



Media Release

Fairfield-Suisun Sewer District Board Approves Agreement to Proceed with Development of a Lystek Organic Materials Recovery Center (OMRC)

Attention: Business, economic, agriculture and environmental reporters/editors

May 19 2015 (Fairfield, California, U.S.A.) – Yesterday, staff of the Fairfield-Suisun Sewer District (FSSD) recommended, and the Board of Directors accepted, the approval of a Resolution to execute a 20-year lease agreement (with an additional 10-year optional renewal) between the FSSD and Lystek International Inc. (Lystek) for the development of an Organic Materials Recovery Center at its Chadbourne Road facility in Fairfield California. The major terms and conditions of the Agreement are effectively complete and both parties look forward to proceeding with project implementation.

"This is an exciting day for all stakeholders", said Rick Mosher, President of Lystek. "Approval by the Board to move this project forward is the culmination of months of positive discussion and careful consideration of the many, mutual benefits that will be realized by everyone involved in this development. This includes the FSSD, all surrounding communities looking for advanced and proven, Class A quality biosolids and organics management solutions, growers that want/need good, affordable, nutrient rich, bio-fertilizer products as well as those looking for good-paying jobs in the area ", he adds.

It is widely acknowledged that "waste" diversion and resource recovery generate substantial economic and environmental benefits while supporting and expanding the evolution towards a circular economy.

Founded in 2000, Lystek is an award-winning, biosolids and organics management firm that is playing a leadership role in the successful diversion of organic materials from landfills. The firm provides proven solutions that help municipalities and other generators harness "waste" as an economic resource thereby converting wastewater treatment plants into Resource Recovery Centers. This is accomplished by transforming these materials into an organically-based, bio-fertilizer product called LysteGro. The resulting, high nutrient product is pathogen-free and it meets (or exceeds) US EPA, Class A EQ quality standards. LysteGro is already in high demand because pathogens are eliminated and the product is high in nutrients and organic matter and far more cost effective than chemical alternatives. The same, innovative system can also be used to optimize the performance of digesters and BNR systems, while reducing overall volumes and increasing biogas production for green energy. The OMRC will be built under a Design-Build-Finance-Own-Operate (DBFOO) model by Lystek.

FSSD currently produces approximately 12,000 tons of biosolids per year. Under this agreement, the district will have long-term control over its biosolids management expenses. Revenue and expenses will be proportional to the volume of material processed at the OMRC, which will have a maximum operating capacity of approximately 150,000 tons per year. FSSD biosolids management expenses will effectively be capped (except for growth and small, consumer price index increases) with revenues growing as more material is brought into the new facility. Indirect benefits will also be realized by FSSD through the process

of re-feeding "LysteMized" material back into its digesters to enhance biogas production for "green energy") and through reduction in the overall volume of output.

Under the terms of the agreement, Lystek will be responsible for soliciting third party materials to be processed at the new facility as well as all marketing and sales of the LysteGro bio-fertilizer product. As of the issuance of this release, Letters of Interest (LOI's) have already been secured from several agencies in the Bay Area. Additional LOI's are forthcoming. These LOI's are expected to transition into multi-year contracts as the project moves forward.

Greg Baatrup, General Manager of the FSSD states that "This technology is proven and development of this project and facility will play an important role in capping the FSSD's operational expenses related to biosolids management. It will also help us diversify and achieve our goal of leveraging existing, under-utilized infrastructure to generate additional revenues, further offsetting costs for the district."

"The FSSD Board of Directors is extremely proud of the track record of success at the FSSD and pleased with staff accomplishments "said Pete Sanchez, President of the FSSD Board of Directors. "We look forward to the positive benefits this partnership with Lystek brings to the communities of Fairfield, Suisun City, Solano County and the entire Bay Area," he adds.

About Lystek International

Lystek International Inc. is an organic materials recovery firm that is helping municipalities and other generators reduce waste, costs, odors and greenhouse gas emissions through its innovative approach to biosolids and organics management. The multi-use Lystek system can be leveraged to optimize digesters and biological nutrient removal systems while also contributing to landfill diversion and agricultural sustainability. This is achieved by transforming non-hazardous, organic materials into nutrient-rich, federally-registered fertilizers and other, multi-purpose products.

For more information please contact Kevin Litwiller, Director of Business Development, at; Cell: (519) 584-5437 or Office: (226) 444-0186 x 106 or by email at; kevinl@lystek.com

Fairfield-Suisun Sewer District

The Fairfield-Suisun Sewer District is a legally constituted governmental entity established to provide wastewater services to the Cities of Fairfield and Suisun City. FSSD serves more than 135,000 residential, commercial and industrial customers and government agencies in central Solano County, about 40 miles northeast of San Francisco. Households, retail businesses, major food and beverage producers, light industries, manufacturers and vital military operations depend upon our service. The treatment plant occupies about 150 acres. It draws from a collection system that consists of 12 pump stations and a 70-mile network of sewers that fan out throughout our service area.

For more information please contact Greg Baatrup, General Manager at; Office: (707) 429-8930 or via email at; gbaatrup@fssd.com