



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 2/7/2023

To: The Board of Directors of the Sonoma County Water Agency

Department or Agency Name(s): Sonoma County Water Agency

Staff Name and Phone Number: Grant Davis, 547-1911

Vote Requirement: 4/5th

Supervisory District(s): Countywide

Title:

Emergency Work on Santa Rosa Plain Water Supply Resiliency Project in Response to Drought Conditions

Recommended Action:

- A) Receive Report and Make Findings that there is no longer a need to continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions. (4/5th Vote Required)
- B) Ratify Emergency Contracts made by the General Manager of the Sonoma County Water Agency pursuant to Resolution #06-0649 and Public Contract Code Section 22050 (Exempt per CEQA Statute 21080(b)(4) and State CEQA Guidelines Sections 15269(b)(c), 15301(b)(f), 150304(f); Governor's Executive Order N-7-22)

Executive Summary:

This item requests the Board of Directors for the Sonoma County Water Agency ("Sonoma Water") receive a report and make findings that there is no longer a need to perform emergency work under the competitive bidding exemptions of the Public Contract Code in order to develop the Santa Rosa Plain Wells in response to drought conditions, and ratify acts by the General Manager of Sonoma Water with respect to emergency contracting pursuant to Resolution #06-0649 and Public Contract Code section 22050.

Discussion:

Emergency Work in Response to Drought

On March 5, 2021, the Secretary of the United States Department of Agriculture designated 50 California counties, including Sonoma County, as primary natural disaster areas due to drought. This Secretarial disaster designation makes farm operators eligible to be considered for certain assistance from the Farm Service Agency. On April 21, 2021, Governor Newsom visited Lake Mendocino and proclaimed a state of emergency in Sonoma and Mendocino counties due to drought conditions in the Russian River Watershed. Then on March 28, 2022, the Governor's Executive Order N-7-22 reiterated that emergency drought proclamations remain in full force. On April 27, 2021, the Board of Supervisors for the County of Sonoma proclaimed a local emergency for the Sonoma County Operational Area due to drought conditions.

On June 16, 2021, the General Manager of Sonoma Water determined that due to drought conditions, an emergency exists that poses a clear and imminent danger, requiring immediate action to prevent or mitigate

the loss or impairment of life, health, property, or essential public services, necessitating immediate action pursuant to the authority delegated in Resolution #06-0649. In response to the drought conditions, immediate and urgent actions were determined to be necessary to mitigate the emergency conditions, including but not limited to:

- Development of wells in the Santa Rosa Plain that are owned or operated by Sonoma Water.
- Repair or replace existing disinfection system including, but not limited to, installation of pipes, valves, instrumentation, meters, electrical power and controls, communication equipment, and installation of new pumps, equipment sheds, and storage tanks.
- Expend up to \$6,000,000 to purchase or procure necessary equipment, services, and supplies.
- Execution of public works and professional services contracts, or other documents, in a form approved by County Counsel.

Project Status and Contracting

The normal contracting process takes two to three months from a minimum advertising period through assessing bids and awarding and executing contracts. Due to the multiple contracting phases and procurements associated with accelerated implementation of this project, this delay would mean that it would not be possible to perform necessary preventative measures to protect public health and safety in a timely manner to meet urgent water supply effects of continued severe drought conditions.

Public Contract Code section 22050 authorizes Sonoma Water to enter into contracts for public projects as may be necessary to mitigate emergency conditions without giving notice for bids. Additionally, pursuant to Public Contract Code section 22035, this emergency work may proceed without adopting plans or specifications.

Pursuant to Public Contract Code requirements, the Board has continued to make recurring findings of the ongoing need to perform emergency work without competitive bidding in order to rehabilitate the Santa Rosa Plain Wells. □ During the course of the emergency work authorization, project progress to date includes, but is not limited to, the following:

- Todd Road well was activated as of October 2021 and had been producing up to 1.6 million gallons per day during the summer of 2022. Activation of this well makes available an additional 200,000 to 500,000 gallons a day (approximately) to be delivered to residents and ranchers who have lost domestic water supply and need water for health and safety in areas experiencing severe water shortages. The well also provides an additional 1 million gallons daily (approximately) for Sonoma Water's water contractors to help alleviate drought impacts to their customers.
- State grant funding, described below, was awarded in the amount of \$6.9 million to rehabilitate the remaining two Santa Rosa Plain wells at the Sebastopol Road and Occidental Road well sites.
- Downhole investigation, testing, and characterization of the existing Sebastopol Road and Occidental Road wells is complete and results are informing rehabilitation design of these wells.
- Abandonment of Well #1 and downhole modification of Well #2 is complete at the Sebastopol Road Well site.
- Design of the top-side rehabilitation improvements for Sebastopol Road Well site is complete.
- Regulatory approvals from California Department of Fish and Wildlife and the California Division of

Drinking Water have been secured to facilitate construction at the Sebastopol Road Well.

