

# PULLMAN & COMLEY

## MEMORANDUM

TO: Bridgeport's Water Pollution Control Authority Board  
FROM: Lee D. Hoffman and Liana A. Feinn  
DATE: December 13, 2023  
FILE NO: 77290.5  
SUBJECT: WPCA Inframark Agreement Summary

**Summary of the Wastewater Treatment System Operations, Maintenance, and Management Services Agreement Between The Water Pollution Control Authority for the City of Bridgeport, CT and Inframark LLC**

**SYNOPSIS:** The Water Pollution Control Authority for the City of Bridgeport ("WPCA") intends to enter into an agreement with Inframark LLC ("Company") to operate and maintain the WPCA's wastewater treatment and collection systems ("Agreement").

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**TERMS:**

**Commencement Date** – January 1, 2024

**Expiration Date** – June 30, 2034 unless renewed by the WPCA

**Term** – Ten and one-half (10.5) years

**Renewal Option Terms** – Up to two (2) additional five (5) year terms

**Current Annual Base Service Fee** –

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**RIGHTS, OBLIGATIONS, AND OTHER PROVISIONS:**

**Company Obligations to Proceed** – The Company shall, among other items, transfer management responsibility in accordance with a Transition Plan which includes: hiring or assigning all necessary personnel; obtaining all necessary Government Approvals; delivering to the WPCA a Performance Bond, which will provide a Guaranty as security for its obligations under the Agreement; and obtaining the Required Insurance. If by the Scheduled Commencement Date, the Commencement Date Conditions are not satisfied by fault of the Company, the Company shall pay \$150,000 to the WPCA for each day the Commencement Date occurs beyond the date and this shall be considered as an Event of Default.

**Company Management Obligations** –

- **System Operation** – As of the Commencement Date, the Company shall operate, maintain, repair, replace and manage the System on a 24-hour per day, 7-day per week, 365/366-day continuous

basis, and shall treat all Influent, treat and discharge all Effluent, treat and manage storage of all WWTP Biosolids and Residuals, provide all information necessary to secure Governmental Approvals, and otherwise manage, maintain, repair, replace and operate the System so as to comply with the Contract Standards and the other terms of the Agreement. This includes: the Operation and Maintenance Manual; the terms and conditions of the NPDES Permits, Consent Agreement and Orders and the Nitrogen Discharge Permit; Good Industry Practices; maximizing the removal of nitrogen to participate in the Connecticut Nitrogen Credit Exchange program under which the WPCA and the Company shall equally share any Nitrogen Trading credits from the CT DEEP; manufacturer's recommendations; and compliance with all future orders or requirements from the CT DEEP. The Company shall implement and utilize an Emergency Response Plan, which incorporates the WPCA's commercially reasonable comments. The Company shall also be responsible for quality assurance and control, receipt and analyzation of all Septage, management and disposal of all Biosolids via a long-term contract with a permitted facility, and preparation and issuance of all customer bills and invoices. The Company shall meter and weigh all Influent and Effluent.

- **Staffing** – The Company shall appoint a Facility Manager, which the Company shall replace at the WPCA's request and if so, the WPCA shall have the opportunity to interview any prospective candidate and disapprove of such candidate in its reasonable discretion. The Company shall interview all current interested employees of the Predecessor Operator and shall offer such employees employment on terms equal to or better than the current employment contracts. Staffing shall include no less than 88 qualified full-time employees including at minimum: 2 licensed Class IV operators; each shift operator is licensed as a Class I operator; and the Chief Operator is licensed as a Class IV operator. Staffing shall also include 6 administrative personnel. If the Company fails to maintain the minimum staffing requirements, the WPCA shall offset the Service Fee Fixed Component.
- **Administration** – The Company shall maintain computerized records for all operations, maintenance and process control, which shall be made available to the WPCA. The Company shall provide to the WPCA a monthly operations reports, an annual operations and maintenance summary, an annual engineering review, and daily communications of all critical or material events occurring within the System. The Company shall prepare all reports required by all Governmental Approvals and Applicable Law and shall submit such reports for the WPCA's review at least 5 days prior to submission. The Company shall utilize Cityworks for tracking, cataloging and responding to customer complaints and comments and shall use Computil LLC for billing.

**Company Financial Obligations** –

- **Operation** – The Company is responsible for all fuel supply for vehicles, generators, Utilities except for electricity and natural gas, all supplies, maintenance materials, spare parts, Consumables and chemicals up to a Chemical Allowance Limit, which is \$400,000 for the initial contract year then \$800,000 thereafter and adjusted annually in the same manner as the Base Service Fee. The Company shall perform all quality assurance and control required by law or the Agreement at its sole cost and expense. The Company shall manage, transport and dispose of all Residuals in accordance with all Applicable Law at its sole expense weekly or more frequently if the WPCA so requires. The Company shall transport and dispose of all Biosolids at its sole cost and expense at properly licensed disposal sites up to a maximum dry ton disposal of 5600 dry tons per year based on a three-year rolling average. The Company shall also maintain a computerized maintenance management system and a spare parts inventory at its sole cost and expense.

## WPCA Inframark Agreement Summary

- **Maintenance and Repairs** – The Company shall provide all labor, materials, Equipment, and cleaning of the Collection System at its sole cost and expense and must at minimum clean and inspect 30 miles of sanitary and combined sewer pipelines, clean 8,500 catch basins each Billing Year, and repair 100% of pipe breaks. The Company is responsible for all maintenance, repair and replacement which costs shall be included in the Base Service Fee except for Major Repairs and Replacements (“MRR”) to the Managed Assets, which are those over \$20,000 and require the WPCA’s approval except in the case of emergency and which the Company shall contribute \$300,000 per year subject to CPI adjustment toward. Upon expiration or termination of the Agreement, the WPCA shall retain all residual MRR funds. The Company shall deposit into the Collection System Repair and Replacement Fund (“CSRRF”) \$325,000 per year during the first Contract Year and \$650,000 per year thereafter subject to CPI adjustment and shall not withdraw such funds to make any repairs to the Collection System without prior approval from the WPCA except in the case of emergency. Upon expiration or termination of the Agreement, the WPCA shall retain all residual CSRRF funds.

### **WPCA Financial Obligations and Rights** –

- **Operation** – The WPCA shall pay the Monthly Service Fee (“MSF”), which is equal to the Monthly Base Service Fee (adjusted annually for inflation) plus any Extraordinary Items Component. The MSF is 1/12<sup>th</sup> of the Current Annual Base Service Fee. The Company shall include in its Base Service Fee the costs for all maintenance, repair and replacement except for those MRR to the Managed Assets covered by the fund. The WPCA shall cover any costs for MRR incurred in excess of the Company’s contributions to that fund. The WPCA shall also be responsible for the costs of the Annual Engineering Review, which shall be included in the Base Service Fee.
- **Maintenance and Repairs** – The Company shall maintain, repair and replace the SCADA system, and shall include associated costs in the Base Service Fee except those in excess of \$20,000 which shall be managed as part of the MRR fund. The WPCA shall be responsible for any necessary Capital Modifications, which it may approve or reject which in its sole discretion and any resulting cost savings shall be shared in accordance with the good faith negotiations of the parties and the Agreement.
- **Ownership Rights** – The WPCA maintains ownership of the System and all Capital Modifications throughout the term of the Agreement. The WPCA may visit and inspect the System and the Company’s performance of the Contract Services at any time. The WPCA has the sole right to re-use or sell Effluent.