#### CITY OF OBERLIN, OHIO

#### ORDINANCE No. 23-09 AC CMS

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH BIO ENERGY (OHIO II), LLC OF EAST LANSING, MICHIGAN FOR THE TREATMENT AND DISPOSAL OF CONDENSATE FROM THE BIO ENERGY (OHIO II) RENEWABLE NATURAL GAS FACILITY AS AN EMERGENCY MEASURE

BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio:

SECTION 1. That the City Manager is hereby authorized and directed to enter into an Agreement with Bio Energy (Ohio II), LLC of East Lansing, Michigan, for the treatment and disposal of condensate from the Bio Energy (Ohio II) Renewable Natural Gas Facility at the City of Oberlin Water Environment Protection Facility. A copy of the proposed Agreement is attached hereto and incorporated herein by reference.

SECTION 2. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. That this ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the citizens of the City of Oberlin, Ohio or to provide for the usual daily operation of a municipal department, to wit: to allow Bio Energy (OHIO II) LLC to apply for an Indirect Discharge Permit from the Ohio Environmental Protection Agency as soon as possible to facilitate the timely start-up and operation of a Renewable Natural Gas facility that will benefit the City of Oberlin and provided that it is elevated to emergency status by the affirmative vote of at least five members of Council and receives the affirmative vote of at least five members of Council upon final passage, it shall go into full force and effect from and immediately after its passage; otherwise, it shall take effect at the earliest period allowed by law.

PASSED:	1st Reading: February 6, 2023	
	2nd Reading:	
	3rd Reading:	
ATTEST:	Inda B. Anderson	Dryon Burgers
BELINDA B. CLERK OF C	ANDERSON, MMC OUNCIL	BRYAN BURGESS PRESIDENT OF COUNCIL

POSTED: 02/07/2023 EFFECTIVE DATE: 02/06/2023

## **AGREEMENT**

## by and between the City of Oberlin

## Bio Energy (Ohio II), LLC

## for the treatment and disposal of condensate from the Bio Energy (Ohio II) Renewable Natural Gas Facility

#### WITNESSETH:

WHEREAS, the City operates a Wastewater Treatment Plant, known as the Oberlin Water Environment Protection Facility, herein referred to as "WEPF;" and

WHEREAS, EDL's Renewable Natural Gas Facility produces certain volumes of condensate as part of its process and EDL desires to dispose of its condensate for treatment at the City's WEPF from time to time; and

WHEREAS, the City is willing to accept condensate from EDL pursuant to certain conditions and restrictions as set forth in this Agreement.

**NOW THEREFORE**, the City and EDL agree as follows:

- 1. The City agrees to accept for treatment and disposal at the WEPF, condensate discharged by EDL from its Renewable Natural Gas Facility pursuant to the terms and conditions set forth hereinafter. Although this Agreement serves as a Wastewater Discharge Permit from the City, it shall not supersede or conflict with any terms or conditions of any of EDL's applicable Ohio EPA Indirect Discharge Permit or Ohio EPA Permit to Install, or any other required Ohio EPA Permit. The City shall cooperate with EDL and to the best of its ability accommodate all of EDL's reasonable requests with regard to EDL's application for necessary permits.
- 2. EDL agrees to install, own, operate and maintain at its sole cost and expense, the following equipment: an approved arsenic pretreatment system for its condensate discharged to the WEPF, condensate holding tank, magnetic flow meter, sampling station, sanitary sewer lateral from its facility to the City's sanitary sewer main and all necessary and required auxiliary devices from EDL's Renewable Natural Gas Facility to the City's sanitary sewer system, in substantial conformance with the drawings attached as Exhibit A and incorporated herein by reference. EDL will provide as-built drawings to the City once all the construction is complete. If any other pretreatment system becomes

necessary to cause the condensate discharged to the WEPF to meet the requirements of this Agreement, EDL shall either install such pre-treatment system so that the condensate meets the requirement of this Agreement, limit its condensate discharge, or cease discharging condensate to the City's WEPF.

