may be terminated upon written notice by mutual consent of both parties or unilaterally by either party without cause.

7.3 Termination for Nonappropriation:

7.4 The continuation of this Contract beyond June 30, 2008 is subject to and contingent upon sufficient funds being appropriated, budgeted, and otherwise made available by the Carson City Board of Supervisors. **CITY** may terminate this Contract, and **CONTRACTOR** waives any and all claim(s) for damages, effective immediately upon receipt of written notice (or any date specified therein) if for any reason the funding is not appropriated or is withdrawn, limited, or impaired.

7.5 Cause Termination for Default or Breach:

7.6 A default or breach may be declared with or without termination.

7.7 This Contract may be terminated by either party upon written notice of default or breach to the other party as follows:

7.7.1.1 If **CONTRACTOR** fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Contract within the time requirements specified in this Contract or within any granted extension of those time requirements; or

7.7.1.2 If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **CONTRACTOR** to provide the goods or services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or

7.7.1.3 If **CONTRACTOR** becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or

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7.7.1.4 If **CITY** materially breaches any material duty under this Contract and any such breach impairs **CONTRACTOR'S** ability to perform; or

7.7.1.5 If it is found by **CITY** that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by **CONTRACTOR**, or any agent or representative of **CONTRACTOR**, to any officer or employee of **CITY** with a view toward securing a contract or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such contract; or

7.7.1.6 If it is found by **CITY** that **CONTRACTOR** has failed to disclose any material conflict of interest relative to the performance of this Contract.

7.8 Time to Correct:

7.9 Termination upon a declared default or breach may be exercised only after service of formal written notice as specified in **Section 3 Notice**, and the subsequent failure of the defaulting party within fifteen (15) calendar days of that notice to provide evidence, satisfactory to the aggrieved party, showing that the declared default or breach has been corrected.

7.10 Winding Up Affairs Upon Termination:

7.11 In the event of termination of this Contract for any reason, the parties agree that the provisions of this paragraph survive termination:

7.11.1.1 The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;

7.11.1.2 **CONTRACTOR** shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by **CITY**;

7.11.1.3 **CONTRACTOR** shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if so requested by **CITY**;

7.11.1.4 **CONTRACTOR** shall preserve, protect, and promptly deliver into **CITY** possession all proprietary information in accordance with **Section 23 City Ownership of Proprietary Information**.

8 REMEDIES:

8.1 Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party

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reasonable attorneys' fees and costs. The parties agree that, in the event a lawsuit is filed and a party is awarded attorney's fees by the court, for any reason, the amount of recoverable attorney's fees shall not exceed the rate of \$125 per hour. CITY may set off consideration against any unpaid obligation of CONTRACTOR to CITY.

9 LIMITED LIABILITY:

9.1 CITY will not waive and intends to assert available Nevada Revised Statutes Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in the incorporated attachments. Damages for any CITY breach shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to CONTRACTOR, for the fiscal year budget in existence at the time of the breach. CONTRACTOR'S tort liability shall not be limited.

10 FORCE MAJEURE:

10.1 Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of this Contract after the intervening cause ceases.

11 INDEMNIFICATION:

11.1 To the extent permitted by law, including, but not limited to, the provisions of Nevada Revised Statutes Chapter 41, each party shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other party from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorney's fees and costs, arising out of any alleged negligent or willful acts or omissions of the indemnifying party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this paragraph.

11.2 Except as otherwise provided in Subsection 11.4 below, the indemnifying party shall not be obligated to provide a legal defense to the indemnified party, nor reimburse the indemnified party for the same, for any period occurring before the indemnified party provides written notice of the pending claim(s) or cause(s) of action to the indemnifying party, along with:

11.3 a written request for a legal defense for such pending claim(s) or cause(s) of action; and

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11.4 a detailed explanation of the basis upon which the indemnified party believes that the claim or cause of action asserted against the indemnified party implicates the culpable conduct of the indemnifying party, its officers, employees, and/or agents.

11.5 After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall not be obligated to fund or reimburse any fees or costs provided by any additional counsel for the indemnified party, including counsel through which the indemnified party might voluntarily choose to participate in its defense of the same matter.

11.6 After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall be obligated to reimburse the reasonable attorney's fees and costs incurred by the indemnified party during the initial thirty (30) day period of the claim or cause of action, if any, incurred by separate counsel.

12 INDEPENDENT CONTRACTOR:

12.1 An independent contractor is a natural person, firm or corporation who agrees to perform services for a fixed price according to his or its own methods and without subsection to the supervision or control of the other contracting party, except as to the results of the work, and not as to the means by which the services are accomplished.

12.2 It is mutually agreed that **CONTRACTOR** is associated with **CITY** only for the purposes and to the extent specified in this Contract, and in respect to performance of the contracted services pursuant to this Contract. **CONTRACTOR** is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract.

12.3 Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for **CITY** whatsoever with respect to the indebtedness, liabilities, and obligations of **CONTRACTOR** or any other party.

12.4 **CONTRACTOR** shall indemnify and hold **CITY** harmless from, and defend **CITY** against, any and all losses, damages, claims, costs, penalties, liabilities, expenses arising out of or incurred in any way because of, but not limited to, **CONTRACTOR'S** obligations or legal duties regarding any taxes, fees, assessments, benefits, entitlements, notice of benefits, employee's eligibility to work, to any third party, subcontractor, employee, state, local or federal governmental entity.

12.5 Neither **CONTRACTOR** nor its employees, agents, or representatives shall be considered employees, agents, or representatives of **CITY**.

13 INSURANCE REQUIREMENTS:

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13.1 **CONTRACTOR**, as an independent contractor and not an employee of **CITY**, must carry policies of insurance in amounts specified and pay all taxes and fees incident hereunto. **CITY** shall have no liability except as specifically provided in this Contract.

13.2 **CONTRACTOR** shall not commence work before: (1) **CONTRACTOR** has provided the required evidence of insurance to Carson City Purchasing & Contracts, and (2) **CITY** has approved the insurance policies provided by **CONTRACTOR**.

13.3 Prior approval of the insurance policies by **CITY** shall be a condition precedent to any payment of consideration under this Contract and **CITY'S** approval of any changes to insurance coverage during the course of performance shall constitute an ongoing condition subsequent this Contract. Any failure of **CITY** to timely approve shall not constitute a waiver of the condition.

13.4 Insurance Coverage:

13.5 **CONTRACTOR** shall, at **CONTRACTOR'S** sole expense, procure, maintain and keep in force for the duration of this Contract the following insurance conforming to the minimum requirements specified below. Unless specifically specified herein or otherwise agreed to by **CITY**, the required insurance shall be in effect prior to the commencement of work by **CONTRACTOR** and shall continue in force as appropriate until the latter of:

13.5.1.1 Final acceptance by **CITY** of the completion of this Contract; or

13.5.1.2 Such time as the insurance is no longer required by **CITY** under the terms of this Contract.

13.6 Any insurance or self-insurance available to **CITY** shall be in excess of and non-contributing with any insurance required from **CONTRACTOR**. **CONTRACTOR'S** insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by **CITY**, **CONTRACTOR** shall provide **CITY** with renewal or replacement evidence of insurance no less than thirty (30) calendar days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by this Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as **CONTRACTOR** has knowledge of any such failure, **CONTRACTOR** shall immediately notify **CITY** and immediately replace such insurance or bond with an insurer meeting the requirements.

13.7 General Requirements:

13.8 **Certificate Holder:** Each liability insurance policy shall list Carson City c/o Carson City Purchasing & Contracts, 201 N. Carson Street Suite 11, Carson City, NV 89701 as a certificate holder.

13.9

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13.10 **Additional Insured:** By endorsement to the general liability insurance policy evidenced by **CONTRACTOR**, The City and County of Carson City, Nevada, its officers, employees and immune contractors shall be named as additional insureds for all liability arising from this Contract.

13.11 **Waiver of Subrogation:** Each liability insurance policy shall provide for a waiver of subrogation as to additional insureds.

13.12 **Cross-Liability:** All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.

13.13 **Deductibles and Self-Insured Retentions:** Insurance maintained by **CONTRACTOR** shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by **CITY**. Such approval shall not relieve **CONTRACTOR** from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000 per occurrence, unless otherwise approved by **CITY**.

13.14 **Policy Cancellation:** Except for ten (10) calendar days notice for non-payment of premium, each insurance policy shall be endorsed to state that; without thirty (30) calendar days prior written notice to Carson City Purchasing & Contracts, the policy shall not be canceled, non-renewed or coverage and /or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mail to Carson City Purchasing & Contracts, 201 N. Carson Street Suite 11, Carson City, NV 89701.

13.14.1.1 **Approved Insurer:** Each insurance policy shall be issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to the State and having agents in Nevada upon whom service of process may be made, and currently rated by A.M. Best as "A-VII" or better.

13.14.1.2 **Evidence of Insurance:** Prior to commencement of work, **CONTRACTOR** must provide the following documents to Carson City Purchasing & Contracts, 201 North Carson Street Suite 11, Carson City, NV 89701:

13.14.1.3 **Certificate of Insurance:** The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to Carson City Purchasing & Contracts to evidence the insurance policies and coverages required of **CONTRACTOR**.

13.14.1.4 **Additional Insured Endorsement:** An Additional Insured Endorsement (CG20 10 or C20 26), signed by an authorized insurance company representative, must be submitted to Carson City Purchasing & Contracts to evidence the endorsement of **CITY** as an additional insured per Subsection 13.5.2.

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13.14.1.5 **Schedule of Underlying Insurance Policies:** If Umbrella or Excess policy is evidenced to comply with minimum limits, a copy of the Underlyer Schedule from the Umbrella or Excess insurance policy may be required.

13.15 **Review and Approval:** Documents specified above must be submitted for review and approval by Carson City Purchasing & Contracts prior to the commencement of work by **CONTRACTOR**. Neither approval by **CITY** nor failure to disapprove the insurance furnished by **CONTRACTOR** shall relieve **CONTRACTOR** of **CONTRACTOR'S** full responsibility to provide the insurance required by this Contract. Compliance with the insurance requirements of this Contract shall not limit the liability of **CONTRACTOR** or its sub-contractors, employees or agents to **CITY** or others, and shall be in addition to and not in lieu of any other remedy available to **CITY** under this Contract or otherwise. **CITY** reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements.

14 COMMERCIAL GENERAL LIABILITY INSURANCE:

14.1 Minimum Limits required:

14.2 Two Million Dollars (\$2,000,000.00) - General Aggregate

14.3 Two Million Dollars (\$2,000,000.00) - Products & Completed Operations Aggregate

14.4 One Million Dollars (\$1,000,000.00) - Each Occurrence

14.5 Coverage shall be on an occurrence basis and shall be at least as broad as ISO 1996 form CG 00 01 (or a substitute form providing equivalent coverage); and shall cover liability arising from premises, operations, independent contractors, completed operations, personal injury, products, civil lawsuits, Title VII actions and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

15 BUSINESS AUTOMOBILE LIABILITY INSURANCE:

15.1 Minimum Limit required:

15.2 One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage

15.3 Coverage shall be for "any auto", including owned, non-owned and hired vehicles. The policy shall be written on ISO form CA 00 01 or a substitute providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

16 PROFESSIONAL LIABILITY INSURANCE:

16.1 Minimum Limit required: One Million Dollars (\$1,000,000.00)

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16.2 Retroactive date: Prior to commencement of the performance of this Contract

16.3 Discovery period: Three (3) years after termination date of this Contract.

16.4 A certified copy of this policy may be required.

17 WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE:

17.1 **CONTRACTOR** shall provide workers' compensation insurance as required by Nevada Revised Statutes Chapters 616A through 616D inclusive and Employer's Liability insurance with a minimum limit of \$500,000 each employee per accident for bodily injury by accident or disease.

17.2 **CONTRACTOR** may, in lieu of furnishing a certificate of an insurer, provide an affidavit indicating that **CONTRACTOR** is a sole proprietor; that **CONTRACTOR** will not use the services of any employees in the performance of this Contract; that **CONTRACTOR** has elected to not be included in the terms, conditions, and provisions of Nevada Revised Statutes Chapters 616A-616D, inclusive; and that **CONTRACTOR** is otherwise in compliance with the terms, conditions, and provisions of Nevada Revised Statutes Chapters 616A-616D, inclusive.

18 BUSINESS LICENSE:

18.1 **CONTRACTOR** shall not commence work before **CONTRACTOR** has provided a copy of his Carson City business license to Carson City Purchasing & Contracts.

18.2 The Carson City business license shall continue in force until the latter of: (1) final acceptance by **CITY** of the completion of this Contract; or (2) such time as the Carson City business license is no longer required by **CITY** under the terms of this Contract.

19 COMPLIANCE WITH LEGAL OBLIGATIONS:

19.1 **CONTRACTOR** shall procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **CONTRACTOR** to provide the goods or services of this Contract. **CONTRACTOR** will be responsible to pay all taxes, assessments, fees, premiums, permits, and licenses required by law. Real property and personal property taxes are the responsibility of **CONTRACTOR** in accordance with Nevada Revised Statutes 361.157 and 361.159. **CONTRACTOR** agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract. **CITY** may set-off against consideration due any delinquent government obligation.

20 WAIVER OF BREACH:

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20.1 Failure to declare a breach or the actual waiver of any particular breach of this Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

21 SEVERABILITY:

21.1 If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

22 ASSIGNMENT/DELEGATION:

22.1 To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by **CITY**, such offending portion of the assignment shall be void, and shall be a breach of this Contract. **CONTRACTOR** shall neither assign, transfer nor delegate any rights, obligations or duties under this Contract without the prior written approval of **CITY**.