- CEQA Notices of Exemption have been prepared and posted for project construction and the pilot study for Aquifer Storage and Recovery (ASR).
- Permitting and license agreement approvals were secured from City of Santa Rosa for the Sebastopol Road Well discharge piping connection to City's recycled water line, along with temporary right-of-way access for construction. Draft Cooperative Agreement with City of Santa Rosa (as described below for periodic transfer of purged well water) is progressing toward final executed version.
- Installation of the disinfection contact piping and construction of the discharge piping connection at the Sebastopol Road Well is complete. Contractor has placed purchase orders for additional materials and equipment to be furnished.
- Inspection and rehabilitation of monitoring wells has commenced.
- Consultation with State Water Resource Control Board has commenced regarding an application for water rights permitting associated with the ASR elements of the project. Staff intends to submit an application for approval ahead of conducting ASR pilot testing commencing in Water Year 2024.

Notwithstanding this progress, significant work remains to complete the reactivation of the remaining two wells at Sebastopol Road and Occidental Road well sites, including, but not limited to:

- Completing construction at Sebastopol Road Well
- Abandoning existing Well #1 & #2 at Occidental Road well site
- Preparing new well and rehabilitation designs at Occidental Road Well
- Constructing new well and rehabilitation improvements at Occidental Road Well
- Completing temporary and permanent right-of-way transactions
- Completing regulatory approvals and securing ASR water rights permits
- Conducting pilot study for ASR operations

Termination of Waiver for Competitive Bidding

Due to recent changes in water supply conditions within Sonoma Water's service area, staff believes that Public Contract Code criteria are no longer sufficiently satisfied to support the continued performance of emergency construction work without competitive bidding. The series of recent atmospheric river storm events that occurred in late December and early January resulted in substantial local flooding conditions, but also significantly benefitted water supply conditions within Sonoma Water's service area. Currently, the water supply pool at Lake Mendocino is full and the U.S. Army Corps of Engineers is currently retaining 11,650 acre-feet of water supply in the flood control pool as part of the Forecast Informed Reservoir Operations program at Lake Mendocino. The water supply pool at Lake Sonoma, the much larger of the two reservoirs, is greater than 96% full. These conditions are above averages dating back to 2013 and indicate that curtailments of Sonoma Water's Russian River diversions, which have been required during recent extreme and severe drought conditions, are highly unlikely to be necessary during 2023, irrespective of precipitation amounts for the remainder of the year. As such, the previously identified imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services is assessed to be no longer applicable for the near future.

The Board is obligated under the Public Contract Code to terminate the waiver of the bid process at the earliest possible date that conditions warrant so that the remainder of the work may be completed under the

bid process. Staff recommends the Board find there is no longer a need to perform emergency work under the competitive bidding exemption of the Public Contract Code in order to develop the Santa Rosa Plain Wells in response to drought conditions.

Drought Conditions

Though local conditions can vary, the current map of the U.S. Drought Monitor characterizes Sonoma County drought conditions as Moderate Drought, which is a vast improvement from the previously designated severe and extreme drought designations leading up to the recent storm events. The US Drought Monitor is produced through a partnership between the National Drought Mitigation Center at the University of Nebraska-Lincoln, the United States Department of Agriculture, and the National Oceanic and Atmospheric Administration.

Despite this less severe drought designation, the above-referenced Governor's proclamation of a state of emergency due to drought conditions is unaffected by a termination of a bidding waiver under Public Contract Code requirements. Similarly, the above-referenced action by the Board of Supervisors for the County of Sonoma proclaiming a local emergency for the Sonoma County Operational Area due to drought conditions also remains unaffected by termination of the bidding waiver for the Santa Rosa Plains Well project.

Material and Service Procurements and Future Project Contracting

Procurement of essential material supplies continues to be hampered by supply chain deficiencies and remains a critical schedule element for the project. At this time, multiple equipment and electrical components are anticipated to require extended lead times of months or more than a year for delivery. With a Board finding that the bid waiver for emergency work is no longer needed for the project, the existing contract with Ghilotti Construction will cease future construction work so that the remaining work can be competitively bid. Material and equipment supplies, however, for which prior purchase orders have already been issued by the contractor, will be fulfilled under the existing emergency contract. Installation of those items will be competitively bid.