- 3. The discharge pipeline to the WEPF collection system will be equipped in accordance with Section 2 above to include the following:
  - a. EDL shall maintain a minimum condensate storage capacity of 12,000 gallons.
  - b. EDL shall at all times maintain its equipment in satisfactory working condition including an independent annual test and certification of the flow meter. Tests results shall be provided to the City upon request.
- 4. EDL may begin discharging condensate to the WEPF subject to the terms and conditions contained herein effective upon the date of the last to occur of (i) both parties have signed this Agreement; or (ii) issuance of an Indirect Discharge Permit by the Ohio EPA. The term of the Agreement shall coincide with the term of the OEPA Indirect Discharge Permit. Notwithstanding any other provision of this Agreement, EDL shall not be required to discharge its condensate to the WEPF.
- 5. EDL agrees to pay to the City a fee of \$0.05 per gallon of condensate received at the WEPF (the "Rate"). This Rate shall be adjusted on the annual anniversary of this Agreement to reflect the appropriate annual Bureau of Labor and Statistics Consumer Price Index for the geographic region for the previous one (1) year period and the City shall notify EDL in writing of the new Rate taking into account the adjustment. In no event shall the Rate ever be less than five cents (\$.05) per gallon. WEPF staff will read the flow meter once per month. Monthly bills will be sent to EDL and payment will be due within thirty (30) days of the billing date. If there are any surcharges to the Rate due to any constituent of the condensate measuring greater than the prescribed threshold as set forth in this Agreement, the surcharge shall be based on the average concentration of such constituent as measured over the month.
- 6. In addition to the Rate charged per gallon of condensate which is set forth above in paragraph 5, there may be surcharges based on the percentage of the following constituents in EDL's condensate exceeding the following parameters. EDL understands and agrees that the discharge of any condensate that exceeds the established limits for the parameters listed in this paragraph 6 will result in a mandatory surcharge per parameter exceeded in accordance with Section 915.05 of the City's Codified Ordinances. The current surcharges are as follows:

<u>Parameter</u>	<u>Limit</u>	<u>Surcharge</u>
Ammonia, Nitrogen	More than 15 mg/l	\$ 1.522/pound in excess
CBOD 5	More than 180 mg/l	\$ 0.3862/pound in excess
Total Phosphorus (P)	More than 10 mg/l	\$ 1.522/pound in excess
Total Suspended Solids	More than 250 mg/l	\$ 0.057/pound in excess
Oil & Grease	More than 100 mg/l	\$0.3862/pound in excess

WEPF staff will review monthly test results (see paragraph 8 below). If any of the parameters listed in this paragraph 6 are exceeded in the monthly composite sample (or in the average of the samples in any given month if samples are taken more often than once per month), it shall be conclusively presumed that the parameter(s) in excess has been in excess since the date of the last test demonstrating compliance with said parameter(s). Surcharges, if any, assessed under paragraph 5, shall be applicable from the date of the last test demonstrating compliance until such time as re-test verifies compliance with the applicable limits. EDL may arrange for the approved third-party lab to test more frequently than scheduled for certain parameters so as to demonstrate whether surcharges should continue and possibly avoid continuation of a surcharge. Surcharges shall be based on the average of all samples taken during the month and applied to the monthly invoice.

If one or more of the parameter limits listed in this paragraph 6 results in non-compliance with the City's NPDES permit at the WEPF's discharge point as demonstrated by the most recent sampling data, then, after consultation with EDL, revised maximum discharge limit(s) will be established. EDL condensate may be limited or not accepted by the WEPF until analytical results of EDL's condensate are shown to be within the revised maximum discharge limit(s).

- 7. Subject to Sections 6 above and 8 below, the WEPF may only refuse condensate discharges from the EDL Renewable Natural Gas Facility during periods when the WEPF is experiencing mechanical, operational, and/or hydraulic problems; during periods of injunction or court or administrative order which suspends its right to accept loads and discharges as permitted by this Agreement; or during a labor stoppage or slow down. In the event of any of the foregoing, the determination as to when condensate will not be accepted shall be at the sole determination of the City. The City shall attempt to provide at least four (4) hours advance notification to EDL at all times during which condensate will not be accepted or the flow of condensate will be reduced. The notification protocol and contact list is attached hereto as Exhibit B.
- 8. EDL understands and agrees that if the condensate sent to the WEPF by EDL exceeds certain parameters, then it may affect the WEPF's ability to process the condensate. EDL understands and agrees that the following parameters are current parameters only, effective as of the date of this Agreement. These parameters may be subject to future modification by the Ohio EPA. Any mandated change in parameter by the Ohio EPA shall be immediately incorporated into this Agreement. The City will immediately notify EDL of any newly proposed limits, the intended implementation date and the actual promulgation date.

