

**FOURTH AMENDMENT TO THE CITY OF RICHMOND WASTEWATER TREATMENT
FACILITY CAPITAL IMPROVEMENTS, OPERATIONS, MAINTENANCE AND
MANAGEMENT AGREEMENT**

This Fourth Amendment (“**Amendment**”) is entered into as of March 1, 2016 (“**Effective Date**”) between Veolia Water West Operating Services, Inc. (hereafter, “**Veolia**” formerly known as US Filter Operating Services, Inc.) and the City of Richmond, California (hereafter, “**City**”). Veolia and the City are sometimes referred to collectively as “**the Parties**”.

RECITALS

A. WHEREAS, the City and Veolia are parties to The City of Richmond Waste Water Treatment Facility Capital Improvements, Operations, Maintenance, and Management Agreement dated as of May 15, 2002, as amended (the “**Agreement**”) by which the City has contracted to operate its Water Pollution Control Plant (“**WPCP**”) and its wastewater and storm water collection systems; and

B. WHEREAS, the City and Veolia entered into Amendment One to the Agreement on or about September 7, 2004, which provides that Veolia shall operate, maintain and manage, and perform construction management responsibilities with respect to the City's Sanitary Collection System and Storm Water Collection System as defined in Amendment One (collectively “**Collection Systems**”); and

C. WHEREAS, the Parties have entered into additional modifications and amendments to the Agreement including: the Second Amendment to Agreement dated April 17, 2007; Third Amendment to Agreement dated June 22, 2007; Settlement Agreement and Release of Claims dated December 15, 2009; Letter Waiver of Performance Bond dated August 10, 2010; Settlement Agreement and Release of Claims dated January __, 2015; Letter Agreement Concerning Operation of the Wet Weather Storage Facility dated November 4, 2015; and Letter Agreement Concerning Operation of the Moody Underpass Pump Station dated November 24, 2015; and

D. All references to the Agreement herein shall include each of the amendments and modifications described in Recitals B and C; and

E. WHEREAS, the City has recently completed the construction of new Collection Systems facilities comprised of (i) the Wet Weather Storage Facility located at 601 Canal Boulevard; and (ii) the Moody Underpass Storm Water Pump Station, which are intended to enhance the capacity and efficiency of the Collection Systems to ensure the City’s compliance with environmental laws, and to promote the health and safety of the City residents and the ecological health of the San Francisco Bay; and

F. WHEREAS, the Article XII of the Agreement authorizes the Parties to add Additional Services to the scope of services provided by Veolia upon the mutual agreement of the Parties upon establishing the Cost Substantiation for the Additional Services; and

G. WHEREAS, Veolia has submitted information to the City concerning the anticipated costs of adding the operation, maintenance and management of (i) the Wet Weather Storage Facility; and (ii) the Moody Underpass Storm Water Pump Station to the Collection Systems under the Agreement, and the City has determined that such costs are reasonable compensation for risks and responsibility assumed; and

H. WHEREAS, the Parties now desire to add the (i) the Wet Weather Storage Facility and (ii) the Moody Underpass Storm Water Pump Station to the Collection Systems as Additional Services and augment Veolia's compensation, and to make certain other adjustments to the Agreement to clarify the billing of Pass Through Costs and the definition of Capital Improvements.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the City and Veolia agree as follows:

1. Definitions. Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings given in the Agreement, as amended. The following definitions are hereby deleted from the Agreement in their entirety and replaced with the following:

i) "Collection System" means the City of Richmond Sanitary Collection System and Storm Water Collection System including, without limitation, the assets listed in Schedule 17 attached hereto and incorporated herein by this reference.

ii) "Capital Improvement(s)" means any major repair or replacement of an item resulting in expenditures that meet or exceed \$25,000 and provide an extension of the life cycle of the asset or system for a minimum of an additional 5 years. The cost of Capital Improvements will be funded by the City.

2. Schedule 10. Schedule 10 is hereby deleted from the Agreement in its entirety, updated and replaced with the revised Schedule 10 attached hereto and incorporated herein by this reference.

3. Collection System Annual Fee. Exhibit C to Amendment One is hereby deleted from the Agreement in its entirety. Commencing as of the Effective Date, the Annual Fee for the operation, maintenance and management of the Collection System shall be increased by the sum of Three Hundred

Sixty Thousand Five Hundred Sixty-Four Dollars (US\$360,564.00). As of the Effective Date, the Collection System Annual Fee is Three Million Nine Hundred Eighty-Two Thousand Eighty-Eight Dollars and Twelve Cents Dollars (US\$3,982,088.12) and shall be subject to adjustment as provided in Section 3.11.4 of the Agreement.

