Agenda Item # 7.1
For Board Meeting of: October 16, 2025

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: CHAIR AND BOARD MEMBERS
FROM: HEATHER JOHNSON, ENVIRONMENTAL SERVICES OFFICER, WATER DEPARTMENT
SUBJECT: APPROVAL OF A SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH MONTROSE AIR QUALITY, LLC

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by Santa Rosa Water that the Board of Public Utilities, by motion, approve the Second Amendment to Professional Services Agreement (PSA) F002411 with Montrose Air Quality Services, LLC (Montrose) to provide routine and non-routine emission monitoring for compliance with Bay Area Air Quality District permit requirements, extending the contract through 2027 and adding compensation in the amount of $300,000 for a total amount not to exceed $565,000.

EXECUTIVE SUMMARY

This proposed action will approve Amendment No. 2 to PSA No. F002411 with Montrose, in the amount of $300,000, to provide air quality emission testing at the Laguna Treatment Plant for monthly, annual, and as-needed monitoring. This amendment also adds services to provide routine emission monitoring of the backup generator at Water Station 4.

BACKGROUND

The City of Santa Rosa Regional Water Reuse Facility – Laguna Treatment Plant holds a Title V Major Facility Review Permit #A1403. The facility has four Combined Heat and Power (CHP) Engines which are currently abated by a digester gas conditioning system. The Title V permit contains conditions for routine emissions testing from these processes. The PSA with Montrose is for compliance emissions testing of the four natural gas digester gas engines in addition to monitoring the efficacy of the digester gas conditioning system. These tests are required to be performed on a monthly basis, in addition to a more extensive annual monitoring requirement.

Since the original contract with Montrose in 2021 the City has installed a new enclosed waste gas burner at the Laguna Treatment Plant and has replaced the backup generator

at Water Station No. 4. Each of these new units has additional routine air monitoring requirements which are now included in the scope of work.

In May 2021, the City solicited proposals to provide routine and non-routine emissions monitoring. Two proposals were received.

A review panel consisting of a Wastewater Operations Superintendent, a Deputy Director of Environmental Services, and an Environmental Services Officer reviewed and evaluated the proposals. Montrose was selected as the most qualified consultant for this project. In November 2021 the Board of Public Utilities awarded a PSA with Montrose to provide professional services in the amount of $200,000.00.

In January 2024 the City Manager approved Amendment No. 1 to PSA No. F002411 with Montrose to extend the agreement for an additional 2-year period and add $65,000.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On November 18, 2021, the Board approved the PSA for a 3-year agreement of $200,000.

ANALYSIS

The City seeks to amend PSA No. F002411 with Montrose to add a time extension of 2 years and additional funds of $300,000.

Staff recommends that it is in the City's best interest to extend this PSA for ongoing air permit compliance needs, as we have been satisfied with the Montrose's performance to date. They have consistently delivered quality work and demonstrated a strong understanding of the City's needs. Additionally, they possess the most in-depth knowledge of current and upcoming City projects, making them a valuable partner moving forward.

Under the City's Contract/Purchase City Code 3-08-110(A) Award Authority, this Amendment requires approval by the Board of Public Utilities.

FISCAL IMPACT

Approval of this PSA amendment has no additional budget impacts for Santa Rosa Water or the General Fund. Funds for this expense were appropriated in the fiscal year 2025/2026 budget as a regular operating expenditure. The services, as described, will continue to be budgeted for in future years.

ENVIRONMENTAL IMPACT

This action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Class 1 – Existing Facilities), which

exempts the operation, repair, maintenance, or minor alteration of existing public or private facilities involving negligible or no expansion of use. The proposed amendment provides for monitoring services at existing facilities with no physical construction, expansion, or change in use.

No unusual circumstances or other exceptions under CEQA Guidelines Section 15300.2 apply. Therefore, no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On October 28, 2021, the Board of Public Utilities Contract Review Subcommittee reviewed and recommended approval of the Professional Services Agreement and accompanying scope of work for the project, following a request for additional information regarding edits to the standard contract language as suggested by Montrose. These edits were specific to Section 5 – Insurance. During the contract review process both Risk Management and the City Attorney's Office were consulted, and both offices subsequently accepted the struck language as proposed by the vendor. These details were discussed in more detail at the November 18, 2021, Board of Public Utilities Meeting.

NOTIFICATION

Not Applicable.

ATTACHMENTS

- Attachment 1 – Second Amendment to Professional Services Agreement F002411

PRESENTER

Heather Johnson, Environmental Services Officer