As of the date of this Agreement, the following are the parameters as set forth by the City of Oberlin for acceptable condensate:

<u>Parameter</u>	<u>Limit</u>	
pH	5.5 to 10.0 S.U.	
Arsenic	Less than 50 ug/l	
Cadmium	Less than 10 ug/l	

Less than 500 ug/l Chromium (total) Less than 10 ug/l Chromium (hexavalent) Less than 50 ug/l Copper Less than 2 ug/l Cyanide (total) Less than 5 ug/l Lead Less than 0.5 ug/l Mercury Less than 100 ug/l Nickel Oil and Grease Less than 100 mg/l\* Less than 10 ug/l Selenium Less than 30 ug/l Silver Less than 1,000 ug/l Zinc Less than 1,500 mg/l Total Dissolved Solids (TDS) Less than 250 mg/l\* Total Suspended Solids (TSS)

\* Subject to a surcharge. If the condensate exceeds these limits, then a surcharge shall apply in accordance with Section 6 of this Agreement

The WEPF reserves the right to refuse treatment of any of EDL's condensate, if testing determines that the characteristics of the condensate are not in compliance with the aforementioned criteria. In order to determine whether the condensate is not in compliance, if a condensate sample has a concentration of a given parameter which exceeds the limits set forth herein on a given sampling event, a confirmation resample will be collected and analyzed within ten (10) calendar days. If the parameter exceeds the concentration limit in the resample, the City may refuse to accept the condensate until such time as EDL's condensate complies with the parameter limit that is in non-compliance.

If one or more of the parameter limits listed in this paragraph 8 results in non-compliance with the City's NPDES permit at the WEPF's discharge point as demonstrated by the most recent sampling data, then, after consultation with EDL, revised maximum discharge limit(s) will be established. EDL condensate may be limited or not accepted by the WEPF until analytical results of EDL's condensate are shown to be within the revised maximum discharge limit(s).

In addition to the parameters above, EDL shall also test for the following, solely for the purpose of determining if a surcharge should be applied under Section 6:

Ammonia, Nitrogen CBOD5 Total Phosphorus

9. In order to determine whether EDL's condensate meets the parameters set forth in Section 8, and whether there are any surcharges as set forth in Section 6, EDL shall sample and analyze for the following parameters contained in this paragraph 9, at its own expense and as scheduled in this paragraph 9. Samples shall be taken the first week of the month for monthly samples, the first and third weeks of the month for twice-monthly samples, and on a convenient day for weekly samples. If after 2 months the EDL condensate does not exceed any of the limits, the samples shall be required only twice

monthly. If after an additional 2 months the EDL condensate does not exceed any of the limits, the samples shall be required only monthly. If any sample exceeds the limits and that is verified as set forth in paragraph 8, then the samples shall be taken twice monthly again until another 2 months has passed without any sample exceeding any of the limits, at which time the samples shall again be taken monthly. After the first six months of condensate deliveries, the City and EDL shall meet to determine a modified sampling schedule, which, if EDL has not exceeded any of the limits set forth in paragraph 8, shall require samples only monthly. EDL shall test condensate monthly even when not discharging to the WEPF, but shall only be required to send samples to the City when discharging to the WEPF. Samples shall be submitted directly to an approved National Environmental Laboratory Accreditation Program ("NELAP") third party laboratory capable of measuring concentrations at or below the limits established in paragraph 8 above and down to the lower testing limits specified below. The certified laboratory shall return all test results in duplicate to EDL and to the WEPF Superintendent.

