

CITY OF SANTA ROSA  
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES  
FROM: EMMA WALTON, WATER REUSE ENGINEER  
SANTA ROSA WATER  
SUBJECT: LETTERS OF INTENT TO NEGOTIATE FOR LOCATION OF AN  
ORGANICS PROCESSING FACILITY ON CITY OF SANTA ROSA  
PROPERTY

AGENDA ACTION: MOTION

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RECOMMENDATION

It is recommended by the Water Department that the Board of Public Utilities, by motion, approve issuing Letters of Intent to Negotiate ("LOI") to BioMRF Technologies, Inc. ("BioMRF"), Sacyr Environment USA, LLC ("Sacyr"), StormFisher Ltd and Hitachi Zosen Inova USA LLC ("StormFisher"), and Renewable Sonoma, LLC ("Renewable Sonoma") for use of City-owned property adjacent to the Laguna Treatment Plant for the implementation of an organics processing facility.

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EXECUTIVE SUMMARY

This proposed action will allow BioMRF, Sacyr, StormFisher, and Renewable Sonoma to submit proposals that include the use of City property in their response to the Sonoma County Waste Management Agency's ("Agency") "Request for Proposals ("RFP") for Organic Materials Processing." These entities are private companies or agglomerations of companies with expertise in organics processing who are developing responses to the Agency's RFP. If any of the parties that receive an LOI (included as Attachment 1) from the City are successful in the Agency's selection process, the City will subsequently negotiate with the successful party for the use of City property. The Board would have the opportunity to review any proposed agreements for the project, which would likely include a long-term lease with the City as necessary and appropriate for the implementation of the proposed organics processing facility, as well any required environmental analysis and review of the proposed project prior to any approvals.

BACKGROUND

The Agency is a joint powers authority whose mission is to implement waste diversion programs as required by State law, a cornerstone of which is composting. On May 31, 2017, the Agency, facing challenges for some time regarding locating a local green

waste processing and composting facility, issued an RFP (included as Attachment 2) soliciting responses from parties who may be interested in owning and operating an organic materials processing facility ("Compost Facility") in Sonoma County.

To help support the Agency's initiative, the City provided a letter that was included in the Agency's RFP offering, for potential lease, City owned-land near the Laguna Treatment Plant ("LTP") that could serve as a facility site for respondents to consider. The letter identified a number of City-owned parcels as well as potential synergistic interactions (e.g. recycled water use, excess heat use, biogas production, biosolids processing, etc.) that may arise from the co-location of a private Compost Facility adjacent to the LTP. On July 18, 2017, the City issued its own RFP (included as Attachment 3) soliciting responses from parties who may be interested in leasing City property and providing synergistic use opportunities for the implementation of a co-located Compost Facility.

### PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On July 6, 2017, the Board participated in a Staff Briefing to review the status of the City's collaboration with the Agency.

### ANALYSIS

Water Staff solicited proposals from all parties who attended the Agency's Mandatory Pre-Proposal Conference that was held June 28, 2017. In response, the City received ten proposals on August 18, 2017. A review panel, consisting of four Staff members and two Board members, evaluated the written proposals and participated in proposer interviews. All proposals were evaluated against three selection criteria: (1) the proposer's previous experience, demonstrated ability, and team member qualifications, (2) the value to the City (including lease value and synergistic use opportunities), and (3) the approach to project implementation.

BioMRF, Sacyr, StormFisher, and Renewable Sonoma were deemed by the panel to have submitted proposals worthy of future negotiations and are each a recommended recipient of an LOI.

### FISCAL IMPACT

There are no anticipated costs to the City as this time.

### ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

## BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

None.

## ATTACHMENTS

- Attachment 1 – Letter of Intent to Negotiate
- Attachment 2 – Request for Proposals for Organic Materials Processing
- Attachment 3 – Request for Proposals for Location of an Organics Processing Facility on City of Santa Rosa Property

## CONTACT

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