4. Maintenance Budget Limit. Notwithstanding any other provisions of the Agreement, the City shall reimburse Veolia for all third-party expenses in excess of Seventeen Thousand Three Hundred Eighty-Five Dollars (US\$17,385.00) per year for maintenance and repair of the Wet Weather Storage Facility as Pass Through Costs. Such costs shall be subject to Cost Substantiation and subject to a 10% mark-up as noted in the attached revised Schedule 10.

5. Conflicts. This Amendment is intended to modify and supplement the Agreement in accordance with Article XII thereof. To the extent that this Amendment conflicts with the Agreement, the terms of this Amendment shall prevail. With respect to all other matters, the terms of the Agreement as previously amended shall remain in full force and effect.

6. Choice of Law. This Amendment shall be construed in accordance with the law of the State.

7. Integration. This Amendment constitutes the entire agreement between the Parties hereto regarding its subject matter. There have been no additional oral or written representations or agreements. Except as expressly modified or amended herein, the provisions, conditions and terms of the Agreement shall remain unchanged, are in full force and effect, and are hereby ratified by the Parties.

8. Counterparts. This Amendment may be executed in counterparts, and by fax, and all so executed shall constitute an agreement which shall be binding upon all Parties hereto, notwithstanding that the signatures of all Parties' designated representatives do not appear on the same page.

IT IS SO AGREED:

VEOLIA WATER WEST OPERATING SERVICES, INC., **CITY OF RICHMOND:**

Lanita McCauley Bates

By: Lanita McCauley Bates

Its: Senior Vice President

[Signature]

By:

Its: Mayor

ATTEST:

Pamela Christin

CITY Clerk

APPROVED AS TO FORM:

[Signature]

CITY Attorney

SCHEDULE10
PASS-THROUGH COSTS

Pass Through Costs shall be paid to the Company and are subject to Cost Substantiation.

Pass Through Costs shall be identified on the Company's monthly invoices as separate line items and shall include the following costs as Pass Through Costs pursuant to the Agreement:

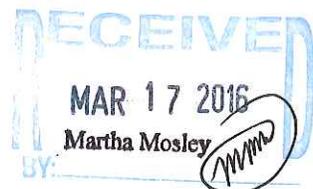
1. Insurance Costs
2. Electricity costs and natural gas costs to the extent the maximum utilization in Schedule 8 is not exceeded. See Table S8-1A and S8-1B for max usage
3. Repair and Replacement costs plus a mark-up of ten percent (10%)

Note: These Pass Through Costs are separate and distinct from the Service Fee and are not included as part of the Service Fee of Schedule 11. The maximum quantities to be provided by the City for the electrical power and natural gas categories shall be as specified in Table S8-1A and S8-1B and are based on the flows and loadings of Schedule 2, Table S2-1.

SCHEDULE 17

COLLECTION SYSTEM

Sanitary Sewer System Assets		
Manholes	2,791	
Clean Outs (Estimate)	900	
Miles of Gravity Sewer	192.75	
Miles of Force Main	4.25	
Lift Stations	13	
Storm System Assets		
Miles of Storm Pipe	147.5	
V - Ditch	6.1	
Miles of C Swale (Open ditch)	11.0	
Lift Stations	9	Includes Moody Underpass and Wet Weather
Large Trash Capture Devices	2	
Small Trash Capture (DI inserts)	13	
Catch Basins/Inlets/Curb Inlets	3,558	
Manholes	1,656	
Duckbills	4	
Flap Gates	5	
Storm Water Detention Areas	18	
Storm Water Outfalls	125	
Miles of Culvert	6	
Miles of C Swale (Open ditch)	8.1	
Sluice Gates	5	
End Walls	12	
Wet Weather Storage Facility		
5 Million Gallon Storage Tank	1	
36" Pipe	1,500 ft	
27 MGD Pump Station	1	