Parameter Parameter	<b>Schedule</b>	<b>Methodology</b>	<b>Lower Testing Limit</b>
pH	weekly	grab	N/A
Ammonia	weekly	composite	0.1 mg/l
Arsenic	weekly	composite	5 ug/l
Cadmium (total)	weekly	composite	2 ug/l
Chromium (total)	weekly	composite	5 ug/l
Chromium (hexavalent)	weekly	grab	5 ug/l
Copper	weekly	composite	5 ug/l
CBOD₅	weekly	composite	2 mg/l
Cyanide (total)	weekly	grab	10 ug/l
Lead	weekly	composite	5 ug/l
Mercury	weekly	grab	0.2 ng/l
Nickel	weekly	composite	5 ug/l
Oil & Grease	weekly	grab	2000 ug/l
Phosphorus (total)	weekly	composite	0.1 mg/l
Selenium	weekly	composite	10 ug/l
Silver	weekly	composite	10 ug/l
Zinc	weekly	composite	5 ug/l
TDS	weekly	composite	20 mg/l
TSS	weekly	composite	2.5 mg/l

Composite and grab samples shall be collected directly from the approved sampling station.

The City reserves the right to request split samples of condensate. The City will, at its sole discretion, submit said split sample to an NELAP third party lab of its own choosing for analysis capable of measuring concentrations at or below the limits established in paragraph 8 above. Split sample testing shall be at the City's sole expense.

If the City desires to collect its own sample of condensate, it must provide at least forty-eight (48) hours' notice of such to EDL and offer EDL the right to request a split sample. EDL agrees that the City and its duly authorized agents shall have access to the condensate sampling station at no cost for the purpose of taking condensate samples. The

City and its duly authorized agents agree to coordinate any access with EDL's onsite manager prior to entry onto EDL's property in accordance with a process to be developed by the Parties. The Parties agree to work cooperatively to allow such inspections to be performed.

10. EDL shall indemnify, defend and save the City harmless from all claims, actions, damages, liability and expenses for any injury, death or property damage to persons or entities or for any damage to the facility or for any discharge from EDL's facility causing pass-through or interference with WEPF operations, causing the WEPF effluent to exceed NPDES permit limits or causing the biosolids to exceed applicable standards for land application which occurs during the monitoring, transferring and/or treatment processing of condensate and arising out of this Agreement to the extent such claims, actions, damages, liability and expenses are due to EDL's negligence and/or failure to comply with the terms and conditions of this Agreement.

To the extent that any claim, action, damage, liability or expense arises from the concurrent conduct of the City, EDL, and/or any third party, it is expressly agreed that each party shall be liable only to the extent of such party's pro rata share of liability.

Notwithstanding anything to the contrary in this Agreement, no party shall be liable to the other and each party expressly releases the other parties from punitive, special, indirect, incidental or consequential damages resulting from or arising out of this Agreement, including without limitation, loss of profit, inability to use property and/or equipment, or business interruption, howsoever the same may be caused, regardless of ownership, regardless of whether occasioned by or resulting from the negligence, strict liability, breach of warranty or other fault of the City or EDL as the case may be, in whole or in part, whether sole, joint, active or passive.

- 11. This Agreement shall be governed by the laws of the State of Ohio. All litigation regarding this agreement shall take place in a court of competent jurisdiction in Lorain County, Ohio, an applicable Federal Court located in Northern Ohio or other court that may have jurisdiction.
- 12. This Agreement may be terminated at any time by either party upon sixty (60) days advance written notice to the other, or it may be terminated immediately by the City if ordered by the Ohio Environmental Protection Agency or United States Environmental Protection Agency.
- 13. If there is any dispute between the parties, the party believing that a dispute exists shall send written notice to the other party. The chief officers of the parties shall confer at least once to attempt in good faith to resolve any dispute specified in a dispute notice. If such dispute is not resolved within 15 business days after the date of the dispute notice, then either party may, with the consent of the other party, and subject to prior confirmation from the City that it has appropriated funds for its share of the costs, initiate mediation by providing a written request for mediation to a mediation service selected by the American Arbitration Association and providing a copy of the written request to the other party. If the parties have agreed to mediation, then each party shall cooperate with

the mediation service and with one another in selecting a neutral mediator and in scheduling the mediation proceedings and to share equally the fees and expenses of mediation. If the City does not confirm that it has appropriated funds or the parties do not agree to mediation or the dispute cannot be settled by mediation, then either party may initiate legal action as deemed appropriate. In no event shall any dispute be submitted to arbitration unless by mutual agreement of the parties.