23 CITY OWNERSHIP OF PROPRIETARY INFORMATION:

23.1 Any files, reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer programs, computer codes, and computer records (which are intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by **CONTRACTOR** (or its subcontractors) in performance of its obligations under this Contract shall be the exclusive property of **CITY** and all such materials shall be delivered into **CITY** possession by **CONTRACTOR** upon completion, termination, or cancellation of this Contract. **CONTRACTOR** shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of **CONTRACTOR'S** obligations under this Contract without the prior written consent of **CITY**. Notwithstanding the foregoing, **CITY** shall have no proprietary interest in any materials licensed for use by **CITY** that are subject to patent, trademark or copyright protection.

23.2 **CITY** shall be permitted to retain copies, including reproducible copies, of **CONTRACTOR'S** drawings, specifications, and other documents for information and reference in connection with this Contract.

23.3 **CONTRACTOR'S** drawings, specifications and other documents shall not be used by **CITY** or others without expressed permission of **CONTRACTOR**.

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
Contract No. 0809-065

24 PUBLIC RECORDS:

24.1 Pursuant to Nevada Revised Statute 239.010, information or documents received from **CONTRACTOR** may be open to public inspection and copying. **CITY** will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. **CONTRACTOR** may clearly label specific parts of an individual document as a "trade secret" or "confidential" in accordance with Nevada Revised Statute 332.061, provided that **CONTRACTOR** thereby agrees to indemnify and defend **CITY** for honoring such a designation. The failure to so label any document that is released by **CITY** shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

25 CONFIDENTIALITY:

25.1 **CONTRACTOR** shall keep confidential all information, in whatever form, produced, prepared, observed or received by **CONTRACTOR** to the extent that such information is confidential by law or otherwise required by this Contract.

26 FEDERAL FUNDING:

26.1 In the event federal funds are used for payment of all or part of this Contract:

26.2 **CONTRACTOR** certifies, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

26.3 **CONTRACTOR** and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.

26.4 **CONTRACTOR** and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions).

27 LOBBYING:

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
Contract No. 0809-065

27.1 The parties agree, whether expressly prohibited by federal law, or otherwise, that no funding associated with this Contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:

27.2 Any federal, state, county or local agency, legislature, commission, counsel or board;

27.3 Any federal, state, county or local legislator, commission member, counsel member, board member, or other elected official; or

27.4 Any officer or employee of any federal, state, county or local agency; legislature, commission, counsel or board.

28 GENERAL WARRANTY:

28.1 **CONTRACTOR** warrants that all services, deliverables, and/or work product under this Contract shall be completed in a workmanlike manner consistent with standards in the trade, profession, or industry; shall conform to or exceed the specifications as set forth in the incorporated attachments; and shall be fit for ordinary use, of good quality, with no material defects.

29 PROPER AUTHORITY:

29.1 The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract. **CONTRACTOR** acknowledges that this Contract is effective only after approval by the Carson City Board of Supervisors and only for the period of time specified in this Contract. Any services performed by **CONTRACTOR** before this Contract is effective or after it ceases to be effective are performed at the sole risk of **CONTRACTOR**.

30 ARBITRATION:

30.1 Any controversy of claims arising out of or relating to this Contract, or the breach thereof, provided both parties agree, may be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

31 GOVERNING LAW; JURISDICTION:

31.1 This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada, without giving effect to any principle of conflict-of-law that would require the application of the law of any other jurisdiction. **CONTRACTOR** consents and agrees to the jurisdiction of the courts of the State of Nevada located in Carson City, Nevada for enforcement of this Contract.

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
Contract No. 0809-065

32 ENTIRE CONTRACT AND MODIFICATION:

32.1 This Contract and its integrated attachment(s) constitute the entire Contract of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other Contracts that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto and approved by the Carson City Board of Supervisors.

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
Contract No. 0809-065

33 ACKNOWLEDGMENT AND EXECUTION:

33.1 In witness whereof, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

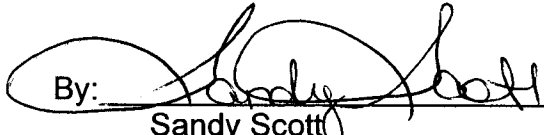
CARSON CITY

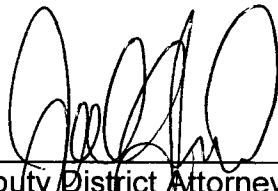
Finance Director
Attn: Sandy Scott, Management Assistant
Purchasing and Contracts
201 North Carson Street Suite 11
Carson City, Nevada 89701
Telephone: 775-887-2133 ext. 30137
Fax: 775-887-2107
SScott@ci.carson-city.nv.us

CITY'S LEGAL COUNSEL

Neil A. Rombardo, District Attorney

I have reviewed this Contract and approve
as to its legal form.

By: 
Sandy Scott
Management Assistant

By: 
Deputy District Attorney

DATED 7/29/08

DATED 7/29/08

CITY'S ORIGINATING DEPARTMENT

BY: Andrew Burnham, Director
Carson City Public Works
3505 Butti Way
Carson City, NV 89701
Telephone: 775-887- 2355 Ext. 101
Fax: 775-887-2112
ABurnham@ci.carson-city.nv.us

By: 

DATED 7/29/08

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
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deposes and says: That he is the **CONTRACTOR** or authorized agent of the **CONTRACTOR**; that he has read the foregoing Contract; and that he understands the terms, conditions, and requirements thereof.

CONTRACTOR
BY: Victoria Prince
TITLE: General Manager
FIRM: Wastewater Solids Management, Inc.
CARSON CITY BUSINESS LICENSE #:
Address: PO Box 430
City: Yachats **State:** Oregon **Zip Code:** 97498
Telephone: 541-547-3213/ **Fax #:** 541-547-3213
E-mail Address: vprince@wastewatermanagement.com




(Signature of **CONTRACTOR**)

DATED 7/28/08

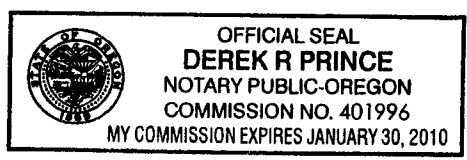
STATE OF Oregon)
County of Lincoln) ss

Signed and sworn (or affirmed) before me on this 28th day of July, 2008, by Victoria E Prince.



(Signature of Notary)

(Notary Stamp)



CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
Contract No. 0809-065

SAMPLE INVOICE

Invoice Number: _____
 Invoice Date: _____
 Invoice Period: _____

Carson City Contract Number: 0808-065
 Carson City Contract Name: Carson City Waste Water Reclamation Plant Digester Cleaning

Vendor Number: _____
 Wastewater Solids Management, Inc.
 PO Box 430
 Yachats, Oregon 97498

Invoice shall be submitted to:

Carson City Public Works
 Attn: Karen White
 3505 Butti Way
 Carson City NV 89701

Line Item #	Description	Unit Cost	Units Completed	Total \$\$
Total for this invoice				

Original Contract Sum	\$	_____
Less amount previously billed	\$	_____
= contract sum prior to this invoice	\$	_____
Less this invoice	\$	_____
=Dollars remaining on Contract	\$	_____

ENCLOSE COPIES OF RECEIPTS & INVOICES FOR EXPENSES & OUTSIDE SERVICES

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
Contract No. 0809-065

CONTRACT ACCEPTANCE AND EXECUTION:

The Board of Supervisors for Carson City, Nevada at their publicly noticed meeting of August 7, 2008 approved the acceptance of **CONTRACT No. 0809-065**. Further, the Board of Supervisors authorizes the Mayor of Carson City, Nevada to set his hand to this document and record his signature for the execution of this contract in accordance with the action taken.

CARSON CITY, NEVADA

MARV TEIXEIRA, MAYOR

DATED this 7th day of August, 2008.

ATTEST:

ALAN GLOVER, CLERK-RECORDER

DATED this 7th day of August, 2008.

**Bid Tabulation Report from Carson City Purchasing & Contracts
775-887-2133 extension 30137**

<http://www.carson-city.nv.us/Index.aspx?page=998>

**Notice to Bidders Bid# 0809- Carson City Waste Water Reclamation Plant Digester Cleaning
Time and Date of Opening: July 10, 2008 at 11:10 am**

Description		Bidder # 1		Bidder # 2		Bidder # 3	
Waste Water Solids Management Co		American Process Group Inc.		Synagro			
Bidder submitted 1 original BID RESPONSE		yes		yes		no	
Bidder submitted 3 copies of BID RESPONSE		yes		yes		no	
Bidder submitted CD of BID RESPONSE		yes		no		no	
Bidder initialed & dated each page of BID RESPONSE		yes		yes		no	
Bidder Information provided		yes		yes		no	
Business License information provided		no		no		no	
Disclosure of Principals provided		no		no		no	
Written confined space policy and training certificates and documents of employees involved in cleaning of the		yes		yes		no	
Description	Sched Value	Unit	Unit Price	Total Price	Unit Price	Total Price	Unit Price
Schedule A:							
1	Digester Cleaning (both)	1	LS	\$69,000.00	\$69,000.00	\$171,279.38	\$171,279.38
Total:				\$69,000.00	\$171,279.38	NO BID	
BID RESPONSE signed & notarized							
		yes		yes		no	
Exceptions taken							
		no		no		no	
END OF DOCUMENT							

IP 7/8/08



CONFINED SPACE ENTRY PROGRAM

29 CFR 1910.146 SUBPART J

REVISION DATE JULY 7, 2006

VP 7/8/08

CONFINED SPACE ENTRY PROGRAM

WASTEWATER SOLIDS MANAGEMENT, INC.

Wastewater Solids Management, Inc. is dedicated to the protection of its employees from on-the-job injuries. All employees of Wastewater Solids Management, Inc. have the responsibility to work safely on the job. The purpose of this plan is: (a) To supplement our standard safety policy by providing safety standards specifically designed to cover confined space entry and; (b) to ensure that each employee is trained and made aware of the safety provisions which are to be implemented by this plan prior to the start of operations.

This plan is designed to enable crew leaders and employees to recognize the hazards affiliated with confined space entry and to establish the procedures that are to be followed in order to prevent injury from improper precautions and identification. Each employee will be trained in these procedures and strictly adhere to them except when doing so would expose the employee to a greater hazard. If, in the employee's opinion, this is the case, the employee is to notify the crew leader of the concern and the concern is to be addressed before proceeding with operations.

Safety policy and procedure on any one project cannot be administered, implemented, monitored and enforced by any one individual. The total objective of a safe, accident free work environment can only be accomplished by a dedicated, conscious effort by every individual involved in the project. This allows for a personal approach to compliance through planning, training, understanding and cooperative effort, rather than by strict enforcement. If for any reason an unsafe act persists, strict enforcement will be implemented.

GENERAL TERMINOLOGY AND DEFINITIONS

- 1) For the purpose of this document, a confined space is defined as:

A space that is large enough so that an employee can enter it, has limited or restricted means for entry and exit, and is not designed for continuous employee occupancy.

- 2) There are two types of confined spaces, and the following definitions will serve as guidelines for this document

- a) Non permit required confined space:

A confined space that does not contain or, with respect to atmospheric hazards, have the potential to contain any hazard capable of causing death or serious physical harm.

- b) Permit required confined space:

A confined space that has one or more of the following characteristics:

- i) Contains or has the potential to contain a hazardous atmosphere.
- ii) Contains a material that has the potential for engulfing the entrant.
- iii) Has an internal configuration such that an entrant could be trapped or asphyxiated by inwardly converging walls or by a floor that slopes downward and tapers to a smaller cross-section.
- iv) Contains any other recognized serious safety or health hazard.

GENERAL CONFINED SPACE GUIDELINES

- 1) Wastewater Solids Management, Inc. will not tolerate any unauthorized entry of any confined spaces. Any employee found to be in violation of this program will receive a written reprimand.
- 2) Wastewater Solids Management, Inc. will provide and maintain the following protective equipment and the training necessary to ensure the proper usage thereof:
 - a) Gas detectors for atmospheric hazards.
 - b) Ventilation equipment
 - c) Communication equipment for entrant, attendant and for emergency assistance in the form of hand held radios and/or cellular phones.
 - d) Personal protective equipment, such as SCBA's and eye/ear protection.
 - e) Adequate spark proof lighting equipment.
 - f) Barriers and shields to protect entrant and attendant from external (pedestrian/vehicle) hazards.
 - g) Access equipment (ladders) for safe entry and egress.
 - h) Rescue and emergency equipment in the form of fall restraint and cellular phones and/or hand held radios to contact emergency services. (Pursuant to 1910.146 (d) (4) viii).
 - i) Any other equipment necessary for safe entry and rescue from permit spaces.
- 3) In order for the confined space to meet acceptable entry conditions, there may be no hazardous atmosphere within the space whenever any employee is inside the space. To ensure that acceptable entry conditions are met, the following procedures will be followed:
 - a) Physically isolate the permit space from external hazards by placing barriers, shields and/or cones as necessary to direct pedestrian/vehicular traffic away from the work site.

- b) Isolate the permit space internally by removing it from service and protecting against the introduction of energy (see Wastewater Solids Management, Inc. Safety Guidelines regarding Hazardous Energy Control) or materials (by blocking or disconnection) into the space during entry procedures.
- c) Test conditions within the permit space to determine if acceptable entry conditions exist prior to entry. Pre-entry testing shall be performed and shall be conducted continuously in areas where authorized entrants are working. The monitoring will be recorded throughout entry procedures.

