

General Services Agreement Approval: Biosolids Processing Services

Board of Public Utilities

Joe Schwall, Deputy Director Regional Operations
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Santa Rosa Water | Our Future in Every Drop

Agenda

- Background
- RFP Process
- Biosolids Program Considerations
- Agreement
- Recommendation



Background

- What are Biosolids?
 - Solids from wastewater treated at LTP
 - Available for beneficial re-use
 - Degree of treatment dictates reuse options
 - Class B: Anaerobic Digestion
 - Class A: Composting or other additional process



Background

Biosolids Program Goals

- Regulatory Compliance
- Reliable Performance
- Operational Flexibility
- Resilience
- Value to Ratepayer



Background

Biosolids Program Components

- 32,600 wet tons produced annually
 - Land Application (65%)
 - Dry season only
 - Composting (24%)
 - Wet season alternative to land application
 - Landfill (10%)
 - All year
 - Lystek (1%)
 - All year



Background

Compost Challenges

- High unit cost (30% higher than next most expensive option)
- Aging Facility (> 20 years)
- In need of \$3-\$5M in near-term improvements
 - Plus additional long-term improvements

Landfill Challenges

- Closing to biosolids

Compost + Landfill = 11,000 tons/year



Background

Biosolids Program Improvement

- Potential for \$10M savings over 20 years?
 - Replace Compost component with 3rd party biosolids services provider
 - Avoids \$3-5M in needed capital improvements



Background – Staffing Impacts

Staffing Impact of Closing Compost Facility

- Five skilled maintenance workers are currently assigned primarily to Compost Facility
- Four workers to be assigned to positions within the Department
- One additional assignment expected to be identified within the Department or City by November 1, 2020



Background

August 26, 2019

- Staff Briefing to CC/BPU Liaison Subcommittee on Biosolids Program

September 19, 2019

- BPU approval for Request for Proposals for Biosolids Processing Services

November 8, 2019

- RFP was released



RFP Process

- General Services Agreement
 - 5-yr initial term, with two 3-yr options – 11 yrs total
- Proposals submitted December 19, 2019
 - Two proposals received
- Proposals reviewed by panel January 6, 2020
 - BPU Chair
 - Dep Dir Regional Ops
 - Biosolids Coordinator
 - Dep Dir Engineering Rscs
 - Water Reuse Engineer



RFP Process

- Proposal A: Lystek
- Located at Fairfield-Suisun Sewer District (FSSD) treatment plant
- Class A biosolids product
 - Solano County
- Can accept non-Class B biosolids
- Year-round
- No weather dependency
- Less expensive than Composting, 19% more than Proposal B



RFP Process

- Proposal B
- Land Application
 - Sacramento County
- Only Class B biosolids (offered disposal for sub-Class B)
- Year-Round
- Some wet-weather limitations
- Less expensive than Composting and Lystek



Proposals Comparison

	LYSTEK	PROPOSAL B
Regulatory Compliance	+	+
Operational Reliability	+	-
Operational Flexibility	+	-
Resilience	+	-
Cost	-	+