14. Any notice under this Agreement must be in writing and addressed to the receiving party and either sent via the United States mail, postage prepaid, return receipt requested, at the notice address below, or sent by email to the email address provided below. A notice sent by US mail is deemed to be received on the date shown on the return receipt and a notice sent by email is deemed received on the same business day as the email is sent, or if such email is not sent on a business day, on the next day after such email is sent which is a business day. The Parties' notice addresses are as follows:

If to EDL: Bio Energy (Ohio II), LLC

2501 Coolidge Rd., Suite 100 Lansing, Michigan 48823 Attn: Director, Operations

Email: contract.notices@edlenergy.com

With a copy to:

EDL Holdings (US), Inc.

P.O. Box 15217 Lansing, MI 48901

Attn: General Counsel, NA

Email: stephanie.reeves@edlenergy.com

If to City: City of Oberlin

Attn: Jeff Baumann, Public Works Director 85 South Main Street Oberlin, OH 44074 Email: jbaumann@cityofoberlin.com

Any notice given in the manner set forth above shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours.

- 15. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; *provided*, *however* this Agreement shall not be transferred or assigned by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, delayed, or conditioned.
- 16. This Agreement, and any exhibits attached hereto contain the entire agreement of the Parties with respect to the matters covered hereby. No prior or contemporaneous agreement, statement, or promise with respect to the subject matter of this Agreement made by any Party, or to any employee, officer, or agent of any Party, which is not

contained in this Agreement shall be binding or valid. This Agreement may be amended only by written instrument signed by the Parties, which amendment shall be first approved by Oberlin City Council.

- 17. Subject to Ohio's Public Records Laws and to the maximum extent permissible by law, the Parties agree to keep the terms and provisions of this Agreement confidential and not to disclose the same to any third parties during the Term and for one (1) year thereafter; provided, however, that each Party shall have the right to make such disclosures, if any, to governmental agencies, to its affiliates and its and their employees, officers, directors, attorneys, auditors, accountants, and shareholders, and to third parties as may be reasonably necessary in connection with its performance hereunder. If disclosure is sought through process of a court or governmental entity, the Party from whom disclosure is sought shall provide the other Party with notice as soon as practicable of such requested disclosure. Notwithstanding the foregoing, a Party may disclose such information if, in the opinion of such Party's legal counsel, such disclosure is legally desirable, necessary or required by law.
- 18. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.
- 19. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together constitute one agreement between the Parties. Each Party agrees that the electronic signatures (e.g., PDF) of the Parties are intended to authenticate this writing and have the same force and effect as manual signatures.

WHEREFORE, the parties have hereunto set their hands to this agreement effective as of the date first set forth above.