Testing for oxygen depletion will be performed first, as combustible gas meters depend on a source of oxygen in order to achieve reliable readings. In order for the space to meet acceptable entry conditions, the following conditions must NOT be present:

- i) Atmospheric O₂ levels below 19.5% or above 23.5%.
- ii) Flammable gases, vapors or mist in excess of 10% of its LFL
- iii) Toxic or hazardous substances in excess of the permissible exposure limit.

The permit space will be ventilated and tested until acceptable conditions are reached. Entry may not begin until testing has demonstrated that any hazardous atmosphere has been eliminated. If testing demonstrates the existence of dangerous or deficient conditions and additional ventilation cannot reduce concentrations to safe levels; the atmosphere tests as safe but unsafe conditions can reasonably be expected to develop; it is not feasible to provide for ready exit from spaces equipped with automatic fire suppression systems and it is not practical or safe to deactivate such systems; or an emergency exists and it is not feasible to wait for pre-entry procedures to take effect, the entrant shall wear an SCBA and at least one attendant shall be standing by, equipped with an SCBA. An additional attendant shall be present for assistance.

- 4) An attendant shall be present outside the permit space into which entry is authorized for the duration of entry operations.
- 5) The authorized entrant will be harnessed and attached to a fall restraint device for the duration of operations where the lead worker/supervisor deems fall restraint to be necessary.
- 6) Pursuant to 29 CFR 1910.146 (d) (9) which states that the contractor shall:

Develop and implement procedures for summoning rescue and emergency services, for rescuing entrants from permit spaces, for providing necessary emergency services to rescued employees, and for preventing unauthorized personnel from attempting a rescue;

each job site will be surveyed and a list of emergency contact numbers will be acquired from the host employer for rescue and emergency response. In accordance

with this requirement, Wastewater Solids Management, Inc. personnel will be trained in non-entry rescue and retrieval, first aid and CPR. In the event that the entrant becomes incapacitated and rescue operations must be instituted, the attendant shall immediately call for emergency services, using 911 or an appropriate alternative number as supplied by the host employer, regardless whether the rescue require entry retrieval or not.

- 7) An entry permit will be filled out by a LEAD WORKER, which states the reasons for entry. All findings will be recorded on the entry permit. If at any time during entry procedures, alarm set points are reached as established herein, the workers will immediately leave the permitted space. Workers will not return to the area until a LEAD WORKER who has completed entry and detection training has evaluated the situation and has determined that it is safe to re-enter the permit space. Entry and completion times and dates will be recorded, with individual permits expiring at the end of each work session.

VP 7/8/08

WASTEWATER SOLIDS MANAGEMENT CONFINED SPACE ENTRY PERMIT

Date / Time Issued: _____ / _____ Date / Time Expires: _____ / _____
 Location / Facility: _____ Job Number: _____
 Purpose of Entry: _____
 Hazards: _____

Emergency Phone #: _____ Rescue method: _____

Time: _____	Entry Supervisor: _____	Authorized Entrants: _____	Attendants: _____	Rescue Personnel: _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Entrant / Attendant Method of Communication: _____

Air Monitoring Requirements (Record results at least every 2 hours)

	Permissible Entry Levels	Time						
Oxygen (%)	19.5% to 23.5%	_____	_____	_____	_____	_____	_____	_____
LEL	Under 10%	_____	_____	_____	_____	_____	_____	_____
Carbon Monoxide	25 PPM	_____	_____	_____	_____	_____	_____	_____
Hydrogen Sulfide	^a 10PPM ^b 15PPM	_____	_____	_____	_____	_____	_____	_____
Other:		_____	_____	_____	_____	_____	_____	_____
Other:		_____	_____	_____	_____	_____	_____	_____

^aEmployee can work in the area for 8 hours at this concentration.
^bEmployee can work in the area up to 15 minutes at this concentration.

Instrument Used	Model and/or Type	Serial # or Unit #	Date Calibrated	Name of Person Doing Test

Acceptable Entry Conditions – If the answer to any of the following questions is NO, entry is NOT authorized.

- | | | |
|--|--------------------|-----------|
| Has system been locked out and/or tagged out? | Yes _____ No _____ | N/A _____ |
| Has piping been blanked, broken or capped? | Yes _____ No _____ | N/A _____ |
| Has piping been double-blocked and bled? | Yes _____ No _____ | N/A _____ |
| Has space been purged? With _____ CO ₂ _____ N ₂ | Yes _____ No _____ | N/A _____ |
| Has space been ventilated? | Yes _____ No _____ | N/A _____ |
| Has fall protection been provided? | Yes _____ No _____ | N/A _____ |
| Is entry/egress method acceptable? | Yes _____ No _____ | N/A _____ |
| Is rescue equipment available? | Yes _____ No _____ | N/A _____ |
| Is a first aid kit available? | Yes _____ No _____ | N/A _____ |
| Has entrant(s) been provided with safety harness? | Yes _____ No _____ | N/A _____ |
| Has entrant(s) been provided with life line? | Yes _____ No _____ | N/A _____ |
| Is adequate lighting available? | Yes _____ No _____ | N/A _____ |
| Is lighting and equipment explosion proof? | Yes _____ No _____ | N/A _____ |
| Has air monitoring equipment been field tested? | Yes _____ No _____ | N/A _____ |
| Is Oxygen above 19.5%? | Yes _____ No _____ | N/A _____ |
| Is Oxygen less than 23.5% | Yes _____ No _____ | N/A _____ |
| Is combustible gas level less than 10% LEL? | Yes _____ No _____ | N/A _____ |
| Is CO level less than 25 PPM or is SAR provided? | Yes _____ No _____ | N/A _____ |

WP 7/8/08

Is H ₂ S level below 10 PPM or is SAR provided?	Yes	_____	No	_____	N/A	_____
Are other gas levels below TLV or is APR/SAR provided?	Yes	_____	No	_____	N/A	_____
Is area secured and barricades in place?	Yes	_____	No	_____	N/A	_____
Is a fire extinguisher available?	Yes	_____	No	_____	N/A	_____
Has protective clothing been provided? Is it adequate?	Yes	_____	No	_____	N/A	_____
Are personnel trained to perform assigned duties?	Yes	_____	No	_____	N/A	_____
Has ALL equipment been inspected and ready for use?	Yes	_____	No	_____	N/A	_____

Additional Information:

Authorization:

Entry Supervisor

Date / Time

LP 7/8/08



Certificate of Training

This certificate is awarded to

Tim D. Sanders

For successful completion of the

Permit Required Confined Space Rescue Class

In accordance with 29 CFR 1910.146



Signature

3/1/08

Date

WP 7/18/08



Certificate of Training

This certificate is awarded to

Jim B. Randberg

For successful completion of the

Permit Required Confined Space Entry Class

In accordance with 29 CFR 1910.146



Signature

3/1/08

Date

7/18/08



Certificate of Training

This certificate is awarded to

Tom B. Anglin

For successful completion of the

Permit Required Confined Space Entry Class

In accordance with 29 CFR 1910.146


Signature

3/1/08
Date

K 7/8/08



Certificate of Training

This certificate is awarded to

Tom B. Anglin

For successful completion of the

Permit Required Confined Space Rescue Class

In accordance with 29 CFR 1910.146

Signature

3/1/08

Date

80/8/2
UP



Certificate of Training

This certificate is awarded to

Allen Cirone

For successful completion of the

Permit Required Confined Space Entry Class

In accordance with 29 CFR 1910.146

A handwritten signature in black ink, appearing to read "Allen Cirone", written over a horizontal line.

Signature

3/1/08

Date

VP 7/18/08



Certificate of Training

This certificate is awarded to

Alvin Tom

for successful completion of the

Permit Required Confined Space Entry Class

In accordance with 29 CFR 1910.146


Signature

3/1/08
Date

UP 7/8/08



Certificate of Training


This certificate is awarded to

Albin Tom

For successful completion of the

Permit Required Confined Space Rescue Class

In accordance with 29 CFR 1910.146


Signature

3/1/08
Date

Contact Name	Agency/Firm	Phone
Mr. Scott Richards	Kaweah Construction	(559) 268-1540
Mr. Karl Hosier	Monterey Mechanical	(510) 636-4372
Mr. Steve Sinnock	Kjeldsen, Sinnock & Neudeck	(209) 946-0268
Mr. Bruce Solomon	Kaweah Construction	(707) 540-9640
Mr. Ed Oyama	Monterey, CA	(831) 883-6178
Mr. Steve Schimp	San Andreas, CA	(209) 754-3281
Mr. Fadi Alabbas	Contra Costa, CA	(925) 688-8000
Mr. Bruce Keogh	Morro Bay, CA	(805) 772-6272
Ms. Anna Johnson	Sacramento, CA	(916) 875-9198
Mr. Brian Cook	Phoenix, AZ	(602) 495-7998
Mr. Kevin Keppler	Livermore, CA	(925) 960-8100
Mr. Steve Krautheim	Novato, CA	(415) 892-1694
Mr. Jim Doyle	Tucson, AZ	(520) 744-4236
Ms. Melita Caldwell	Temecula, CA	(909) 676-5485
Mr. Jeff Gregory	Benecia, CA	(707) 746-4337
Mr. Robert Hensley	Simi Valley, CA	(805) 583-6443
Mr. Dave Kachelski	Rialto, CA	(909) 877-2752
Mr. Starlin Jones	Truckee Meadows (Reno), NV	(775) 861-4104
Mr. Parry Salsi	Redding, CA	(530) 225-4157
Mr. Thomas Wurth	Elko, NV	(702) 777-7387
Mr. Ted Mikowski	Albany, OR	(541) 917-7632
Mr. Logan Olds	Victorville, CA	(760) 246-8638
Mr. Jeff Misenhimer	Visalia, CA	(559) 715-4176
Mr. Roy McDonald	Yerington, NV	(775) 463-2729
Mr. Rick Nyhus	Waldport, OR	(541) 563-2325

July 8, 2008



Dear Project Owner:

It has come to our attention that you will likely become the recipient of an OSHA notice regarding our company. In order to pre-empt any perceived omission, we have decided to notify the owner of each project on which we have been listed as a plan holder.

We are proud of our extremely low incidence rate. Wastewater Solids Management, Inc. has been in business for over 15 years and during that time, we have had one on the job injury and/or accident. Unfortunately, that one occurrence was severe and resulted in an on the job fatality.

The worker involved had been a safety officer and fire fighter. He was well versed in safety protocols and procedures. He had also been a long time friend of another employee. For an unknown reason, this worker placed himself within the housing of an operating piece of machinery. This action cost his life.

Regretfully, our competitor feels compelled to notify the entities that we bid with of this incident by faxing a copy of the OSHA report (in some cases "anonymously"). This report lists very general information regarding this incident including the fine levied. We have enclosed a copy of the OSHA report from the public information database for your information. Please note that this issue has been investigated and the incident is closed. The process of closure occurred less than six months from the time of incident as all potential concerns had been eliminated.

Wastewater Solids Management, Inc. administrative staff requested a review of our safety procedures by OSHA after this incident. We have complied with all possible precautionary measures suggested by OSHA Consultative Services.

I have sought and received the permission of Mr. Starlin Jones to provide his contact information as a reference on this matter. He is the Operations Manager at the City of Sparks Truckee Meadows Water Reclamation Facility. This is the site where the incident occurred. Wastewater Solids Management, Inc. maintains an active working relationship with TMWRF. Mr. Jones can be reached at (775) 861-4104.

If you have any questions or require further information, please contact (916) 425-0531 or (541) 547-3213.

Respectfully submitted,

Victoria E. Prince
 General Manager
 Wastewater Solids Management, Inc.
 P.O. Box 430
 Yachats, OR 97498
 (541) 547-3213 phone/fax
vprince@wastewatermanagement.com

VP 7/8/08

Follow Up Meeting Information

Inspection Detail

Inspection: 309916732 - Wastewater Solids Management, Inc.

Inspection Information - Office: Nevada Reno

Nr: 309916732

Report ID:0953210

Open Date: 05/11/2006

Wastewater Solids Management, Inc.

8500 Clean Water Way

Reno, NV 89502

Union Status: NonUnion

SIC: 4952/Sewerage Systems

NAICS: 221320/Sewage Treatment Facilities

Mailing: P.O. Box 826, Yerington, NV 89447

Inspection Type: FollowUp

Scope: Partial

Advanced Notice: N

Ownership: Private

Safety/Health: Safety

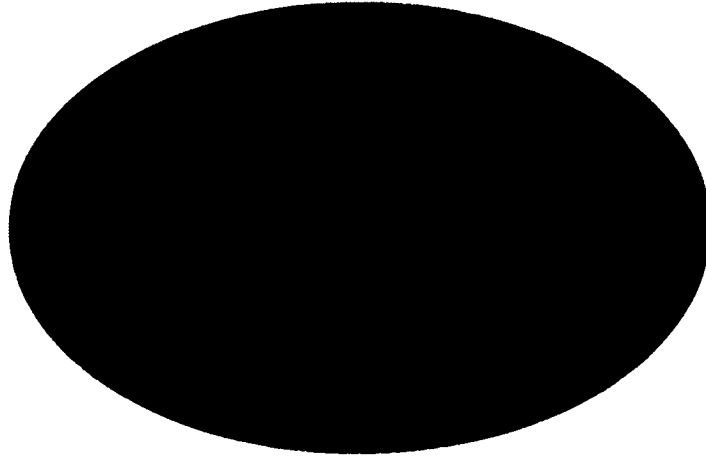
Close Conference: 05/11/2006

Planning Guide: Safety-Manufacturing

Close Case: 05/11/2006

Related Activity: Type ID Safety Health

Inspection 309601540



American Process Group Inc.

