

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: CHAIR AND BOARD MEMBERS
FROM: ZACHARY KAY, BIOSOLIDS COORDINATOR
SUBJECT: FOURTH AMENDMENT TO AGREEMENT F002459
ACCEPTANCE OF BIOSOLIDS AND LAND APPLICATION WITH
GILARDI AND JACOBSEN AG SERVICES, INC.

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by Santa Rosa Water that the Board of Public Utilities, by motion, approve the fourth amendment to contract F002459, Acceptance of Biosolids and Land Application, with Gilardi and Jacobsen Ag Services, Inc. (Gilardi and Jacobsen) to increase compensation payable under the Agreement by \$151,207.00, for a total maximum compensation of \$609,625.95, to replenish the annual budget and account for the increase in the San Francisco Area Consumer Price Index (CPI) of 2.7%, determined in December 2025.

EXECUTIVE SUMMARY

This amendment implements an annual adjustment to the contract compensation based on CPI in addition to an annual budgetary replenishment. The City has historically contracted with Gilardi and Jacobsen, who, per the amended agreement, will continue to provide the necessary equipment and personnel for spreading the biosolids generated by the Laguna Treatment Plant (LTP) at various locations in Southern Sonoma County.

BACKGROUND

Santa Rosa Water's Biosolids Management System includes beneficial reuse of approximately two-thirds of the biosolids generated at LTP via direct application of class B biosolids onto Sonoma County farmlands. Land application of biosolids supplies valuable nutrients to croplands and ultimately enhances fodder crop production.

Federal Part 503 regulations for biosolids agricultural land application require the addition of agricultural lime for soil pH adjustment as needed. Agricultural lime is purchased by the City and delivered to the farms where it is staged prior to spreading.

FIRST AMENDMENT TO AGREEMENT F002459 ACCEPTANCE OF BIOSOLIDS AND LAND APPLICATION WITH GILARDI AND JACOBSEN AG SERVICES, INC.
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Under their agreement with Santa Rosa, Gilardi and Jacobsen provide biosolids and lime spreading service to the City on properties that are owned and leased by them, in addition to properties in Southern Sonoma County that are owned by the City. Gilardi and Jacobsen continue to perform services satisfactorily and are familiar with and adhere to federal Part 503 and State General Order regulations.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

The Board of Public Utilities (Board) approved Agreement F002459 on April 7, 2022 for a term of five years, with the option to extend for an additional four years.

The Board approved the First Amendment to Agreement F002459 on June 22, 2023 to increase compensation to reflect the CPI at that time of \$94,000.00.

The Board approved the Second Amendment to Agreement F002459 on September 24, 2024 to increase compensation to reflect the CPI at that time of \$125,000.00.

The Board approved the Third Amendment to Agreement F002459 on July 22, 2025 to increase compensation to reflect the CPI at that time of \$125,000.00.

ANALYSIS

This is the fourth amendment to the referenced agreement with Gilardi and Jacobsen. The primary purpose of the amendment is to increase the maximum compensation of the agreement pursuant to the CPI increase specified per contract and replenish the annual budget.

Amending the contract for a fourth time is in the City's best interest for the following reasons:

- Doing so leverages the existing contract structure which allows for four amendments.
- Gilardi and Jacobsen are well known among and preferred by the owners of properties where they will be working on behalf of the City.
- Staff do not anticipate a cost savings by issuing a solicitation now as compared to the amendment described herein.
- As this is the final amendment to F002459, a new contract solicitation is anticipated in 2027.

FISCAL IMPACT

Funds for this operational expense will be appropriated in the Fiscal Year 2026-27 operations and maintenance budget of the Water Department and will be similarly proposed in future years.

ENVIRONMENTAL IMPACT

The spreading of City-generated biosolids and agricultural lime is part of the City's ongoing biosolids land application program on City-owned and private lands. The activities authorized under this agreement were previously evaluated in the following environmental documents: (1) Residuals Processing Mitigated Negative Declaration adopted in 1997; (2) the Santa Rosa Subregional Sludge Beneficial Use Project Program EIR certified in 1991; (3) the Management Plan for the Beneficial Reuse of Biosolids by Land Application CEQA TM 2.2 adopted in 1993; and (4) the South County Biosolids Reuse MND adopted in 2010. The proposed action is within the scope of the previously adopted environmental documents, and no further environmental review is required pursuant to CEQA Guidelines section 15162.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 – Amendment to Gilardi and Jacobsen Application and Spreading Agreement

PRESENTER

Zachary Kay, Biosolids Coordinator