City Manager, City of Oberlin

Rob Hillard, City Manager

Date: <u>1-6-2023</u>

### Bio Energy (Ohio II), LLC

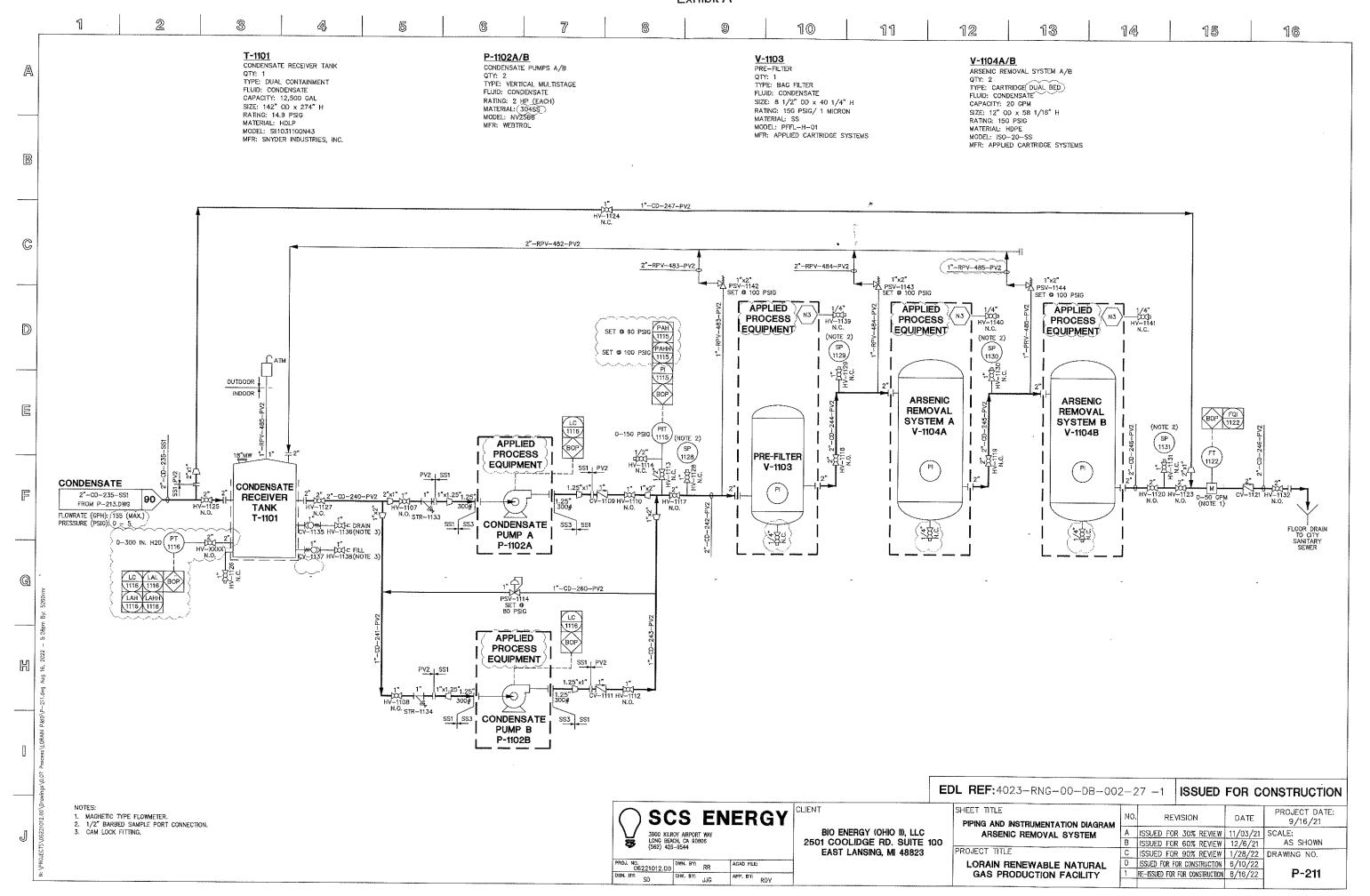
By: Bio Energy (I), LLC, its sole member By: Bio Energy (US), LLC, its sole member By: EDL Holdings (US), Inc., its sole member