**602 NE 3rd Avenue, Suite F
Camas, WA 98607**

**95 McLeod Avenue, Suite 207
Spruce Grove, AB T7X 2Z6 Canada**

**Contact: Doug Van der Veen
Phone: 866.960.1480 Fax: 780.960.1484
sales@amprocessgroup.com**

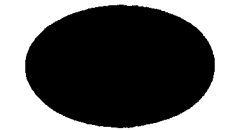
**Carson City Waste Water Reclamation Plant
Digester Cleaning
Request for Bid #0809-065**

Original

Closing Date: July 10th, 2008. 11:00 AM

July 8, 2008

Carson City Purchasing & Contracts
201 North Carson Street, Suite 11
Carson City, Nevada 89701



**American
Process
Group
Inc.**

**RE: Carson City Waste Water Reclamation Plant Digester Cleaning
REQUEST FOR BID #0809-065**

To Whom It May Concern:

Thank you for the opportunity to provide Carson City with a proposal for the cleaning of material from two digesters at the City's Waste Water Reclamation Plant. Enclosed you will find our bid.

American Process Group is on the forefront of residuals management technology, providing services in dredging, dewatering, digester cleaning, and sludge hauling and disposal in both mobile operations and fixed facilities. Our horizontal decanter centrifuges, high volume dredges and pumping systems are all state of the art with advance control systems to help optimize production, giving the best possible value to our clients.

The principals of our firm have over 28 years of combined experience in the residuals management industry and our operations personnel have more than an additional combined 25 years experience. Please check out our website at www.amprocessgroup.com for more information on our company.

Please make note that all correspondence should be sent to our head office address:

Suite 207, 95 McLeod Avenue
Spruce Grove, Alberta
T7X 2Z6 Canada
Attn: Doug Van der Veen

We welcome the opportunity to work with Carson City and look forward to hearing from you to discuss further. Please feel free to contact me at your convenience should you have any questions.

Sincerely,

AMERICAN PROCESS GROUP INC.

Doug Van der Veen, P.Eng.
Vice President

**Dredging Dewatering Digester Cleaning Disposal
All your Residuals Management Needs**

Suite F
602 NE 3rd Avenue
Camas, Washington
98607 USA
Toll Free: 866-960-1480
Phone: 780-960-1480
Fax: 780-960-1484

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date D/ July 8, 2008

BIDDER INFORMATION:

1151
1152
1153
1154
1155
1156
1157
1158

Company Name: American Process Group Inc.
Federal ID No.: 98-0445155
Mailing Address: 602 NE 3rd Avenue, Suite F
City, State, Zip Code: Camas, WA 98607
Complete Telephone Number: 780-960-1480
Complete Fax Number: 780-960-1484

1159
1160
1161
1162
1163
1164
1165
1166

Contact Person/Title: Doug Van Der Veen - Vice President
Mailing Address: 207, 95 McLeod Ave
City, State, Zip Code: Spruce Grove, Alberta, T7X 2Z6 Canada
Complete Telephone Number: 780-960-1480
Complete Fax Number: 780-960-1484
E-mail Address: dvanderveen@amprocessgroup.com

1167
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Carson City Municipal Code Section 4.04.010 requires that any business operating within Carson City is required to be in possession of a valid Carson City business license. Be advised that upon award of a contract by Carson City, you must either have a current business license or an exemption letter from the Carson City Development Services Department before commencing business. However, possession of said license is not a prerequisite for bidding.

1174
1175
1176

If Bidder has a valid Carson City Business License, please provide number:

1177
1178
1179
1180
1181

Bidder does not have a valid Carson City Business License. Bidder contacted a representative of the Carson City Development Services Department at 775-887-2105 and has been informed that Bidder does need a Carson City Business License for this **REQUEST FOR BID**. Bidder certifies that he will obtain a Carson City Business License if awarded this **REQUEST FOR BID**.

1182
1183
1184

Signature  Date July 8, 2008

1185
1186
1187
1188
1189

Bidder does not have a valid Carson City Business License. Bidder certifies that he has spoken to _____ a representative of the Carson City Development Services Department at 775-887-2105 and has been informed that Bidder does not need a Carson City Business License for this **REQUEST FOR BID**.

1190
1191

Signature _____ Date _____

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date

D/July 8, 2008

1192 **DISCLOSURE OF PRINCIPALS:**

1193

1194 **Individual and/or Partnership:**

1195

1196 Owner 1) Name: _____

1197 Address: _____

1198 City, State, Zip Code: _____

1199 Complete Telephone Number: _____

1200

1201 Owner 2) Name: _____

1202 Address: _____

1203 City, State, Zip Code: _____

1204 Complete Telephone Number: _____

1205

1206 Other 1) Title: _____

1207 Name: _____

1208

1209 Other 2) Title: _____

1210 Name: _____

1211

1212 **Corporation:**

1213

1214 State in which Company is incorporated: Delaware

1215 Date Incorporated: October 26, 2004

1216 Name of Corporation: American Process Group Inc.

1217 Address: 602 NE 3rd Avenue, Suite F

1218 City, State, Zip Code: Camas, WA, 98607

1219 Complete Telephone Number: 780-960-1480

1220

1221 President's Name: John Prince

1222

1223 Vice-President's Name: Doug Van der Veen

1224

1225 Other 1) Name: Doug Van der Veen

1226 Title: Secretary, Treasurer

1227

1228 Other 2) Name: _____

1229 Title: _____

CARSON CITY PURCHASING & CONTRACTS

BID RESPONSE

Bidder's initials & date

D/July 8, 2008

1230 If Bidder responds NO to any of the following questions, Bidder must use the
1231 EXCEPTION SUMMARY document to record any deviations, modifications, and/or
1232 alternates proposed to this REQUEST FOR BID. Failure to do so may be justification
1233 for rejection of the BID RESPONSE. Bidder must indicate the title of document from
1234 the top of the page, the page number from the bottom of the page, the item number
1235 corresponding to the item, and a detailed description of the deviation, modification,
1236 and/or alternate. Failure to note deviations, modifications, and/or alternates on the
1237 EXCEPTION SUMMARY shall be interpreted to convey that Bidder will perform in the
1238 manner described and/or specified in this REQUEST FOR BID.

1239
1240 Bidder has read the SPECIFICATIONS and certifies that the product(s) and/or service(s)
1241 proposed meets or exceeds the requirements of this **REQUEST FOR BID**.

1242 Yes No

1243
1244 Bidder has provided "Exhibit A" – a written confined space policy and training certificates
1245 and documents of employees involved in the cleaning of the digesters with the bid
1246 response.

1247 Yes No

1248
1249 Bidder has read and understands the Specification Requirements for this service.

1250 Yes No

1251
1252 Bidder agrees that the **CONTRACT TERM** shall be for One Hundred Twenty (120) ~~years~~ days
1253 from date of award by the Carson City Board of Supervisors.

1254 Yes No

1255
1256 Bidder guarantees the pricing for the term of the contract.

1257 Yes No

1258
1259 Bidder agrees that should he fail to deliver the product(s) and/or perform the service(s) bid
1260 in accordance with this **REQUEST FOR BID**, Carson City may declare Bidder in default
1261 of contract and recover all damages, costs and fees (including Attorney's fees) allowable by
1262 law.

1263 Yes No

1264
1265 Bidder agrees that in the event of default by Bidder, Carson City may, at its option, pursue
1266 one or all of the following alternatives including: procure the product(s) and/or service(s)
1267 from another source and hold the defaulting Bidder responsible for an excess cost
1268 occasioned thereby, assess a penalty of 5% of the total awarded bid amount, commence
1269 with Surety and/or Performance Bond proceedings, debar the defaulting Bidder for not less
1270 than one year, or pursue other applicable legal remedies.

1271 Yes No

272

CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE

Bidder's initials & date D. J. 8/2008

1273 Bidder agrees that if necessity requires the use of materials or supplies not conforming to
1274 the **SPECIFICATIONS**, they may be accepted and payment shall be made at a proper
1275 adjustment in price.

Yes No

1276
1277
1278 Bidder has read and agrees to abide by the **TERMS AND CONDITIONS** of this
1279 **REQUEST FOR BID.**

Yes No

1280
1281
1282 Bidder has provided "Exhibit B" - All addenda must be signed and placed in date and time
1283 order.

Yes No Not Applicable

1284
1285
1286 Bidder has provided "Exhibit C" - **BID RESPONSE** additional space on company
1287 letterhead.

Yes No Not Applicable

1288
1289
1290 Bidder has provided "Exhibit D"- Supplemental materials.

Yes No Not Applicable

1291
1292
1293 Bidder agrees that all billings for dates of service prior to July 1 must be submitted to
1294 Carson City no later than the first Friday in August of the same year; that a billing submitted
1295 after the first Friday in August will subject Bidder to an administrative fee not to exceed
1296 \$100.00; and that this amount will be deducted from the stale claim payment due to Bidder.

Yes No

1297
1298
1299 **CASH DISCOUNT** of 0 % may be taken in addition to the price(s) stated for the
1300 terms of _____ calendar days. Prompt payment discounts will be considered in award
1301 recommendation only if discount period is fifteen (15) or more calendar days. Discount
1302 period will be computed from the date Carson City acknowledges that the delivery and/or
1303 performance meets the requirements of this **REQUEST FOR BID** or from the date the
1304 correct invoice is received by the appropriate Carson City department/division accounts
1305 payable clerk, whichever is the latter date. Payment is deemed to be made on the date
1306 payment is mailed to Bidder.

1307
1308 Bidder has read and agrees to abide by the **INSURANCE REQUIREMENTS** for
1309 Commercial General Liability Insurance, Business Automobile Liability Insurance, and
1310 Workers' Compensation and Employer's Liability Insurance for this **REQUEST FOR**
1311 **BID.**

Yes No

1312
1313
1314 Bidder has provided "Exhibit E" - **EXCEPTION SUMMARY** additional space on company
1315 letterhead.

Yes No Not Applicable

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date DJH 8/2/08

1317

1318

MASTERCARD ACCEPTANCE. Bidder agrees to accept MasterCard as a form of payment under this Contract at no additional cost to Carson City.

1319

1320

Yes No

1321

1322

PRICING SUMMARY

1323

1324

LUMP SUM UNIT PRICE in figures:

1325

\$ 171,279.38

1326

1327

1328

LUMP SUM UNIT PRICE in words:

1329

one hundred and seventy one thousand, two hundred and seventy nine and 38 /100 dollars

1330

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date DJ July 8, 2008

1331 **ACKNOWLEDGMENT AND EXECUTION:**

1332 Province
1333 **STATE OF** Alberta)
1334 City) **SS**
1335 **COUNTY OF** Spruce Grove)
1336

1337 I, Doug Van der Veen (Name of party signing this **BID**
1338 **RESPONSE**), do depose and say: That I am the Bidder or authorized agent of the Bidder;
1339 and that I have read and agree to abide by this **REQUEST FOR BID** which includes the
1340 following documents: **NOTICE TO BIDDERS**, **SPECIFICATIONS**, **TERMS AND**
1341 **CONDITIONS**, and **BID RESPONSE**.
1342

1343 **BIDDER:**

1344 **PRINTED NAME OF BIDDER:** Doug Van der Veen
1345 **TITLE:** Vice President
1346 **FIRM:** American Process Group Inc.
1347 **Address:** 602 NE 3rd Avenue, Suite F
1348 **City:** Camas
1349 **State / Zip Code:** WA 98607
1350 **Telephone Number:** 780-960-1480
1351 **Fax Number:** 780-960-1484
1352 **E-mail address:** dvanderveen@amprocessgroup.com

1353 [Signature]
1354 _____

(Signature of Bidder)

1355 **DATED** July 8, 2008
1356 _____
1357

1358
1359 Signed and sworn (or affirmed) before me on this 8 day of July, 2008,
1360 by Doug Van der Veen
1361 _____

1362 [Signature]
1363 _____
1364 (Signature of Notary)

TYLER M. PEROZNI
Barrister & Solicitor

(Notary Stamp)

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date D/July 8, 2008

1369 **EXCEPTION SUMMARY INSTRUCTIONS:**

1370
1371 Use this document to record any deviations, modifications, and/or alternates proposed to
1372 this **REQUEST FOR BID**. Failure to do so may be justification for rejection of the **BID**
1373 **RESPONSE**. Bidder must indicate the line number corresponding to the item and a detailed
1374 description of the deviation, modification, and/or alternate. Failure to note deviations,
1375 modifications, and/or alternates on the **EXCEPTION SUMMARY** shall be interpreted to
1376 convey that Bidder will perform in the manner described and/or specified in this
1377 **REQUEST FOR BID**.

1378
1379 If additional space is required, use company letterhead and mark as "Exhibit E".
1380

1381 If there are no deviations, modifications, and/or alternates proposed to this **REQUEST**
1382 **FOR BID**, write "None".