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/08/2015

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

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

PRODUCER Marsh USA, Inc. 540 W. Madison Street Chicago, IL 60661 Attn: Veolia.CertRequest@marsh.com Fax: 212-948-5053	CONTACT NAME: _____ PHONE (A/C, No. Ext): _____ FAX (A/C, No.): _____ E-MAIL ADDRESS: _____																					
	<table border="1"> <thead> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : ACE American Insurance Company</td> <td></td> <td>22667</td> </tr> <tr> <td>INSURER B : ACE Fire Underwriters Insurance Company</td> <td></td> <td>20702</td> </tr> <tr> <td>INSURER C : Illinois Union Insurance Company</td> <td></td> <td>27960</td> </tr> <tr> <td>INSURER D : ACE Property and Casualty Insurance Company</td> <td></td> <td>20699</td> </tr> <tr> <td>INSURER E :</td> <td></td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A : ACE American Insurance Company		22667	INSURER B : ACE Fire Underwriters Insurance Company		20702	INSURER C : Illinois Union Insurance Company		27960	INSURER D : ACE Property and Casualty Insurance Company		20699	INSURER E :			INSURER F :	
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INSURED Veolia Water North America - West, LLC 101 West Washington Street, Suite 1400 Indianapolis, IN 46204																						

COVERAGES **CERTIFICATE NUMBER:** CHI-005592365-18 **REVISION NUMBER:** 2

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

INBR LTR	TYPE OF INSURANCE	ADDITIONAL SUBROGATION	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER: _____		HDO G27402884	01/01/2016	01/01/2017	EACH OCCURRENCE \$ 5,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 25,000,000 PRODUCTS - COMP/OP AGG \$ 10,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		ISA H0886851A	01/01/2016	01/01/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000 BODILY INJURY (Per person) \$ _____ BODILY INJURY (Per accident) \$ _____ PROPERTY DAMAGE (Per accident) \$ _____
D	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$ _____		XOO G27927865 001	01/01/2016	01/01/2017	EACH OCCURRENCE \$ 6,000,000 AGGREGATE \$ 6,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	WLR C48598158 (AOS) SCF C48598195 (W) (Retro)	01/01/2016 01/01/2016	01/01/2017 01/01/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Contractors' Pollution and Professional Liability		GOO G27289096 002 CPL SIR = \$500,000	01/01/2016	01/01/2017	Limit 10,000,000 Prof Liab SIR = \$1,000,000 20,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Richmond is included as additional insured (except workers' compensation) where required by written contract.

CERTIFICATE HOLDER

City of Richmond
450 Civic Center Plaza
Richmond, CA 94804

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.

Manashi Mukherjee

Manashi Mukherjee

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
Any Owner, Lessee or Contractor whom you have agreed to include as an additional insured under a written contract, provided such contract was executed prior to the date of loss.	All locations where you are performing operations for such additional insured pursuant to any such written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we

will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: HDO G27402884

Endorsement Number: 39

COMMERCIAL GENERAL LIABILITY
CG 20 37 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization whom you have agreed to include as an additional insured under a written contract, provided such contract was executed prior to the date of loss	All locations where you perform work for such additional insured pursuant to any such written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**ADDITIONAL INSURED –
DESIGNATED PERSONS OR ORGANIZATIONS**

Named Insured Veolia North America, Inc.			Endorsement Number 3
Policy Symbol ISA	Policy Number H0886651A	Policy Period 01/01/2016 to 01/01/2017	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE FORM**
- AUTO DEALERS COVERAGE FORM**
- MOTOR CARRIER COVERAGE FORM**
- EXCESS BUSINESS AUTO COVERAGE FORM**
- EXCESS TRUCKERS COVERAGE FORM**

Additional Insured(s): Any person or organization whom you have agreed to include as an additional insured under a written contract, provided such contract was executed prior to the date of loss.

- A. For a covered "auto," Who Is Insured is amended to include as an "insured," the persons or organizations named in this endorsement. However, these persons or organizations are an "insured" only for "bodily injury" or "property damage" resulting from acts or omissions of:
 - 1. You.
 - 2. Any of your "employees" or agents.
 - 3. Any person operating a covered "auto" with permission from you, any of your "employees" or agents.
- B. The persons or organizations named in this endorsement are not liable for payment of your premium.

Authorized Representative

Workers' Compensation and Employers' Liability Policy

Named Insured VEOLIA NORTH AMERICA, INC. 125 SOUTH 84 TH STREET MILWAUKEE WI 53214	Endorsement Number
	Policy Number Symbol: WLR Number: C48598158
Policy Period 01-01-2016 TO 01-01-2017	Effective Date of Endorsement 01-01-2016
Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY	
Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.	

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

Schedule

ANY PERSON OR ORGANIZATION AGAINST WHOM YOU HAVE AGREED TO WAIVE YOUR RIGHT OF RECOVERY IN A WRITTEN CONTRACT, PROVIDED SUCH CONTRACT WAS EXECUTED PRIOR TO THE DATE OF LOSS.

For the states of CA, UT, TX, refer to state specific endorsements.
This endorsement is not applicable in KY, NH, and NJ.



Authorized Agent