

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: KIMBERLY ZUNINO, DEPUTY DIRECTOR, WATER
DEPARTMENT
CHUCK MCBRIDE, CHIEF FINANCIAL OFFICER, FINANCE
DEPARTMENT
SUBJECT: GENERAL SERVICES AGREEMENT F001601 CONTRACT
EXTENSION – BIOSOLIDS HAULING SERVICES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Water and Finance Departments that the Board of Public Utilities, by resolution, approve a two-year contract extension to General Service Agreement (GSA) F001601 for biosolids hauling services to Poncia Fertilizer Inc., Cotati, CA for an increase in compensation of \$665,550 and a total not to exceed amount under the contract of \$954,445.

EXECUTIVE SUMMARY

Biosolids hauling services consist of hauling dewatered biosolids produced by the Laguna Wastewater Treatment Plant's biosolids belt press. The current agreement expires on December 31, 2018. The contractor provides all necessary equipment and personnel for hauling Biosolids generated at the Laguna Wastewater Treatment Plant ("LTP").

BACKGROUND

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 private and City-owned lands are only able to accept biosolids application 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 sends a minimum of 500 wet tons annually to the Lystek facility located at the Fairfield-Suisun Wastewater Treatment Plant. The items listed in Exhibit B-1 for the Lystek Facility tipping fees are identified as a “not to exceed” sum to allow for increases to tipping fees required from Lystek imposed onto Poncia Fertilizer Inc. throughout the term of the agreement and will allow the City to increase tonnage to be delivered, if they surpass the original estimated 500 wet tons.

Landfill reuse, as alternative daily cover, is the backup option for the City when the other beneficial reuse options are not viable due to capacity or time constraints.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On January 18, 2018, the Board of Public Utilities approved GSA F001601 to Andrew Poncia dba Poncia Fertilizer Spreading, Cotati, CA in the amount of \$288,895.

On June 21, 2018, the Board of Public Utilities approved the Assignment and Assumption of the GSA F001601 from Andrew Poncia dba Poncia Fertilizer Spreading to Poncia Fertilizer Inc.

ANALYSIS

Poncia Fertilizer Inc. submitted a written offer for a two-year contract extension with a 11.22% increase in contract unit price. The average price agreed was 20% lower in comparison to the other bid responses under IFB 17-95. Based on the evaluation comparison, a two-year hold on contract unit price proposed by Poncia Fertilizer Inc, the extension proposal is considered fair and reasonable.

FISCAL IMPACT

Funds for this operational expense have been allocated in the Fiscal Year 2018-19 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 the City’s biosolids has been reviewed and is 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

ATTACHMENTS

- Resolution/Exhibit A – First Amendment

CONTACT

Kimberly Zunino, Deputy Director Water Administration, ext. 3704

Chuck McBride, Chief Financial Officer – Finance, ext. 3089

Brandalyn Tramel, Purchasing Agent, Finance, ext. 3706

Jennifer Myles, Senior Buyer – Finance, ext. 3709