1383
1384 None
1385 _____
1386 _____
1387 _____
388 _____
1389 _____
1390 _____
1391 _____
1392 _____
1393 _____
1394 _____
1395 _____
1396 _____
1397 _____
1398 _____
1399 _____
1400 _____
1401 _____
1402 _____
1403 _____
1404 _____

1405
1406 *** * * END OF BID RESPONSE * * ***
1407



American Process Group

“Exhibit A”

CONFINED SPACE ENTRY AND WORK PROGRAM

Version 2.1

Revised February 27, 2007

I PURPOSE

The multiple hazards associated with entering and working in confined spaces are capable of causing bodily injury, illness and death to the worker. Some work tasks performed by American Process Group are performed in areas that meet the Occupational Health and Safety (OH&S) or OSHA definition of confined spaces. Confined spaces can become unsafe as a result of any of the following conditions:

1. Contains or has the potential to contain a hazardous atmosphere.
2. Contains material that has a potential for engulfment of the entrant.
3. Has an internal configuration such that entrants can be trapped or asphyxiated.
4. Contains any other recognized serious safety or health hazard.

This program/directive prescribes the minimum requirements for safe entry, work and exit from vessels that meet the definition of confined spaces and the procedure for preventing employee exposure to any of the hazards noted above.

II SCOPE

This program applies to all American Process Group locations and all personnel that would have reason to enter containers that meet the OH&S or OSHA definition of confined spaces. This program is intended to conform to the requirements of:

- Canadian British Columbia Workers Compensation Act OH&S Regulations Part 9, Confined Spaces
- Canadian Alberta OH&S Code Part 5, Confined Spaces
- Canadian Ontario OH&S Regulation Part II.1, Confined Spaces
- US Federal OSHA rules and regulations given by 29 CFR, Parts 1910.146, Permit Required Confined Spaces and,
- US California Cal/OSHA requirements given by California Code of Regulations, Title 8 CCR, Article 108, sections 5156 through 5158.

III DEFINITIONS

The following definitions of terms used in this directive are taken from the Provincial OH&S and Federal OSHA rules and regulations:



Acceptable Entry Conditions - The conditions that must exist in a permit required confined space to allow entry and to ensure employees involved with entry can safely enter into and work within the space.

Attendant - An individual stationed outside one or more permit required spaces who monitors authorized entrants and who performs all attendant's duties assigned by the program.

Authorized Entrant - A person who is authorized by the employer to enter a permit required confined space.

Confined Space (British Columbia OH&S) - A space that concurrently has the following conditions:

1. is enclosed or partially enclosed,
2. is not designed or intended for continuous human occupancy,
3. has limited or restricted means for entry or exit that may complicate the provision of first aid, evacuation, or other emergency response service, and
4. is large enough and so configured that a worker could enter to perform assigned work.

Confined Space (Alberta OH&S) - "confined space" means an enclosed or partially enclosed space that is not designed or intended for continuous human occupancy with a restricted means of entry or exit and may become hazardous to a worker entering it because:

1. of its design, construction, location or atmosphere,
2. of the work activities, materials or substances in it,
3. the provision of first aid, evacuation, rescue or other emergency response service is compromised, or
4. of other hazards relating to it.

Confined Space (Ontario OH&S) - "confined space" means a fully or partially enclosed space:

1. that is not both designed and constructed for continuous human occupancy, and
2. in which atmospheric hazards may occur because on its construction, location or contents or because of work that is done in it.

Confined Space (Fed & Cal OSHA) - A space that has all three of the following conditions:

1. Is large enough and configured such that an employee can bodily enter and perform work; and
2. Has limited openings for entry or exit; and
3. Is not designed for continuous employee occupancy.

Entry - Occurs as soon as any part of the entrant's body breaks the plane of an opening into the space.



Entry Permit - The written or printed document that is provided by the employer to allow and control entry into a permit required space.

Entry Supervisor - The person responsible for determining if acceptable entry conditions are present at a permit required space for authorizing overseeing and terminating an entry. Note: An entry supervisor may also serve as an attendant or authorized entrant as long as they are trained and equipped for the role filled.

Hazardous Atmosphere - An atmosphere that may expose employees to the risk of death, incapacitation, impairment of the ability for self rescue, injury or acute illness from any one of the following:

1. Flammable gas, vapour or mist in excess of 10% of its lower flammable limit (LFL) (also known as lower explosive limit – LEL).
2. Airborne combustible dust at a concentration that meets or exceeds its LPL.
3. Atmospheric oxygen concentration below 19.5% or greater than 23%.
4. Atmospheric concentrations of any substance for which its permissible exposure limit (PEL) is exceeded. (The PEL for H₂S is 10 PPM and for CO is 35 PPM) If other atmospheric substances have the potential to be present, information must be gathered and noted on the permit prior to entry being authorised.

Non-Permit Required Confined Space (N-PRCS) - A confined space that does not contain or have the potential to contain any hazard capable of causing death or serious physical harm.

Permit Required Confined Space (PRCS) - A confined space that has one or more of the following characteristics:

1. Contains or has the potential to contain a hazardous atmosphere.
2. Contains a material that has the potential for engulfment.
3. Has an internal configuration such that an entrant could be trapped or asphyxiated.
4. Contains any other serious safety or health hazard.

Permit System - The employers written procedure for preparing, issuing and terminating permits for entry into PRCS.

Tending Worker – See Attendant

Testing - The process by which hazards that may confront entrants of a PRCS are identified and evaluated. Testing includes specifying the test to be performed. Testing must determine if acceptable entry conditions are present immediately prior to and during entry.



IV GENERAL REQUIREMENTS

The following are General Requirements at all American Process Group sites where Confined Spaces are deemed to exist.

1. Each American Process Group locations management is required to evaluate through testing, as specified in this procedure, the vessels at their workplace to determine if any confined spaces are PRCS.
2. All American Process Group project confined spaces are to be considered PRCS until demonstrated otherwise through testing.
3. If any containers or vessels that are identified as PRCS, they shall be posted with a sign that reads **☐DANGER – CONFINED SPACE, ENTER BY PERMIT ONLY☐**. This posting shall be at every opening to the vessel or the ladder/stairway leading to the opening.
4. The location manager will also inform all potentially exposed employees of this condition and post a general awareness sign that the location has PRCS present.
5. No source of ignition (welding/cutting etc.) shall be allowed until a responsible person has assured that an explosive atmosphere does not exist.
6. Any contractor's employees that may have potential for exposure will be fully informed of hazards. Contractor's employees will not be allowed entry into PRCS unless they do so in accordance with an OH&S or OSHA compliant PRCS entry program.
7. If no entry into the PRCS is planned the location manager will assure effective measures exist to prevent unauthorized entry.

V PRE ENTRY PRECAUTIONS

1. A responsible person will determine the type of product that the confined space previously contained, the amount of residual product, and the physical condition of the space. Previous product determination will benefit in establishing if abnormal testing provisions are required. MSDS Sheets will be reviewed for the contained product (if available).
2. A **Hazard Assessment** will be fully completed as per Section 2 of APG's Health & Safety Manual to determine and document the existing or potential hazards.
3. All involved employees will have had training in Confined Space Entry and Rescue, and must be familiar with Hazard Assessment and must be knowledgeable in the rescue and emergency services provisions of this program.
4. Prior to Entry, all sources of potential hazards to the confined space must be locked out, or addressed on the Entry Permit.



5. Prior to Entry into the Confined Space, a Safety meeting will be held specifically to discuss the confined space. The Hazard Assessment shall be reviewed and all employees will be made aware of any existing or potential hazards, any controls that are in place to mitigate these hazards, required personal protective equipment, and the rescue plan.

VI ENTERING CONFINED SPACES

Due to the nature of American Process Group's work, all confined spaces will be considered Permit Required Confined Space. The following steps are required:

- A. Prevent unauthorized entry.
- B. Identify and evaluate all hazards before entry using a Hazard Assessment.
- C. Develop the means for safe entry by:
 1. Specifying acceptable entry conditions.
 2. Isolate the space by locking out and isolating sources of potential hazards.
 3. Attempting to eliminate or control the hazard if possible.
 4. Protect the entrants from external hazards.
 5. Verifying that acceptable entry conditions are present before entry.
- D. Provide the following adequate equipment:
 1. Atmosphere Testing and Monitoring.
 2. Ventilation.
 3. Communication
 4. Personal Protective.
 5. Lighting.
 6. Barriers.
 7. Ladders required for ingress and egress
 8. Fall Protection
 9. Rescue/Emergency except those provided by rescue services identified.
 10. Other as required.
- E. Evaluate the Atmosphere of the space as follows:
 1. Test prior to entry in the specified sequence and for the specified levels.
 2. Monitor to assure acceptable conditions are maintained.
- F. Provide Attendant.
- G. Designate the following and identify the duties of each:



1. Entry Supervisors.
 2. Authorized Entrants.
 3. Attendants (Tending Workers).
 4. Testers.
- H. Identify procedure for summoning rescue services and preventing unauthorized entrants.
- J. Implement the Entry Permit system.
- K. Assure co-ordination is planned if multiple employers are involved.
- L. Terminate Entry Permit at completion.
- M. Post review operation for any problems.
- N. Audit all Entry Permits within 12 months.

VI ENTRY PERMIT

The Confined Space Entry Permit (see attachment B) will be completed as follows and posted at entry portal:

1. Location and Description of Confined Space - Identify which vessel or container the permit is designated for by container number, or other identifiable feature.
2. Purpose of Entry - State why this entry is being conducted.
3. Scheduled Start & Finish - Identify what timeframe this permit is valid for. Note: The duration of permit authorization can not exceed the required time to complete the assigned work, nor can. An existing permit should be cancelled at the end of the shift, and a new permit should also be completed at the start of the new shift.
4. Entry Supervisor - Name the individual who is currently serving as entry supervisor. Also identify, if different from the current entry supervisor, the supervisor who originally authorized entry. Note: All entry supervisors will have received the appropriate training.
5. Authorized Entrants - Name the people who are authorized to enter and currently inside the space. Note: All authorized entrants will have received their appropriate training.
6. Attendant/Tending Worker - Name the individual who is currently serving as attendant. Note: All attendants will have received the appropriate training.



7. Rescue Personnel and Contact Info – Specify who the rescue workers are and contact information including means for contacting the Rescue Team.
8. Potential Hazards and Pre-Entry Authorization – Select possible Hazards as per those identified in the Hazard Assessment. Include any remarks as required.
9. Required Safety Precautions - Evaluate and identify any safety precautions needed to protect the entrants from any hazards. This can include lockout/tagout, flushing, purging, inerting, and other safety precautions and equipment.
10. Required Personal Protective Equipment – Select what PPE is required for the entry (including that which may be on standby for a rescue).
11. Signature of Entry Authority – After completion of Page 1 it must be signed by the Entry Supervisor to ensure that all Hazards are identified and all required safety precautions are included.
12. Entry and Safety Procedures Qualifications – All entrants, tending workers, and the Entry Supervisor must sign prior to entry.
13. Air Monitoring Device Information – Include Information on the Air Monitoring Device being used.
14. Air Monitoring Results - Record all test results and who took them. Note: All testers will have received the appropriate training.
15. Permit Authorization – Once all the necessary information is on the permit, the Entry Supervisor must sign, date and include the time for the permit to be valid.
16. Permit Cancellation – Once the work is completed, or the permit has expired as per the finish time on Page 1, the Entry Supervisor must sign to indicate that the permit is cancelled.

VII TRAINING

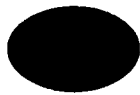
1. All affected employees will be trained to assure the effective completion of their duties:
 - A. Prior to initial assignment of duties.
 - B. Upon changing of assigned duties to responsibilities untrained for.
 - C. Upon awareness of deviations from proper completion of duties due to inadequate knowledge.
2. Training of employees will be certified and available for review by employees. Trainer's names and dates of training will be recorded.



3. Training will include:
 - A. General and Specific to this workplace the hazards associated with confined workspaces.
 - B. Personal Protective Equipment use and limitations.
 - C. The Permit System specified in this program.
 - D. Rescue and Emergency Response Plans specified in this program.
 - E. Air contaminant symptoms of overexposure.
 - F. Test Equipment
 - G. Communication Equipment.
 - H. CPR and First Aid
 - I. Evaluation of training effectiveness by either verbal or written means.

VIII DUTIES & RESPONSIBILITIES

1. Entry Supervisor:
 - A. Have knowledge of hazards and the mode, signs, symptoms and consequences of exposure and behaviour effects possible.
 - B. Verify the Entry Permit was fully and correctly completed and all actions taken before signing and authorizing entry.
 - C. Terminates entry and cancels permit per prescribed dates and time.
 - D. Verifies rescue and emergency services are available if required.
 - E. Removes unauthorized personnel.
 - F. Assure consistency of compliance over shifts, times or changed authorized personnel.
 - G. Assure container is structurally safe for entry and work to be performed.
 - H. Assure Personnel Protective Equipment is proper for the hazards present and that they are in good working condition.
2. Authorized Entrants:
 - A. Have knowledge of hazards and the mode, signs, symptoms and consequences of exposure.
 - B. Have Proper knowledge of use of PPE.
 - C. Communicate with attendant.
 - D. Alert attendant if:
 1. Entrant recognizes any signs or symptoms.
 2. Detects a prohibited condition.
 - E. Exit immediately if:
 1. Ordered to do so by attendant or entry supervisor.
 2. Entrant recognizes any signs or symptoms.
 3. Detects a prohibited condition.
 4. Alarm is activated.