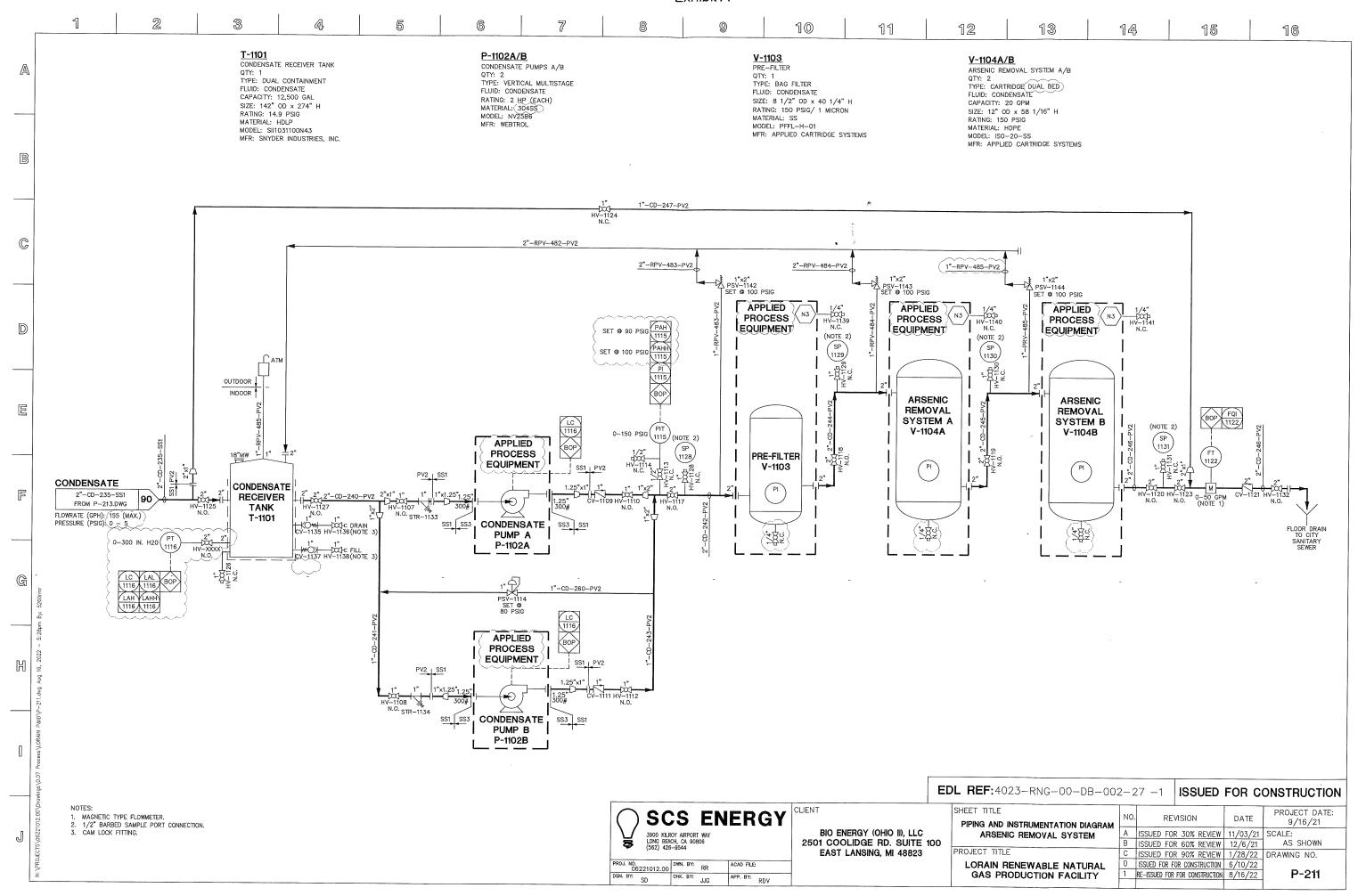
BY Date: 2/3/2023

Name: Raymond Ivers Title: President, Operations

Approved as to form:

Jon D. Clark, Law Director





# **EXHIBIT B Notification Protocol and Contact List**

#### **Notification Protocol**

In accordance with the provisions of this agreement, if, at any time, the City determines that it must reduce or suspend the flow of condensate from EDL to the WEPF, then the City shall make every effort to contact EDL within four (4) hours. EDL representatives shall be contacted in the order in which they appear on the subsequent list. Contact will be made by e-mail and will also be made by phone, fax, and/or pager as may be determined by the parties to be most effective. At such time that the flow of condensate may be resumed, the City shall likewise contact EDL as established above. If such notice is to be provided after normal business hours, the City shall contact EDL by cellular phone.

For purposes of the administration of this Agreement, the City's primary contact shall be the Public Works Director. For purposes of implementation of this Agreement, the City's primary contact shall be the WEPF Superintendent.

#### **CITY OF OBERLIN**

Jeff Baumann, Public Works Director	440-775-7204 jbaumann@cityofoberlin.com
	440-396-4437
Steve Hoffert, WEPF Superintendent	440-775-7280 shoffert@cityofoberlin.com
	216-534-0402
Nick Webber, WEPF Lead Operator	440-775-7282 nwebber@cityofoberlin.com
	440-935-2186
Ben Jackson, WEPF Lab Technician	440-775-7280 x132 bjackson@cityofoberlin.com
	440-522-5048

#### EDL

Jason Zess, RNG Plant Manager	216-701-0091	jason.zess@edlenergy.com
Joe Muise, RNG Maintenance Supervisor	419-602-3445	joseph.muise@edlenergy.com
Ryan Humphrey, RNG Support Supervisor	317-775-8327	ryan.humphrey@edlenergy.com
Rufus Ashiedu, RNG General Manager	517-643-6918	rufus.ashiedu@edlenergy.com