CITY OF SANTA ROSA

TO: BOARD OF PUBLIC UTILITIES

FROM: ALAN ALTON, ACTING CHIEF FINANCIAL OFFICER, FINANCE

BOARD OF PUBLIC UTILITIES

DEPARTMENT

BRANDALYN TRAMEL, PURCHASING AGENT, FINANCE

DEPARTMENT

KIMBERLY ZUNINO, DEPUTY DIRECTOR, WATER

DEPARTMENT

SUBJECT: ASSIGNMENT AND ASSUMPTION AND CONSENT TO

ASSIGNMENT AGREEMENT – GENERAL SERVICES

AGREEMENT (GSA) F001601 BIOSOLIDS HAULING SERVICES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Finance and Water Departments that the Board of Public Utilities (BPU), by resolution, authorize the Chairman of the Board to execute an Assignment and Assumption and Consent to Assignment Agreement for General Services Agreement (GSA) F001601 dated January 18, 2018, providing biosolid hauling services, from Andrew Poncia dba Poncia Fertilizer Spreading, and assign to Poncia Fertilizer, Inc.

EXECUTIVE SUMMARY

On January 18, 2018, the BPU approved a one-year GSA F001601 for biosolids hauling services with Andrew Poncia dba Poncia Fertilizer Spreading, Cotati, CA in the sum of \$288,895. Subsequently, on February 1, 2018, Andrew Poncia dba Poncia Fertilizer Spreading requested the City consent to an assignment of the agreement to Poncia Fertilizer, Inc.

BACKGROUND

Biosolids hauling services consist of hauling dewatered biosolids produced by the Laguna Wastewater Treatment Plant's biosolids belt press. The Laguna Treatment Plant currently has four beneficial reuse options for biosolids that are produced at the plant: Land Application, Compost Production, Landfill, and the Lystek facility located at the Fairfield-Suisun Wastewater Treatment Plant. For the land application program, the City has contracts with seven (7) farmland sites to which biosolids material may be delivered.

The City also spreads biosolids on four (4) City-owned farms. All of these locations are held to Federal 503 and/or State General Order regulations which include strict limits on the amount of biosolids that may be land-applied as well as time constraints. All privately and City-owned lands are limited to accepting biosolids application only during the months of May through October.

Throughout the year, the City also reuses biosolids in production of Water Smart Compost. Additional amounts of biosolids produced at the Laguna Treatment Plant from November through April beyond the amount used for Compost production are stored at the Alpha Farm Biosolids Storage Facility to be reused for land application later, during the months of May through October. At this time, the City is also obligated, by contract, to send a minimum of 500 wet tons annually to the Lystek facility located at the Fairfield-Suisun Wastewater Treatment Plant. Landfill is the backup option for the City to send biosolids when the above beneficial reuse options are not viable due to capacity or time constraints.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

January 18, 2018, approval of GSA F001601 to Andrew Poncia dba Poncia Fertilizer & Spreading.

ANALYSIS

To allow for the assignment of this agreement to Poncia Fertilizer, Inc., an Assignment and Assumption and Consent to Assignment Agreement must be executed. It is City staff's understanding that Andrew Poncia will continue to perform the services as a corporation instead of as a sole proprietor. Andrew Poncia continues to provide satisfactory services. The original agreement awarded resulted in a 20% lower cost in services compared to previous service history and City staff believes it is in the best interest of the City to consent to the assignment of the agreement to Poncia Fertilizer, Inc.

FISCAL IMPACT

Funds for this operational expense have been allocated in the fiscal year 2017-18 budget of the Utilities Department Operational Key number 130807-5321, and will be budgeted in subsequent fiscal year budgets when approved by Council.

ENVIRONMENTAL IMPACT

The hauling of City's biosolids has been reviewed 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.

<u>ATTACHMENTS</u>

- Resolution
- Attachment 1 Assignment and Assumption Agreement

<u>CONTACT</u>

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