In order to minimize additional material and equipment supply delays, Sonoma Water staff will procure certain long-lead items yet to be purchased, following standard procurement protocols. These items will be provided as Owner-furnished equipment to be incorporated into the competitively bid contract(s) for constructing the remaining work.

Preceding approval of the termination of emergency bid waiver recommended herein, Sonoma Water's General Manager has continued to procure materials, equipment, and services necessary to expeditiously advance the rehabilitation work for the project. Included among those procurements are certain professional service and construction contracts that have been entered into based on the Board's emergency contracting direction and delegated authority pursuant to Resolution #06-0649 and under California Public Contract Code section 22050. In order to implement urgent and immediate actions to protect public health, public safety, essential public services, and property, additional procurement contracts and purchase orders have been entered into based on the Board's delegated emergency contracting authority. Those include:

- 1) Amended agreement with GEI Consultants in the amount of \$346,500 (\$1,300,000 total) to provide

construction support services and engineering design services for the Sebastopol Road well, and provide engineering design services for the Occidental Road well.

- 2) Purchase Order with Electrical Equipment Company in an amount not to exceed \$1,500,000 to supply primary electrical equipment for the two well sites and provide supporting system integration services.

These procurements of equipment and services are in addition to prior contracted procurements previously ratified by the Board on September 27, 2022. Staff requests with this item that the Board ratify these emergency contracts and purchase order made by Sonoma Water's General Manager pursuant to Resolution #06-0649 and Public Contract Code Section 22050.

Cooperative Agreement with City of Santa Rosa: Transfer of water for beneficial reuse/disposal.

Following activation of the wells, ongoing operation requires periodic disposal of water that may be unable to meet regulatory requirements for potable water use. Such water may include weekly backflush from the recharge wells, daily analyzer discharges, and seasonal or annual start-up discharges. Initial testing of the wells, prior to permitted reactivation, also requires disposal.

Sonoma Water and City of Santa Rosa (City) staff are coordinating to provide for these periodic discharges to be transferred to the City for beneficial reuse and/or disposal. Beneficial reuse, as available, would occur through a recently constructed connection to the City's nearby recycled water system. Transfers of water to the City would comply with terms of a cooperative agreement currently in development between Sonoma Water and the City. On February 8, 2022, the Board conditionally authorized Sonoma Water's General Manager to execute the cooperative agreement upon finalizing its development.

State approval from the Department of Drinking Water will be required in association with the cooperative water transfer agreement. However, State approval may require up to one year to acquire. Therefore, in order to meet the project's near-term disposal needs, Sonoma Water acquired a temporary waste discharge permit from the City of Santa Rosa for the testing and construction at the Sebastopol Well site. The permit application was submitted under the delegated emergency authority of Sonoma Water's General Manager, and the permit was issued by the City on March 25, 2022.

State Grant Funding Update: Application to the 2021 Urban and Multi-benefit Drought Relief Grant Program

The California Budget Act of 2021 allocated \$300 million to the Department of Water Resources (DWR) for interim and immediate drought relief to urban communities and multi-benefit projects. On November 2, 2021, the Board approved a resolution authorizing the application, acceptance, and execution of a grant agreement with DWR, in the event the project is selected for funding. On November 18, 2021, staff submitted an application for funding final design and construction of two remaining Santa Rosa Plain wells (at Sebastopol Road and Occidental Road). On December 23, 2021, DWR released the program's Phase 1 awards. Sonoma Water was awarded \$6,900,000 for the Santa Rosa Plain Water Supply Resiliency Project. Pursuant to the grant program guidelines, the grant will fund eligible Project costs incurred after the award date.

California Environmental Quality Act

Sonoma Water's General Manager has determined that the project is exempt from the California Environmental Quality Act (CEQA). The project is statutorily exempt under Statute 21080(b)(4) and State CEQA Guidelines Section 15269(b)(c), which provide that specific actions necessary to prevent or mitigate an emergency are exempt from CEQA; categorically exempt from CEQA under State CEQA Guidelines Sections

15301(b)(f) and 15304(f). The project is exempt under Governor Newsom's Executive Order N-7-22, issued on March 28, 2022, which suspends CEQA for certain drought-related projects, including drought mitigation projects such as the Santa Rosa Plain wells project.

County Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Resilient Infrastructure

Goal: Goal 2: Invest in capital systems to ensure continuity of operations and disaster response.

