

CITY OF SANTA ROSA  
BOARD OF PUBLIC UTILITIES

TO: CHAIR AND BOARD MEMBERS  
FROM: TRACY VERA, BUYER, FINANCE DEPARTMENT  
SUBJECT: APPROVAL – FOURTH AMENDMENT TO GENERAL SERVICES  
AGREEMENT F002525 WITH PONCIA FERTILIZER, INC. TO  
EXTEND ONE YEAR AND INCREASE COMPENSATION

AGENDA ACTION: MOTION

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RECOMMENDATION

It is recommended by Santa Rosa Water and the Finance Department that the Board of Public Utilities, by motion, authorize the Chair of the Board to approve the Fourth Amendment to General Services Agreement F002525 with Poncia Fertilizer, Inc., Cotati, California, for biosolids hauling services to extend the term for one-year and increase compensation in the amount of \$484,653 for a total cumulative amount not to exceed \$2,745,539.21.

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EXECUTIVE SUMMARY

Biosolids hauling services consist of hauling approximately 35,000 tons of dewatered biosolids produced by the Laguna Wastewater Treatment Plant (LTP) to a variety of reuse sites and a local refuse location annually. The current hauling contract will expire on December 31, 2025.

BACKGROUND

LTP currently relies on three beneficial management options for biosolids that are produced at the wastewater treatment plant: Land Application, alternative daily landfill cover, 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 site owners/users who use biosolids as a soil amendment. 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 and time of year that biosolids may be land-applied. All private and city-owned lands are limited to accepting biosolids from May through October. Additional amounts of biosolids produced at LTP from October through April are stored at the Alpha Farm Biosolids Storage Facility for land application during the months of May through October. From October through April, the City also sends a minimum of 11,000 wet

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tons annually to the Lystek facility located at the Fairfield-Suisun Wastewater Treatment Plant. Landfill Alternative Daily Cover is the backup option for the City when the above options are not viable due to capacity or time constraints. All the above options require trucking biosolids in specialized, large-capacity trucks.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On November 3, 2022, the Board approved General Service Agreement (GSA) F002525 for a one-year period, with four one-year renewal options in the amount of \$725,395.

On October 19, 2023, the Board approved the First Amendment to GSA F002525 for a one-year extension and an increase in compensation in the amount of \$745,035 for a total cumulative amount not to exceed \$1,470,430.00.

On November 7, 2024, the Board approved the Second Amendment to GSA F002525 for a one-year extension and an increase in compensation in the amount of \$765,326.05 for a total cumulative amount not to exceed \$2,235,756.05.

ANALYSIS

On September 19, 2025, Purchasing received a one-year extension proposal with a 3.5% increase in unit price. Poncia Fertilizer, Inc. states that they have incurred increased insurance, maintenance, and overall transportation costs. The Consumer Price Index (CPI) for Transportation in San Francisco-Oakland-Hayward, CA, all Urban Consumers (Series ID CACUURS49BSAT) shows a 5.59% increase from December 2024 to August 2025.

Based on the current CPI index, staff deems the unit-price increase fair and reasonable and the one-year extension of the Agreement to be in the City's best interest. Poncia Fertilizer, Inc. continues to provide satisfactory delivery services.

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

Funds for this operational expense have been allocated in the Fiscal Year 2025-26 budget, Water Department Operational Key number 130807-5321. As a regular operating expenditure, the services, as described, are expected to be included in subsequent years' budget proposals when presented to the Board and City Council.

ENVIRONMENTAL IMPACT

This action qualifies for a Class 1 Categorical Exemption under CEQA Guidelines

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Section 15301, which covers the operation, repair, maintenance, permitting, leasing, and minor alterations of existing public facilities and mechanical equipment involving negligible or no expansion of use. The amendment continues existing biosolids hauling operations with no changes to capacity, approved sites, or methods of transport.

Additionally, the action constitutes an administrative and organizational activity of the City, approval of a service contract amendment, that does not result in a direct or reasonably foreseeable indirect physical change in the environment. As such, it is not a “project” under CEQA pursuant to CEQA Guidelines Section 15378(b)(5).

No exceptions to the use of categorical exemptions apply under CEQA Guidelines Section 15300.2. Accordingly, no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

NOTIFICATION

Not applicable

ATTACHMENTS

Attachment 1 – Draft Fourth Amendment to GSA F002525

PRESENTER

Zach Kay, Biosolids Coordinator