

**AMENDMENT ONE TO
AGREEMENT BETWEEN
THE CITY OF SAN ANTONIO
AND
ATLAS ORGANICS DEVELOPMENT, LLC, FOR
ORGANICS PROCESSING FACILITY DEVELOPMENT**

The City of San Antonio (“City”) currently has an Agreement (“Agreement”) with Atlas Organics Development, LLC (hereinafter referred to as “Atlas”, or “Contractor”), said Agreement being executed by the City pursuant to Ordinance No. 2020-04-09-0250, passed and approved by the City Council on April 9, 2020.

The ordinance authorized an Agreement and Lease with Atlas Organics CU05 for the processing of organic material for an initial term of ten years to begin January 1, 2021, for a total estimated contract value of \$1,870,000.00 for the first year, and also authorized an Agreement for Organics Processing Facility Development with Atlas Organics Development, LLC, an affiliate, with payment of \$5,528,749.00 for the permanent infrastructure improvements and sorting equipment to be constructed and installed on the City’s Nelson Gardens Landfill for processing of the organic material (the Facility).

In the FY2020 Annual Budget, the City Council had approved an infrastructure project by the Solid Waste Management Department (SWMD) in the amount of \$300,000.00, to construct the electrical infrastructure needed for a proposed electric tub grinder at the Nelson Gardens Landfill. Through their current contract, Atlas is installing an electric tub grinder and additional electrical equipment at the Nelson Gardens Landfill for the Facility. The City has requested that Atlas also install the electric tub grinder infrastructure in conjunction with the Facility development.

As provided in Attachment I to this Amendment (August 4, 2020, Atlas Organics letter to SWMD, Re: Electrical Installation Budget), Atlas has agreed to modify the Scope of Services to add the electric tub grinder infrastructure. As authorized by Ordinance 2020-10-29-_____, the Compensation to Contractor shall increase the contract value by an additional \$300,000.00 for these additional tasks.

This **Amendment One** to the Agreement modifies the Scope and Compensation Sections and is entered into by and between City and Contractor, acting by and through their designated representatives. The undersigned hereby agree to modify said Agreement as follows:

1. Page 3, Article III Scope of Services, section 3.3, is amended by adding a new paragraph, after the first paragraph, to read:

As provided by Attachment I to Amendment One, the City and Atlas agreed to bring high voltage electric power to the facility that will require an approximately 700 foot extension of power, transformer, switchgear, and necessary materials needed to control the electrical equipment. Atlas will provide the design, permitting, installation and all necessary work to upgrade the power for this facility.

2. Page 4, Article IV Compensation to Contractor, section 4.1, is amended by adding the underlined and deleting the ~~striketrough~~ to read:

4.1 As authorized by the Ordinance, and in consideration of Contractor's performance in a satisfactory and efficient manner, as determined solely by Director, of all services and activities set forth in this Agreement, total budget sums shall not exceed payment of \$5,828,749.00 ~~5,528,749.00~~ to Atlas Organics for the infrastructure improvements and sorting equipment to be constructed on the Facility for processing of the organic material, as total compensation.

3. This Amendment One to the Agreement shall not prejudice any present or future rights, remedies, benefits, or powers belonging to or accruing to the Parties under the terms of the Agreement herein amended.

4. Except as provided otherwise herein, the Agreement shall remain unaffected, unchanged, and unimpaired by reason of the foregoing Amendment One.

EXECUTED and AGREED to as of the dates indicated below.

CITY OF SAN ANTONIO

**ATLAS ORGANICS
DEVELOPMENT, LLC**

(Signature)

Printed **David Newman**
Name: _____
Title: **SWMD Director**
Date: _____

(Signature)

Printed **Joseph Mc Millan**
Name: _____
Title: **President**
Date: **10/28/2020**

Approved as to Form:
Andrew Segovia
City Attorney

By: Assistant City Attorney

ATLAS ORGANICS

August 4, 2020

City of San Antonio Solid Waste Management Dept.
Attn: Mr. David Newman, Director
4410 W Piedras Drive
San Antonio, TX, 78228

Re: Electrical Installation Budget

Dear Mr. Newman,

Under our current contract executed June 9, 2020, Atlas will be providing an electric grinder, electric shredders, a sorting line, and associated equipment to support the compost operation by removing the contamination. As negotiated, the City would facilitate and assist with the electrical infrastructure needs for this equipment. As such, the City and Atlas agreed to bring high voltage electric power to the facility that will require an approximately 700 foot extension of power, transformer, switchgear, and necessary materials needed to control the electrical equipment. Atlas will provide the design, permitting, installation and all necessary work to upgrade the power for this facility. The City will agree to increase Atlas contract by \$300,000 for this effort.

Sincerely,



Joseph McMillin
President
Atlas Organics, Development, LLC

Cc: Jorge Montezuma, Jarrett Bond, Chelsie McNicol

Atlas Organics Development, LLC.
PO Box 5065 • Spartanburg, SC 29304 • Tel: 864-278-2322

Attachment One to Amendment One - Organics Processing Facility Development Agreement