Sonoma Water Strategic Plan Alignment: Water Supply and Transmission System, Goal 2: Maintain and improve the reliability of the Water Transmission System.

In the face of severe drought and ongoing effects of climate change, continuing the emergency declaration and reactivating of the dormant production wells improve the reliability of the Water Transmission System.

Prior Board Actions:

- 01-24-2023: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 01-10-2023: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 12-06-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 11-14-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 11-01-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 10-18-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 09-27-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions; Ratified Emergency Contracts made by the General Manager of the Sonoma County Water Agency pursuant to Resolution #06-0649 and Public Contract Code Section 22050.
- 09-13-2022: Receive Report and Make Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.

- 08-30-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 08-02-2022: Received Report and Make Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions
- 07-12-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 06-13-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 05-17-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions; Authorized the General Manager for Sonoma Water to expend up to \$6,000,000 (additional \$2,400,000) to procure necessary services and material supplies to mitigate the emergency drought conditions; Adopted a Resolution authorizing adjustments to the Board Adopted Budget for FY 2021/2022 for the Water Transmission Common Facilities Fund in the amount of \$2,400,000.
- 05-03-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 04-19-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 04-05-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions; Authorized the General Manager for Sonoma Water to expend up to \$3,600,000 (additional \$600,000) to procure necessary services and material supplies to mitigate the emergency drought conditions; Adopted a Resolution authorizing adjustments to the Board Adopted Budget for FY 2021/2022 for the Water Transmission Common Facilities Fund in the amount of \$600,000.
- 03-15-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 03-01-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions.
- 02-08-2022: Received Report and Made Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in response to drought conditions; Authorized the General Manager for Sonoma Water to execute cooperative agreement(s) with City of Santa Rosa to receive and dispose of water transferred from Sonoma Water's Santa Rosa Plain wells.
- 01-25-2022: Received Report and Make Findings that there is an ongoing need to Continue Emergency Work Without Competitive Bidding to Protect Health, Property and Essential Public Services in

response to drought conditions; Authorized the General Manager for Sonoma Water to expend up to \$3,000,000 (additional \$1,500,000) to procure necessary services and material supplies; Adopted a Resolution authorizing adjustments to the Board Adopted Budget for FY 2021/2022 in the amount of \$1,500,000.

01-04-2022: Emergency Work on Santa Rosa Plain Water Supply Resiliency Project in Response to Drought Conditions

12-07-2021: Emergency Work on Santa Rosa Plain Water Supply Resiliency Project in Response to Drought Conditions

11-16-2021: Emergency Work on Santa Rosa Plain Water Supply Resiliency Project in Response to Drought Conditions

11-02-2021: Emergency Work on Santa Rosa Plain Water Supply Resiliency Project in Response to Drought Conditions; Authorized the General Manager for Sonoma Water to expend up to \$1,500,000 (additional \$750,000) to procure necessary services and material supplies to mitigate the emergency drought situations; Adopted a resolution authorizing the General Manager or designee to apply, accept, and execute grant agreements with the California Department of Water Resources for the Santa Rosa Plain Water Supply Resiliency Project and the Russian River Watershed Water Supply Resiliency Project

10-19-2021: Receive Report and Make Findings to Continue Emergency Work in Response to Drought Conditions

09-28-2021: Receive Report and Make Findings to Continue Emergency Work in Response to Drought Conditions

09-14-2021: Receive Report and Make Findings to Continue Emergency Work in Response to Drought Conditions

08-31-2021: Receive Report and Make Findings to Continue Emergency Work in Response to Drought Conditions

08-17-2021: Receive Report and Make Findings to Continue Emergency Work in Response to Drought Conditions and Take Actions Required by State Water Board Emergency Regulations for the Russian River Watershed

07-13-2021: Receive Report and Make Findings to Continue Emergency Work in Response to Drought Conditions

06-18-2021: Approved Emergency Drought Response Activities

06-18-2021: Resolution Declaring a Need to Perform Emergency Work in Response to Drought Conditions.

FISCAL SUMMARY

Expenditures	FY 22-23 Adopted	FY23-24 Projected	FY 24-25 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			

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Use of Fund Balance			
Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

Under the Board-approved emergency work authorization from June 18, 2021, through December 31, 2022, Sonoma Water budgeted \$11.5 million and expended \$4.4 million. Revenue offsetting the \$11.5 million budget includes the \$6.9 million state grant, and \$400,000 in county funds.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

None.

Related Items "On File" with the Clerk of the Board:

None.