3. Attendants (Tending Workers):
 - A. Have knowledge of hazards and the mode, signs, symptoms and consequences of exposure and behaviour effects possible.
 - B. Continuously monitors count and presence of authorized entrants.
 - C. Remain outside until relieved by another attendant.
 - D. Communicates with entrants.
 - E. Monitors activities inside and outside of space to assure a safe operation and orders evacuation immediately if:
 1. Attendant recognizes any signs, symptoms or behavioural effects.
 2. Detects a prohibited condition.
 3. Attendant can effectively perform his duties.
 - F. Summons rescue or emergency services if required.
 - G. Keeps unauthorized personnel away from the confined space.
 - H. Notify entry supervisor if emergency situation take place.
 - I. Performs non-entry rescue actions as specified.

IX RESCUE

1. Use of Outside Rescue Services

Employers have the option of training their own employees in rescue and emergency situations that require entry, or to summon rescue and emergency services. American Process Group's pledge is to summon outside rescue services immediately in an emergency situation, then proceed with a rescue using site personnel, provided all precautions can be taken to perform the rescue safely. Whenever possible, American Process Group will work with outside rescue service as a proactive approach and will endeavour to take the following actions:

- A. Whenever possible, invite the outside rescue service to our locations to become informed of the nature of our spaces and potential hazards they might encounter.
- B. Make available to the service our facilities for planning and practice rescue operations.

2. Non-Entry Rescue

To facilitate non-entry rescue by American Process Group personnel, retrieval systems or methods shall be used whenever authorized entrants enter a permit required space. These retrieval systems will include:

- A. For side entry (less than 3.5 feet from the ground):
 - I. Class II chest harness may be used with a quick release catch, which permits escape in case of lifeline fouling.



II. The lifeline shall be a least ½” diameter and have a 2,000 lb. Test rating.

B. For top entry (greater than 3.5 foot drop):

- I. Class III, full body safety belt harness of the parachute type that suspends a person in an upright position shall be used.
- II. The lifeline shall be a least ½” diameter and have a 2,000 lb. test rating.
- III. A mechanical device or fixed point outside the permit space will be available so that it can be utilized to extract the entrant as soon as a rescue is necessary.

3. Entry Rescue

Should it not be possible to rescue the entrant(s) using a Non-Entry Rescue. Personnel trained in the rescue of personnel from a Confined Space can then enter the space provide that all necessary safety precautions are taken. These precautions include:

- A. Assessment of the hazard that has necessitated the rescue.
- B. Ensure other personnel are not put at risk by performing the rescue
- C. Use of Specialized PPE (Supplied Air, or Self Contained Breathing Apparatus)

Remember, by rushing into a rescue without first assessing the hazards you are putting yourself, and your co-workers at additional risk.

4. The MSDS documentation for anticipated hazards or other written information shall be available at the work site and made available to medical or emergency services.

X EQUIPMENT

1. Personal Protective Equipment:

A. For entry into hazardous atmospheres, authorized entrants will be supplied:

- I. Positive pressure Supplied Air Breathing Apparatus (SABA) or Self Contained Breathing Apparatus (SCBA).
- II. Hard hat
- III. Gloves
- IV. Eye protection
- V. Boots
- VI. Impervious clothing as required by the nature of the residues or contaminants.
- VII. Class III, full body safety belt harness of the parachute type that suspends a person in an upright position shall be used.



- B. For entry into non-hazardous atmospheres, authorized entrants will be supplied:
 - I. Respirators that protect from dust, rust and fumes at 10x the Permissible Exposure Level (If required).
 - II. Hard hat
 - III. Gloves
 - IV. Eye protection
 - V. Boots
 - VI. Impervious clothing as required by the nature of the residue contaminants.
 - VII. Class III, full body safety belt harness of the parachute type that suspends a person in an upright position shall be used.
- C. Rescue Equipment will be kept available and proximate for use should a rescue situation arise. The following equipment will be available:
 - I. Self Contained Breathing Apparatus
- D. All Personal Protective Equipment shall be used and maintained as per the manufactures recommendations and specifications.

2. Illumination

Temporary lighting shall be used within the confined space to ensure that the work tasks can be carried out in a safe manner. The following shall be applied in the selection and use of temporary lighting:

- A. Temporary lighting shall be approved for use in Class 1, Division 1 or Zone 0, and Group D atmospheres.
 - B. Extension cords shall be equipped with connectors or switches approved for hazardous locations.
 - C. Bulbs shall be adequately guarded to prevent breakage.
 - D. Lights shall not be suspended by electrical cords unless clearly designed for this.
 - E. Condition of lights and cords shall be inspected prior to use.
 - F. Care shall be taken to ensure they are located to avoid damage.
3. Portable Gas Monitor

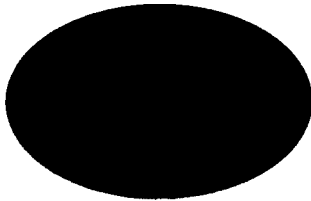
Multi gas monitors will be used for assessing the atmosphere within the confined space to determine if hazards exist. The following shall be applied in the selection and use of these monitors.

- A. Monitor will have direct read capabilities.
- B. Minimum capabilities will be the detection of:
 - I. Oxygen concentration.
 - II. Combustible Gas concentration.



- III. Hydrogen Sulfide concentration.
 - IV. Carbon Monoxide concentration.
 - C. Sampling Pump and Tubing will also be available to enable external remote sampling.
 - D. Bump Test Gas will be available for every pre-entry test and during periodic testing. Specifications of gas are:
 - I. 25% LFL Methane.
 - II. 75 ppm Hydrogen Sulfide.
 - III. 200 ppm Carbon Monoxide.
 - IV. 15% Oxygen
 - E. Gas Monitoring Equipment will be used, maintained and calibrated according to the manufactures recommendations.
4. Ventilation Equipment

Ventilation Equipment shall be used continuously while the space is occupied to ensure that the space contains clean reparable air. These shall be positive pressure systems where they blow air into the confined space. Exhaust outlet openings should be provided at opposite ends of the vessel from where the inlets are. Avoid short circuiting the confined space where the incoming air can exit the vessel while not scouring air from the majority of the areas within the confined space.



**American
Process
Group Inc.**

Suite F
602 NE 3rd Avenue
Camas, Washington
98607 USA
Toll Free: 866-960-1480
Fax: 780-960-1484

“Exhibit C”

July 8, 2008

**Carson City Purchasing and Contracts
201 N. Carson Street, Ste 11
Carson City, Nevada 89701**

**RE: CARSON CITY WASTE WATER RECLAMATION PLANT DIGESTER
CLEANING REQUEST FOR BID #0809-065**

Scope of Work

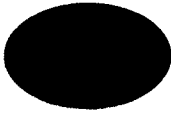
The scope of work for this project is to provide all labour, materials, supplies, and equipment to clean and dewater a maximum 150,000 gallons of solids from each of 2 existing digesters at the Carson City Waste Water Reclamation Plant in Carson City, Nevada.

All dewatered material will be transported and disposed to a permitted landfill by Carson City. All bins for disposal will be provided by Carson City.

Process Description – Digester Material Pump & Dewater

APG plans to remove the material from the digester with a submersible, high volume, diesel over hydraulic pump. Water will be added to slurry the material so that it is pumpable. Once the level is drawn down to where it is safe, a Hose Person will enter the digester to better slurry the material and wash it to the pump using a high-pressure nozzle.

The slurry will transport through a 6-inch pipe and will discharge into a screening tank. The screening portion of the tank will remove a large portion of hair and debris. The screening tank will serve as a process buffer between the pumping and the dewatering to allow for optimization of both. The screening tank is agitated to keep the slurry consistent. The slurry will be drawn from the screening tank and pumped to the centrifuge via a variable frequency drive (VFD) driven feed pump at 200 – 250 gallons per minute. The variable frequency drive allows for regulated speed control of the feed pump and therefore variable pumping rate to the centrifuge. Each centrifuge has its own feed pump to allow for process optimization of each centrifuge individually.



The polymer makedown system allows for the mixing and hydration of the polymer flocculent that will be used to aid the separation process. The hydrated and aged polymer is metered using a VFD driven positive displacement pump. The VFD permits the precise flow regulation of the polymer so that the correct dose is added for optimal separation while minimizing waste.

The slurry and polymer flow will both be measured using magnetic flow meters and the polymer will be added to the slurry with a static in-line mixer to blend the two. The polymerized slurry will then be injected into the centrifuge where the separation will take place.

The centrifuge has two main elements, a bowl that provides the mechanical separation and a scroll conveyor inside the bowl that augers the solids portion to the solids discharge end of the machine. The scroll conveyor is coupled through a planetary gearbox to the backdrive motor. The bowl motor and backdrive motor are both VFD driven. For the bowl this means that the amount of separation force, or "G" force is controllable by varying the bowl speed. Varying the backdrive speed controls how quickly the material is augered out of the bowl, which is used to achieve a balance of optimum cake dryness and polymer dosage.

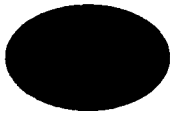
All of American Process Group's centrifuges are controlled with an industry leading, in-house developed control system. This system incorporates all functions of the centrifuge and intelligently controls pumping rates of slurry and polymer, backdrive motor speed and other process elements based on operator input. With this system, APG can maximize centrifuge throughput, cake dryness, and capture while minimizing polymer dosage.

The cake or solids portion will then be conveyed into trucks or bins provided by Carson City for transportation and disposal at a permitted landfill. The centrate or liquid portion will exit out the opposite end of the centrifuge and will drain by gravity into a centrate tank. It will then be pumped to a manhole near the setup area as specified by Carson.

American Process Group anticipates a cake dryness of greater than 28% (wt/wt) on average. We anticipate a solids capture of 98%+.

Process Description – Digester Cleaning

The cleaning of the digester will occur while the pumping & dewatering operation is progressing. Once the Hose Person is inside the tank he/she will wash the roof and walls as he/she is washing the material to the pump. In this manner, the material that is washed off the interior walls and pipes will be removed from the digester with the other contents.



Production Estimated, Schedule & Personnel On-Site

Based on our estimates the project will require a total of 3 to 4 days of processing to remove the 150,000 gallons of solids from each digester. Three days of standby are included as directed by Carson City so the city can pump down the second digester before APG can begin work for a total of 10 – 11 total working days. Additional days include 2 days of mobilization, and 2 days of demobilization of equipment and personnel.

American Process Group proposes to operate 10 hours per day, 6 days per week. This 10-hour shift will consist of one Centrifuge Technician, one Pump Technician, one Hose Person and one Safety Attendant. The Centrifuge Technician will also be acting as APG's Project Manager and will be available 24 hours per day by phone. This Project Manager will act as APG's on-site representative to the Owners Project Manager.

Safety & Environmental

Safety is of great concern to American Process Group. All personnel are trained in First Aid, H₂S Alive, WHMIS, and Confined Space Entry & Rescue. We comply with the latest OSHA safety standards as well as the workers compensation board and any other local jurisdictions in place where the work will be performed.

For digester tank entry, APG will follow its confined space entry program, which complies with all safety standards. SCBA air packs will be available in the event of an emergency. A 4-gas monitor will be used by the safety attendant to monitor the air quality inside the digester. The Electrical building will contain a fire extinguisher and a first aid kit will be kept in the on site office. While on site, all personnel will wear proper Personal Protective Equipment including steel toe boots, hardhat, and safety glasses with side shields. All personnel will also be in constant, two-way radio contact with the dewatering site crew.

Power Requirements

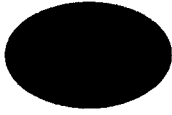
American Process Group requires a 300-Ampere, 480 Volt, 60 Hz, three phase service. It is represented that Carson City will provide enough power and hookup connection for APG's power cable.

Water Requirements

American Process Group will require water at 100 - 150 USGPM, 50 psi for washing the interior of the digesters and for our polymer make down. It is represented that #3 water from a plant fire hydrant is available at 85 – 90 psi and at no charge to APG.

Residuals Management

Digester Cleaning * Lake Remediation * Dewatering * Dredging * Disposal * Lagoon Cleaning * Pumping



Equipment

The following equipment will be provided and operated by American Process Group to execute the project.

- One (1) HDC 970 Mobile Centrifuge
- One (1) Electrical Distribution Building with Advanced Centrifuge Control Technology
- One (1) Centrifugal Slurry Feed Pump
- One (1) Positive Displacement Polymer Injection Pump
- One (1) Centrifugal Centrate Discharge Pump
- One (1) Polymer Make Down System
- One (1) Static In-Line Mixer
- One (1) Screening Tank
- One (1) Screening unit
- One (1) Centrate Tank
- One (1) 6-inch High Volume Digester Pumping System
- One (1) 3-inch Magnetic Flowmeter
- One (1) 2-inch Magnetic Flowmeter
- One (1) Moisture Analyzer
- 500-feet 6-inch pipe
- One (1) Full Equipped Tool Crib
- Safety Equipment

Pricing Information

See Bid form for pricing. Included in lump sum price is the following:

Mobilization

Supply of Personnel, material, and equipment for project setup.

This includes:

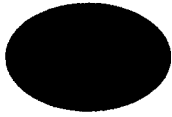
- Travel costs, lodging, and expenses for personnel.
- Transportation costs for all APG equipment

Digester Pumping and Dewatering

Processing will include supply of equipment as per above list and personnel to perform the solids material dewatering of a maximum 300,000 gallons of solids in two digesters. This includes the cost of polymer flocculent

Move-over

Supply of personnel and materials to move equipment to the second digester for cleaning.



