

CITY OF SANTA ROSA  
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES  
FROM: EMMA WALTON, DEPUTY DIRECTOR, WATER DEPARTMENT  
ZACK KAY, BIOSOLIDS COORDINATOR, WATER  
DEPARTMENT  
BRANDALYN TRAMEL, PURCHASING AGENT  
FINANCE DEPARTMENT  
SUBJECT: APPROVAL OF THIRD AMENDMENT TO GENERAL SERVICES  
AGREEMENT F001709 PONCIA FERTILIZER, INC.

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Water and Finance Departments that the Board of Public Utilities, by resolution, approve the Third Amendment to General Services Agreement F001709 for a one-year extension with an increase in compensation for biosolids spreading services with Poncia Fertilizer, Inc., Cotati, California, in the amount of \$53,785.80, for a cumulative total not to exceed \$235,189.80.

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EXECUTIVE SUMMARY

On June 7, 2018, the City Manager awarded a two-year term General Services Agreement (GSA) F001709 with three (1) one-year extension options for biosolids spreading services to Poncia Fertilizer, Inc. The current Agreement expires on June 30, 2022. This is the final extension option.

BACKGROUND

Biosolids land application services consist of spreading biosolids and agricultural lime on designated City owned and privately held farmlands during the months of July – October.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

May 21, 2020, approved First Amendment for one-year extension

ANALYSIS

Staff received a one-year extension proposal with an 15% increase in contract price. The Consumer Price Index Not Seasonally Adjusted for San Francisco-Oakland-Hayward, CA

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shows a 2% increase from June 2021 to December 2021. Fuel based increases from U.S. Energy Information Administration (EIA) in California Gasoline – All Grades 3.132 in 2020 to 4.100 in 2021, shows a 30% increase. Based on this information, staff determines the 15% increase is considered fair and reasonable.

The City and Poncia Fertilizer, Inc. entered into an agreement on June 7, 2018, awarded by City Manager. See contract activity chart below:

<b><u>Award/Amendment</u></b>	<b><u>Date</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>	<b><u>Authorization</u></b>
Contract Award	June 7, 2018	Two Year with three (3) one-year extension options	\$88,060	City Manager
First Amendment	May 21, 2020	One-year extension with 6% increase in unit price, and increase compensation	\$46,672	BPU
Second Amendment	March 10, 2021	One-year extension with no increase in unit price	\$46,672	Purchasing Agent
<b>Third Amendment</b>	<b>Pending</b>	<b>One-year extension with 15% increase in unit price</b>	<b>\$53,785.80</b>	<b>BPU</b>
Cumulative Contract Value			\$235,189.80	

With approval of the Third Amendment, the cumulative value of Agreement F001709 will be \$235,189.80. Under the City's Contract/Purchase Order Modification Policy III-9, the Third Amendment of GSA F001709 requires approval by the Board of Public Utilities.

### **FISCAL IMPACT**

Funds required for this operational expense are included in the Fiscal Year 2021-22 adopted budget of the Water Department and will be included in subsequent budgets to be approved by the City Council. .

### ENVIRONMENTAL IMPACT

The spreading of the City's biosolids has been reviewed and is consistent with the California Environmental Quality Act (CEQA), pursuant to the Santa Rosa Subregional Sludge Beneficial Use Project Program EIR certified in 1991 and the South County Biosolids Reuse MND adopted by the Board of Public Utilities in 2010.

### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not Applicable

### ATTACHMENTS

- Attachment 1 – Third Amendment to General Services Agreement F001709
- Resolution

### CONTACT

Emma Walton, Deputy Director Regional - Water Reuse Operations, Water Department, [ewalton@srcity.org](mailto:ewalton@srcity.org), 707-543- 4516

Zach Kay, Biosolids Coordinator, Water Department, [zkay@srcity.org](mailto:zkay@srcity.org) , 707-543-3374

Brandalyn Tramel, Purchasing Agent, Finance Department, [btramel@srcity.org](mailto:btramel@srcity.org),  
707-543-3706

Jennifer Myles, Senior Buyer, Finance Department, [jmyles@srcity.org](mailto:jmyles@srcity.org), 707-543-3709