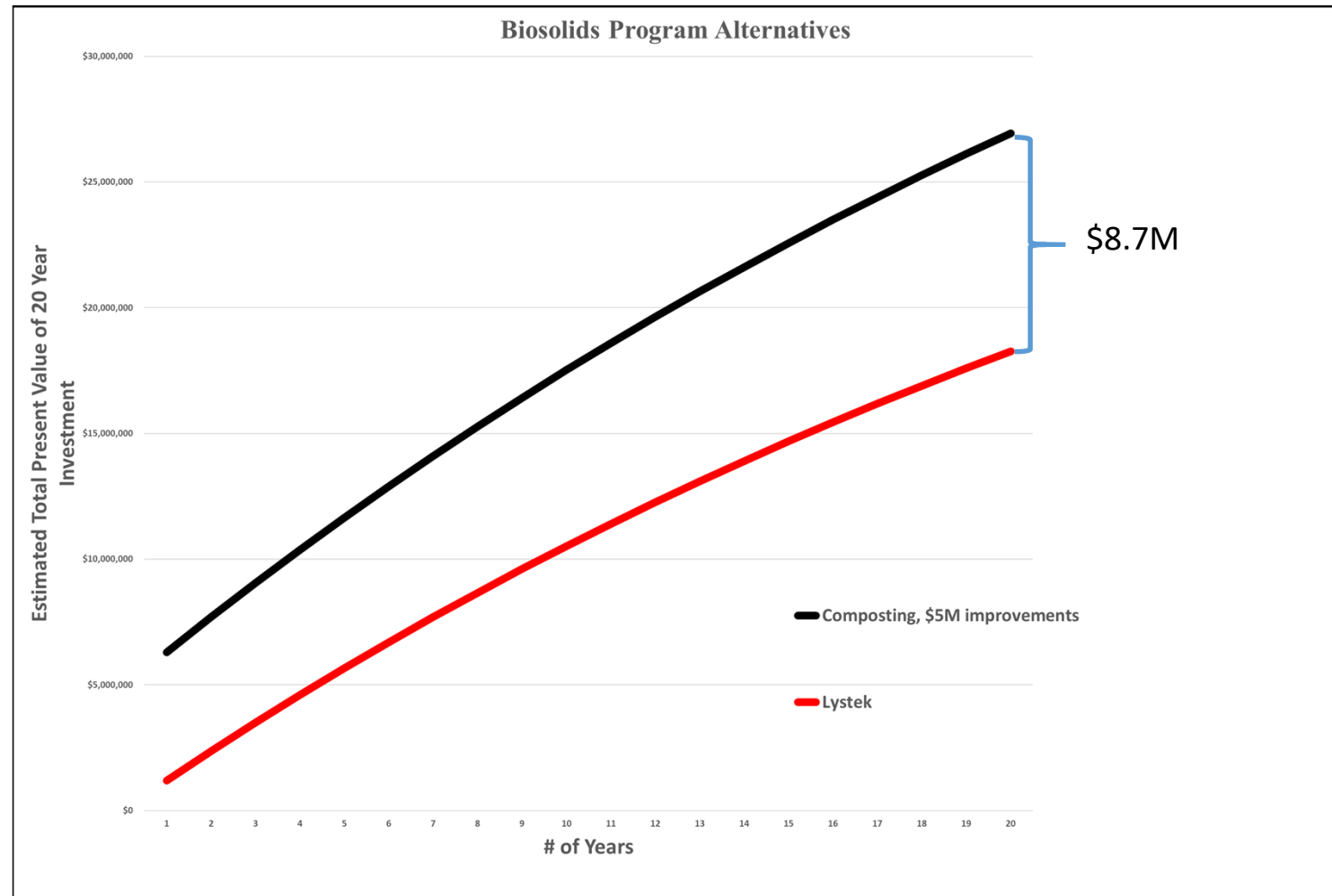
Proposals Comparison

	LYSTEK	PROPOSAL B
Price per wet ton*	\$112.75**	\$95
Annual Cost (11,000 wet tons)	\$1,240,250	\$1,045,000
Difference		-\$195,000

*Including hauling costs

**Price for year 1

Lystek v. Composting



Proposal Comparison

- Both Proposers provide cost savings compared to current program
- Lystek will provide greater benefit and value to the biosolids program



Agreement

- Five-year initial term
 - Two three-year extension options
- 11,000 tons/year, November-April
 - Optional delivery other months
- \$92.75/ton
 - 3.3% increase 2nd & 3rd years
 - CPI increase 4th & 5th years (limited 2.5-5%)
 - Not to exceed \$6,405,770
- Hauling by 3rd party



Environmental Review

- Fairfield-Suisun Sewer District (FSSD) adopted Initial Study/Mitigated Negative Declaration for development and operation of the Organic Materials Recovery Center in April 2015
 - Regional collection and processing of biosolids from wastewater treatment plants within 100 miles of FSSD
 - Lystek operational volume within study limits



City Council/Board of Public Utilities Liaison Committee

- Met on February 27th
- Reviewed the proposed General Services Agreement with Lystek Lystek International Limited to provide Biosolids Management Services
- Committee unanimously recommended approval of the proposed General Services Agreement



Recommendation

It is recommended by the Water and Finance Departments that the Board, by resolution, approve a five-year with two three-year renewal options General Services Agreement with Lystek International Limited to provide Biosolids Management Services, as required by the Water Department, for the total amount not to exceed \$6,405,770.

Questions?