Demobilization

Supply of Personnel, material, and equipment for project teardown.

This includes:

- Travel costs, lodging, and expenses for personnel.
- Transportation costs for all APG equipment

Additional Costs not included in Lump Sum:

Adder Rate (Volumes over 300,000 gallons) (per gallon).....\$0.293
This rate would apply for any volume over 300,000 gallons total.

Standby Rate (Hourly):.....\$443.79
This would include any process interruptions that are not the fault of American Process Group, caused by Carson City or any other Plant contractors.

Bid Terms, Taxes and Currency

APG will invoice at the end of each month based on the progress of the digester. Should the digester be completed mid month, the invoice will be sent at the conclusion of demobilization for that digester. All invoices are due net 30 days.

Any Applicable Local, State or Federal Taxes are not included in this quotation.

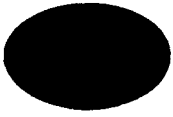
This response is priced in US Dollars.

Management Team Experience

Mr. John Prince – President

John has over 17 years experience in the residuals industry. Since October 2004, John has been acting President of American Process Group. John is also a founding Principal of APG. Prior to APG, the majority of his experience was achieved while working at a similar multinational Residuals Management company where John quickly progressed through the operations ranks and upon his departure, he held the position of Senior Project Manager which he held for 4 years. In his years of service he has managed or operated at more than 45 dredging and dewatering projects and more than 15 digester cleaning and dewatering projects.

As John has managed a large number of digester cleaning projects, including transportation and disposal (both landfill and land application), he has vast knowledge in project execution as well as dealing with government on all levels and in different



geographical areas for land application permits and the like. He is well versed on safety (e.g. confined space entry & rescue, OSHA) and environment (e.g. permitting, spill response).

Mr. Doug Van der Veen, P.Eng.- Vice President

Doug is a graduate Professional Engineer from the University of Alberta. He has over 12 years of experience in the residuals management industry. Doug has been acting Vice President of American Process Group since its inception in October 2004. Like John, Doug is also a founding Principal of APG. He also gained the majority of his experience prior to APG while working for a similar multinational Residuals Management Company. While there, Doug was originally responsible for all electrical power and control systems for the centrifuges and ancillary equipment, including extensive research and development of advanced centrifuge control systems. He progressed to being involved in and eventually responsible for all aspects of equipment design and maintenance including mechanical and process for both mobile applications and fixed dewatering facilities. He also has operation experience on a variety of projects.

Mr. Bryan Carroll – Business Development

Bryan has 15 years of experience in the wastewater residuals industry developing dredging, dewatering, transportation, and beneficial reuse projects for municipal and industrial by-products. Bryan has been in charge of APG's Oregon sales office since February 2006. Previous to this, Bryan worked for a multinational Residuals Management Company providing dewatering and lagoon dredging Business Development services and prior to that worked for a beneficial reuse company in Oregon that focused on the beneficial reuse of municipal and industrial by-products through land application.

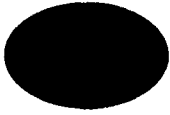
Mr. Gregg Emes – Manager of Operations

Gregg Joined APG in June of 2007 as Manager of Operations. In this position he is responsible for overseeing all of APG's project and shop operations. Greg has 5 years experience in the solids control industry ranging from a Solids Control Technician to Solids Product Line Manager with a Residuals Management company similar to APG. Gregg's Equipment prowess is very strong and his ability to communicate and direct APG's field Project Managers is second to none.

Operation Team Experience

Mr. Mark Siegfried – Project Manager

Mark is one of American Process Group's Field Project Managers. He has been a member of the American Process Group operation's team since early in 2005. He has



over 5 years experience in residuals management in project operations and management. Mark has a Bachelor of Science degree in Mechanical Engineering from the University of Wyoming and a Master of Science degree in Applied Physics from the University of Washington. Mark has managed projects such as City of Escondido 2007 Digester Cleaning (4 digesters), City of Santa Paula 2007 Digester Cleaning (2 Digesters), City of Clearwater 2008 Digester Cleaning (1 digester).

Mr. Patrick Dunigan - Project Manager

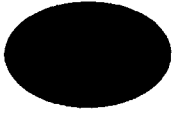
Patrick is one of American Process Group's Field Project Managers. He has a keen skill for optimizing equipment production, and is adept at managing site personnel. He has managed on projects such as Irvine Ranch Water District 2007 Los Alisos WRF Dredging & Dewatering (2500 dry ton), Lake Stevens Sewer District WWTP 2006 Biosolids Removal Project (2000 dry ton), Weyerhaeuser Springfield Mill 2006 ASB Dredging & Dewatering (6000 dry ton), He has over 10 years experience in residuals management in all aspects of project operations. Patrick has managed multiple projects in dredging, lagoon cleaning, digester cleaning, and dewatering operations.

Mr. Don Grieser – Project Manager

Don is one of American Process Group's Field Project Managers. He has 11 years experience in the residuals management industry. Don joined APG in 2006 as a project manager. Prior to this Don worked for a similar multinational Residuals Management Company, where he started as an operator and then progressed to become a project manager. Don has managed on projects such as Greater Vancouver Regional District 2007 Digester Clean & Pump, Domtar Espanola Mill 2007 NSB Dredging & Dewatering, Domtar Dryden Mill 2007 Dredging & Dewatering, Don has managed many other projects in dredging, lagoon cleaning, digester cleaning, and dewatering operations.

Pumping & Dewatering Operation Personnel

APG Operation personnel have many years experience in pumping and dewatering all different types of material on a variety of digester cleaning projects. Our pump operators are adept at pumping high feed solids materials and are superior at moving consistent slurry, which makes it easier to optimize the dewatering process. Our centrifuge process technicians are skilled at maintaining the highest quality product, maximizing production while maintaining high cake dryness and desired polymer dosage.



Experience and Technical Competence

Company References:

City of San Diego MBC Digester Cleaning 2007

San Diego, CA

Dates: 30 September 2007 to 7 November 2007

This project was to provide Digester Cleaning, Pumping, Dewatering, Transportation and Disposal of the contents of 1 digester. The total volume removed and processed from the digester was 626,000 Gallons.

Contact: Mr. Richard Snow

Associate Civil Engineer

City of San Diego

9192 Topaz Way

San Diego, CA 92123

Phone: (619) 221-8321

Fax: (619) 221-8370

Cell: (619) 980-6859

rsnow@sandiego.gov

City of Escondido Digester Cleaning at the HARRF 2007

Escondido, CA

Dates: 6 August 2007 to 25 September 2007

This project was to provide Digester Cleaning, Pumping, Dewatering, Transportation and Disposal of the contents of 4 digesters. In total 840,000 gallons was removed and processed.

Contact: Mr. Neil Greenwood

City of Escondido

201 N. Broadway

Escondido, CA 92025

Phone: (760) 839-4078

Fax: (760) 535-3961

ngreenwood@ci.escondido.ca.us

Salem Emergency Digester Pumping, Cleaning 2007

Salem, OR

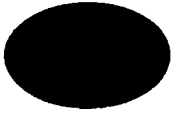
Dates: 19 February 2007 to 23 February 2007

This project was an emergency response to clean and pump approximately 65,000 gallons of sludge & grit from one digester, screen and pump into another digester. The reasons necessitating this as an emergency response was the city was pumping the digester down themselves, but their pumps plugged off with the heavy grit & solids and they could not remove the remaining contents with in-house equipment.

Contact: Mr. Mark Johnston

City of Salem

5915 Windsor Island Road North



Salem, OR 97303
Phone: (503) 763-3479
mjohnston@cityofsalem.net

City of Santa Cruz Wastewater Treatment Facility Digester Cleaning 2007

Santa Cruz, CA

Date Completed: March 2007

This project was to clean, pump, dewater, transport and beneficially reuse municipal wastewater biosolids from one digester. 695 dry tons of solids were removed and dewatered with a centrifuge in 15 operating days.

Contact: Anne Hogan
Associate Civil Engineer
809 Center St., Room 201
Santa Cruz, CA 95060
Phone: (831) 420-5425

**Union Sanitary District Secondary Digester Improvement Project 2006
Subcontract to Anderson Pacific Engineering Construction, Inc.**

Union City, CA

Date Completed: December 2006

This project was to clean, pump, dewater, transport and dispose of 650 dry ton of municipal wastewater sludge from two secondary digesters at the Raymond A. Boege/Alvarado Wastewater Treatment Plant.

Contact: Mr. Tim Hansen
Assistant Engineer
Union Sanitary District
5072 Benson Road
Union City, CA 94587-2508
Phone: (510) 477-7609

City of San Luis Obispo Digester Clean & Pump 2006

San Luis Obispo, CA

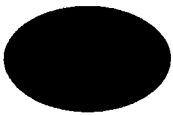
Date Completed: August 2006

This project was to clean and pump 1,200,000 liters of digester contents to a temporary spill pond. The project was completed in 3 days after equipment was setup.

Contact: Mr. Dan Van Bevern
Phone: (805) 781-7200

Additional Clarifications & Items for Discussion

The following are items that APG would like to note, some of which may require discussion with the Owner in regards to this Proposal Submission:



1. American Process Group has based this response on internal wage rates. Should APG be required to pay wages different from this, the Owner will be required to pay the difference in rates.
2. American Process Group is not responsible for any costs associated with the inspection of the interior or exterior of the digesters, or any costs for repairs or upgrades to the digesters or associated piping other than that due to negligence.
3. Any down time associated with encountering non-typical debris in the digester will be assessed at the standby rate indicated above.
4. It is the responsibility of Carson City to take the tanks off line and purge or degass them prior to APG's arrival. APG will give notice as to when we will arrive on site. Should APG experience any time on site waiting for the tanks to be released, this waiting time will be charged the indicated standby rate.
5. American Process Group will open and close all hatches, but should any materials be required to ensure proper seal (Gaskets, bolts etc.), these materials will be provided by the City.
6. All pricing is based on a maximum of 150,000 gallons each (a total of 300,000 gallons from two digesters). Should the volume be greater than 300,000 total gallons, any additional volume will be charged at the adder rate stated above.
7. This bid is based on washing the interior of the digesters to a fire hose blast.
8. Fuel prices for this proposal are based on current prices at the time of this bid.
9. In the Terms & Conditions, Insurance Section, there is a request for insurance certificates to provide for no cancellation, non-renewal, limits reduced or material change without thirty days notice. APG's insurer is willing to provide the 30 day notice of cancellation (with the exception of 10 days for non-payment), but will not provide notice for reduction or modification of coverage. APG will agree to directly provide 30 days notice for these items, and will not reduce or modify coverage without first providing this notice.
10. This Bid is valid for 60 days from July 10, 2008.

Thank you very much for allowing American Process Group to submit a Proposal for this Digester Cleaning Project. Please feel free to contact us at your convenience to discuss this project further.

Sincerely Yours,

AMERICAN PROCESS GROUP INC.

Doug Van der Veen, P.Eng.
Vice President



A Residuals Management Company
1800 Bering Drive, Suite 1000
Houston, Texas 77057
(713) 369-1700

Date: July 9, 2008

To: Carson City Purchasing & Contracts
775-887-2107

From: Synagro South, LLC
Nicole Blankemeyer

Pages: 3

Enclosed is a "NO BID" for the RFP #0809-065. If you have any additional questions, please feel free to contact me at 713-369-1787.

**Thank you,
Nicole Blankemeyer**

This facsimile transmission (and/or the documents accompanying it) may contain confidential information. The information is intended only for the use of the individual or entity named below. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this information is strictly prohibited. If you have received this transmission in error, please immediately notify us by telephone to arrange for the return of the documents.

NO BID

CARSON CITY PURCHASING & CONTRACTS BID RESPONSE

Bidder's initials & date _____

1230 If Bidder responds **NO** to any of the following questions, Bidder must use the
 1231 **EXCEPTION SUMMARY** document to record any deviations, modifications, and/or
 1232 alternates proposed to this **REQUEST FOR BID**. Failure to do so may be justification
 1233 for rejection of the **BID RESPONSE**. Bidder must indicate the title of document from
 1234 the top of the page, the page number from the bottom of the page, the item number
 1235 corresponding to the item, and a detailed description of the deviation, modification,
 1236 and/or alternate. Failure to note deviations, modifications, and/or alternates on the
 1237 **EXCEPTION SUMMARY** shall be interpreted to convey that Bidder will perform in the
 1238 manner described and/or specified in this **REQUEST FOR BID**.

1240 Bidder has read the **SPECIFICATIONS** and certifies that the product(s) and/or service(s)
 1241 proposed meets or exceeds the requirements of this **REQUEST FOR BID**.

Yes No

1244 Bidder has provided
 1245 and documents of e
 1246 response.

NO BID

d training certificates
s with the bid

Yes No

1248 Bidder has read and understands the Specification Requirements for this service.

Yes No

1250 Bidder agrees that the **CONTRACT TERM** shall be for One Hundred Twenty (120) years
 1251 from date of award by the Carson City Board of Supervisors.

Yes No

1254 Bidder guarantees the pricing for the term of the contract.

Yes No

1258 Bidder agrees that should he fail to deliver the product(s) and/or perform the service(s) bid
 1259 in accordance with this **REQUEST FOR BID**, Carson City may declare Bidder in default
 1260 of contract and recover all damages, costs and fees (including Attorney's fees) allowable by
 1261 law.

