

CITY OF SANTA ROSA  
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES  
FROM: JOE SCHWALL, DEPUTY DIRECTOR  
WATER DEPARTMENT  
BRANDALYN TRAMEL, PURCHASING AGENT  
FINANCE DEPARTMENT  
SUBJECT: CONTRACT APPROVAL – GENERAL SERVICES AGREEMENT  
FOR BIOSOLIDS MANAGEMENT SERVICES

AGENDA ACTION: RESOLUTION

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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 Service Agreement (GSA) with Lystek International Limited, Wilmington, Delaware (Lystek), to provide Biosolids Management Services, as required by the Water Department, for the total amount not to exceed \$6,405,770.

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EXECUTIVE SUMMARY

This resolution will award a five-year services contract, with two three-year renewal options, for an amount not to exceed \$6,405,770 to Lystek, to provide biosolids processing services for a portion of the biosolids produced by the Laguna Treatment Plant.

BACKGROUND

On November 08, 2019, Request for Proposals (RFP) 19-71 was opened by the Purchasing Agent at the request of the Water Department seeking innovative and comprehensive environmentally-friendly biosolids management services to be utilized by the Water Department.

The City of Santa Rosa's Laguna Treatment Plant (LTP), a 21.3 million-gallon-per-day tertiary wastewater treatment plant, serves approximately 230,000 residents in the cities of Santa Rosa, Rohnert Park, Cotati, Sebastopol, and unincorporated portions of Sonoma County. Solids processing at the LTP consists of sludge thickening using gravity belt

thickeners, mesophilic anaerobic digestion, and belt filter press dewatering. Class B biosolids at 15-16% total solids are produced through this process.

Currently, the LTP produces an average of 90 wet tons of biosolids per day throughout the year. During the dry months (May 1 through October 31, typically), biosolids are trucked to agricultural land within Sonoma County and are applied as fertilizer or soil amendment on fodder crops. During wet months (November 1 through April 30), land application of biosolids is restricted, and biosolids are composted in a City-owned and operated facility, stored on City property, or hauled to the Redwood Landfill in Novato.

Of the approximately 32,600 wet tons of Class B biosolids the treatment plant produces annually:

- 65% is applied to agricultural land,
- 24% is converted to a Class A, commercially-marketed compost,
- 10% is hauled to the landfill and used as alternative daily cover, and
- 1% is directed to a private processor.

The City wishes to identify a single entity to provide biosolids processing services for the 35% (approximately 11,000 wet tons) of annual biosolids production that is not currently land applied as agricultural fertilizer, during the months of November through April.

#### PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On October 18, 2018, the Board of Public Utilities received a Staff Briefing on biosolids processing.

On September 19, 2019, the Board of Public Utilities approved a staff recommendation to issue a Request for Proposals for the beneficial reuse of a portion of the biosolids produced at the LTP.

#### ANALYSIS

Of the thirty-two potential respondents on the City's proposer list for RFP 19-71 Biosolids Management Services, two companies provided proposals that were deemed responsive and responsible to the RFP requirements.

A tabulation of the responsive vendor(s) proposals received and evaluated by the RFP evaluation panel is listed below:

<b>Proposer</b>
<b>Lystek International Limited, Wilmington, DE</b>
Synagro-WWT, Inc. Ranch Cordova, CA

The RFP evaluation panel scored the two proposers' qualifications and experience and proposals' technical merits against the needs of the City's biosolids management program. Lystek scored higher for operational reliability, operational flexibility, resilience to regulatory change, and minimization of traffic impact compared to Synagro. Synagro scored higher than Lystek for cost.

Total cost for biosolids processing includes tipping fees plus hauling costs. Synagro proposed to provide hauling while Lystek provided proposals with or without hauling. For purposes of this comparison, the City would provide biosolids hauling to Lystek under a current third-party agreement. Synagro's proposal for biosolids processing is \$95/wet ton and Lystek's proposal (including costs for third-party hauling) equals \$112.75/wet ton.

The panel determined that the long-term value and stability that Lystek provided to the City's biosolids program by receiving and processing the biosolids at the Organic Materials Recovery Center located in Fairfield on the site of the Fairfield-Suisun Sewer District (FSSD) Wastewater Treatment Plant outweighed the short-term 19% cost savings that Synagro offered. For that reason, it is recommended that the City choose Lystek to provide biosolids processing services for approximately 11,000 wet tons produced annually that are not currently applied on agricultural land.

### FISCAL IMPACT

Funds for this regular operating expense are expected to be included in the Water Department's Fiscal Year 2020-21 budget and subsequent budget proposals presented to the City Council. Actual operational expenditures are expected to be less with this recommendation compared to current expenses for composting.

### ENVIRONMENTAL IMPACT

On April 27, 2015, the Fairfield-Suisun Sewer District, pursuant to its Resolution No. 2015-04, approved an Initial Study/Mitigated Negative Declaration for the development and operation of the Organic Materials Recovery Center dated April 2015 (IS/MND). The IS/MND evaluated the environmental impacts of the regional collection and processing of biosolids from wastewater treatment plants within a service radius of 100 miles at the proposed recovery center. The Organic Materials Recovery Center was subsequently constructed and is operated by Lystek.

As a Responsible Agency, the City may rely on the previously adopted IS/MND as the

California Environmental Quality Act (CEQA) documentation for the City's approval of the Agreement with Lystek, so long as the City considers the environmental effects of the project as identified in the IS/MND and adopts any mitigation measures for the project that are applicable to the City's actions. A review of the IS/MND indicates there are no applicable mitigation measures that need to be adopted by the City in relation to its approval of the Lystek Agreement. A copy of the IS/MND dated April 2015 is attached to this report, along with the Response to Comments on the IS/MND and Resolution No. 2015-04 of the Fairfield-Suisun Sewer District approving the IS/MND.

#### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On August 26, 2019, the City Council/BPU Liaison Subcommittee received a staff briefing on biosolids processing options and approved staff recommendation to solicit proposals for processing of biosolids produced at the LTP.

On January 9, 2020, the City Council/BPU Liaison Subcommittee was presented information regarding the negotiations with the preferred vendor for biosolids processing.

On February 27, 2020, the City Council/BPU Liaison Subcommittee recommended that the Board of Public Utilities approve the proposed GSA with Lystek.

#### ATTACHMENTS

Attachment 1 - Proposed General Services Agreement  
Attachment 2 – Proposed Resolution of Approval  
Exhibit A to Attachment 2 - Final IS/MND for the Organic Materials Recovery Center and Response to Comments on the IS/MND  
Attachment 3 - FSSD Resolution No. 2015-04

#### CONTACT

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