Yes No

1264 Bidder agrees that in the event of default by Bidder, Carson City may, at its option, pursue
 1265 one or all of the following alternatives including: procure the product(s) and/or service(s)
 1266 from another source and hold the defaulting Bidder responsible for an excess cost
 1267 occasioned thereby, assess a penalty of 5% of the total awarded bid amount, commence
 1268 with Surety and/or Performance Bond proceedings, debar the defaulting Bidder for not less
 1269 than one year, or pursue other applicable legal remedies.

Yes No

1272

✓ 7/8/08



ORIGINAL PROPOSAL DOCUMENT

FOR

CARSON CITY RFB #0809-065

CARSON CITY WASTEWATER RECLAMATION
FACILITY PLANT DIGESTER CLEANING

P.O. BOX 430
YACHTS, OR 97498
(541) 547-3213 PHONE/FAX

P.O. BOX 826
YERINGTON, NV 89447
(775) 463-1856 PHONE

UP 7/8/08



July 8, 2008

Ms. Sandy Scott
City of Carson City
Purchasing & Contracts Division
201 N Carson St. Ste 11
Carson City, NV 89701
(775) 887-2133 x 30137
(775) 887-2107 fax
SScott@ci.carson-city.nv.us

Dear Sandy:

Thank you for your continued interest in Wastewater Solids Management, Inc. We are pleased to extend the attached proposal for Carson City Request for Bid #0809-065, Carson City Wastewater Reclamation Plant Digester Cleaning.

Included in the attached proposal documents are the following:

- Bid Cover Sheet (page 1 of Proposal Documents)
- Bid Response (pages 2-7 of Proposal Documents)
- Confined Space Entry Program (pages 8-12 of Proposal Documents)
- Confined Space Entry Sample Permit (pages 13-14 of Proposal Documents)
- Confined Space Entry and Confined Space Rescue Certificates (pages 15-22 of Proposal Documents)
- References Listing (page 23 of Proposal Documents)
- OSHA Information Letter (pages 24-26 of Proposal Documents)

It is our experience that one of our competitors will provide information regarding this incident if we are the apparent low bidder on this project, apparently in the attempt to influence the City's award process. I apologize in advance for any issues arising from the actions of our competitor. Additional details regarding this accident have been provided for informational purposes along with a more complete list of references than requested.

If you have any questions or require any further information, please advise by contacting (541) 547-3213 or (925) 425-0531. We look forward to this opportunity to work with you.

Respectfully submitted,

Victoria E. Prince
General Manager
Wastewater Solids Management Company

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date P 7/8/08

BIDDER INFORMATION:

1151
1152
1153 Company Name: Wastewater Solids Management, Inc.
1154 Federal ID No.: 88-0478557
1155 Mailing Address: PO Box 826
1156 City, State, Zip Code: Yerington, NV 89447
1157 Complete Telephone Number: (541) 547-3213
1158 Complete Fax Number: (541) 547-3213
1159
1160 Contact Person/Title: Victoria Prince, General Manager
1161 Mailing Address: PO Box 430
1162 City, State, Zip Code: Yachats, OR 97498
1163 Complete Telephone Number: (541) 547-3213
1164 Complete Fax Number: (541) 547-3213
1165 E-mail Address: vprince@wastewatermanagement.com
1166

1167 Carson City Municipal Code Section 4.04.010 requires that any business operating within
1168 Carson City is required to be in possession of a valid Carson City business license. Be
1169 advised that upon award of a contract by Carson City, you must either have a current
1170 business license or an exemption letter from the Carson City Development Services
1171 Department before commencing business. However, possession of said license is not a
1172 prerequisite for bidding.

1173
1174 If Bidder has a valid Carson City Business License, please provide number:
1175 _____
1176

1177 Bidder does not have a valid Carson City Business License. Bidder contacted a
1178 representative of the Carson City Development Services Department at 775-887-2105 and
1179 has been informed that Bidder does need a Carson City Business License for this
1180 **REQUEST FOR BID**. Bidder certifies that he will obtain a Carson City Business License
1181 if awarded this **REQUEST FOR BID**.

1182
1183 Signature 

Date 7/2/08

1184
1185 Bidder does not have a valid Carson City Business License. Bidder certifies that he has
1186 spoken to _____ a representative of the
1187 Carson City Development Services Department at 775-887-2105 and has been informed
1188 that Bidder does not need a Carson City Business License for this **REQUEST FOR**
1189 **BID**.

1190
1191 Signature _____

Date _____

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date VP-7/8/08

1192 **DISCLOSURE OF PRINCIPALS:**

1193

1194 **Individual and/or Partnership:**

1195

1196 Owner 1) Name: _____

1197 Address: _____

1198 City, State, Zip Code: _____

1199 Complete Telephone Number: _____

1200

1201 Owner 2) Name: _____

1202 Address: _____

1203 City, State, Zip Code: _____

1204 Complete Telephone Number: _____

1205

1206 Other 1) Title: _____

1207 Name: _____

1208

1209 Other 2) Title: _____

1210 Name: _____

1211

1212 **Corporation:**

1213

1214 State in which Company is incorporated: NV

1215 Date Incorporated: 2000

1216 Name of Corporation: Wastewater Solids Management, Inc.

1217 Address: PO Box 826

1218 City, State, Zip Code: Yerington, NV 89447

1219 Complete Telephone Number: (541) 547-3213

1220

1221 President's Name: Jim G. Landers

1222

1223 Vice-President's Name: _____

1224

1225 Other 1) Name: Victoria Prince

1226 Title: Corporate Secretary

1227

1228 Other 2) Name: Carolyn D. Landers

1229 Title: Treasurer

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date VP 7/8/08

1230 If Bidder responds **NO** to any of the following questions, Bidder must use the
1231 **EXCEPTION SUMMARY** document to record any deviations, modifications, and/or
1232 alternates proposed to this **REQUEST FOR BID**. Failure to do so may be justification
1233 for rejection of the **BID RESPONSE**. Bidder must indicate the title of document from
1234 the top of the page, the page number from the bottom of the page, the item number
1235 corresponding to the item, and a detailed description of the deviation, modification,
1236 and/or alternate. Failure to note deviations, modifications, and/or alternates on the
1237 **EXCEPTION SUMMARY** shall be interpreted to convey that Bidder will perform in the
1238 manner described and/or specified in this **REQUEST FOR BID**.
1239

1240 Bidder has read the **SPECIFICATIONS** and certifies that the product(s) and/or service(s)
1241 proposed meets or exceeds the requirements of this **REQUEST FOR BID**.
1242 Yes No
1243

1244 Bidder has provided "Exhibit A" – a written confined space policy and training certificates
1245 and documents of employees involved in the cleaning of the digesters with the bid
1246 response.
1247 Yes No
1248

1249 Bidder has read and understands the Specification Requirements for this service.
1250 Yes No
1251

1252 Bidder agrees that the **CONTRACT TERM** shall be for One Hundred Twenty (120) years
1253 from date of award by the Carson City Board of Supervisors.
1254 Yes No
1255

1256 Bidder guarantees the pricing for the term of the contract.
1257 Yes No
1258

1259 Bidder agrees that should he fail to deliver the product(s) and/or perform the service(s) bid
1260 in accordance with this **REQUEST FOR BID**, Carson City may declare Bidder in default
1261 of contract and recover all damages, costs and fees (including Attorney's fees) allowable by
1262 law.
1263 Yes No
1264

1265 Bidder agrees that in the event of default by Bidder, Carson City may, at its option, pursue
1266 one or all of the following alternatives including: procure the product(s) and/or service(s)
1267 from another source and hold the defaulting Bidder responsible for an excess cost
1268 occasioned thereby, assess a penalty of 5% of the total awarded bid amount, commence
1269 with Surety and/or Performance Bond proceedings, debar the defaulting Bidder for not less
1270 than one year, or pursue other applicable legal remedies.
1271 Yes No
1272

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date VP 7/8/08

1273 Bidder agrees that if necessity requires the use of materials or supplies not conforming to
1274 the SPECIFICATIONS, they may be accepted and payment shall be made at a proper
1275 adjustment in price.

Yes No

1276
1277

1278 Bidder has read and agrees to abide by the TERMS AND CONDITIONS of this
1279 **REQUEST FOR BID.**

Yes No

1280
1281

1282 Bidder has provided "Exhibit B" - All addenda must be signed and placed in date and time
1283 order.

Yes No Not Applicable

1284
1285

1286 Bidder has provided "Exhibit C" - BID RESPONSE additional space on company
1287 letterhead.

Yes No Not Applicable

1288
1289

1290 Bidder has provided "Exhibit D" - Supplemental materials.

Yes No Not Applicable

1291
1292

1293 Bidder agrees that all billings for dates of service prior to July 1 must be submitted to
1294 Carson City no later than the first Friday in August of the same year; that a billing submitted
1295 after the first Friday in August will subject Bidder to an administrative fee not to exceed
1296 \$100.00; and that this amount will be deducted from the stale claim payment due to Bidder.

Yes No

1297
1298

1299 CASH DISCOUNT of 0 % may be taken in addition to the price(s) stated for the
1300 terms of _____ calendar days. Prompt payment discounts will be considered in award
1301 recommendation only if discount period is fifteen (15) or more calendar days. Discount
1302 period will be computed from the date Carson City acknowledges that the delivery and/or
1303 performance meets the requirements of this **REQUEST FOR BID** or from the date the
1304 correct invoice is received by the appropriate Carson City department/division accounts
1305 payable clerk, whichever is the latter date. Payment is deemed to be made on the date
1306 payment is mailed to Bidder.

1307
1308

1308 Bidder has read and agrees to abide by the INSURANCE REQUIREMENTS for
1309 Commercial General Liability Insurance, Business Automobile Liability Insurance, and
1310 Workers' Compensation and Employer's Liability Insurance for this **REQUEST FOR**
1311 **BID.**

Yes No

1312
1313

1314 Bidder has provided "Exhibit E" - **EXCEPTION SUMMARY** additional space on company
1315 letterhead.

Yes No Not Applicable

1316

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date VP 7/8/08

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MASTERCARD ACCEPTANCE. Bidder agrees to accept MasterCard as a form of payment under this Contract at no additional cost to Carson City.

Yes No

PRICING SUMMARY

LUMP SUM UNIT PRICE in figures:

\$ 69,000.-

LUMP SUM UNIT PRICE in words:

sixty nine thousand dollars + 00/100

**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date VP 7/8/08

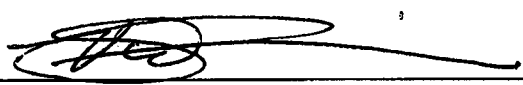
1331 **ACKNOWLEDGMENT AND EXECUTION:**

1332
1333 STATE OF Oregon)
1334) **SS**
1335 COUNTY OF Lincoln)
1336

1337 I, Victoria E. Prince (Name of party signing this **BID**
1338 **RESPONSE**), do depose and say: That I am the Bidder or authorized agent of the Bidder;
1339 and that I have read and agree to abide by this **REQUEST FOR BID** which includes the
1340 following documents: **NOTICE TO BIDDERS, SPECIFICATIONS, TERMS AND**
1341 **CONDITIONS**, and **BID RESPONSE**.
1342

1343 **BIDDER:**

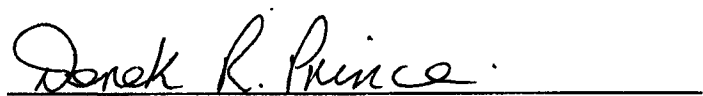
1344 **PRINTED NAME OF BIDDER:** Victoria E. Prince
1345 **TITLE:** General Manager/Corporate Secretary
1346 **FIRM:** Wastewater Solids Management, Inc.
1347 **Address:** PO Box 826
1348 **City:** Yerington
1349 **State / Zip Code:** NV 89447
1350 **Telephone Number:** (541) 547-3213
1351 **Fax Number:** (541) 547-3213
1352 **E-mail address:** vprince@wastewatermanagement.com

1353
1354 

(Signature of Bidder)

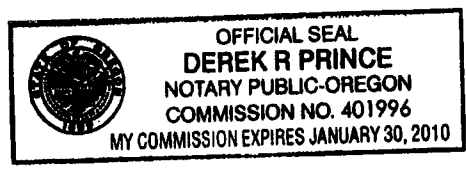
1355 **DATED** July 8, 2008

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1357
1358
1359 Signed and sworn (or affirmed) before me on this 8th day of July, 2008,
1360 by Victoria E. Prince.

1361
1362
1363 

(Signature of Notary)

1364
1365
1366
1367
1368 (Notary Stamp)



**CARSON CITY PURCHASING & CONTRACTS
BID RESPONSE**

Bidder's initials & date RP 7/8/08

1369 **EXCEPTION SUMMARY INSTRUCTIONS:**

1370
1371 Use this document to record any deviations, modifications, and/or alternates proposed to
1372 this **REQUEST FOR BID**. Failure to do so may be justification for rejection of the **BID**
1373 **RESPONSE**. Bidder must indicate the line number corresponding to the item and a detailed
1374 description of the deviation, modification, and/or alternate. Failure to note deviations,
1375 modifications, and/or alternates on the **EXCEPTION SUMMARY** shall be interpreted to
1376 convey that Bidder will perform in the manner described and/or specified in this
1377 **REQUEST FOR BID**.

1378
1379 If additional space is required, use company letterhead and mark as "Exhibit E".
1380

1381 If there are no deviations, modifications, and/or alternates proposed to this **REQUEST**
1382 **FOR BID**, write "None".
1383

1384 None
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***** END OF BID RESPONSE *****