

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: APRIL 26, 2021

SUBJECT: REQUEST FOR PROPOSAL NO. 1994 PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH CEMTEK ENVIRONMENTAL INC. OF SANTA ANA, CA FOR THE ANALYZER PROJECT UPGRADE FOR THE CLEARWATER POWER PLANT, WITH A CONTRACT ENDING JULY 1, 2024, IN THE TOTAL AMOUNT OF \$172,988

ISSUES:

Consider approving a Professional Consultant Services Agreement with CEMTEK Environmental Inc., of Santa Ana, CA for the Analyzer Project Upgrade at Clearwater Power Plant for continuous emissions monitoring services, with a contract term ending July 1, 2024, in the total amount of \$172,988.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve the Professional Consultant Services Agreement in the amount of \$172,988 with CEMTEK Environmental, Inc. of Santa Ana, California for the Analyzer Project Upgrade at the Clearwater Power Plant with a contract term ending July 1, 2024; and
2. Authorize the City Manager, or his designee, to execute the Professional Consultant Services Agreement with CEMTEK Environmental, Inc., including making minor and non-substantive changes.

BACKGROUND:

The Clearwater Power Plant (Clearwater) was originally commissioned in 2005 and later acquired by the City of Riverside in the September 2010. Clearwater is a combined-cycle power plant that produces 30 megawatts of efficient power and serves an important role in providing electricity to the City of Riverside customers.

The United States Environmental Protection Agency and South Coast Air Quality Management District (SCAQMD) require Continuous Emissions Monitoring Systems (CEMS) as part of Riverside Public Utilities' (RPU) operating permit. The Clearwater CEMS uses three emissions analyzers that are certified through rigorous testing protocols prescribed by the SCAQMD. Maintaining compliance with SCAQMD regulations requires "24/7" monitoring, daily calibrations tests, annual third-party accuracy test audits and the completion of manufacturer's recommended

maintenance.

In 2016, Teledyne Advanced Pollution Instrumentation (Teledyne), the CEMS original equipment manufacturer, discontinued production of the analyzer models used at Clearwater. At that time, Teledyne still supported the maintenance and manufactured parts for the analyzers.

During a recent maintenance activity, staff encountered delays acquiring replacement parts relating to the obsolescence of the analyzers. Considering the CEMS have been in constant operation for over 15 years and the environmental regulations on this equipment, staff explored long-term options for the existing CEMS. After evaluation, staff determined that replacing the obsolete CEMS analyzers and other unsupported equipment would be the most cost-effective solution that sustains plant reliability and environmental compliance at Clearwater.

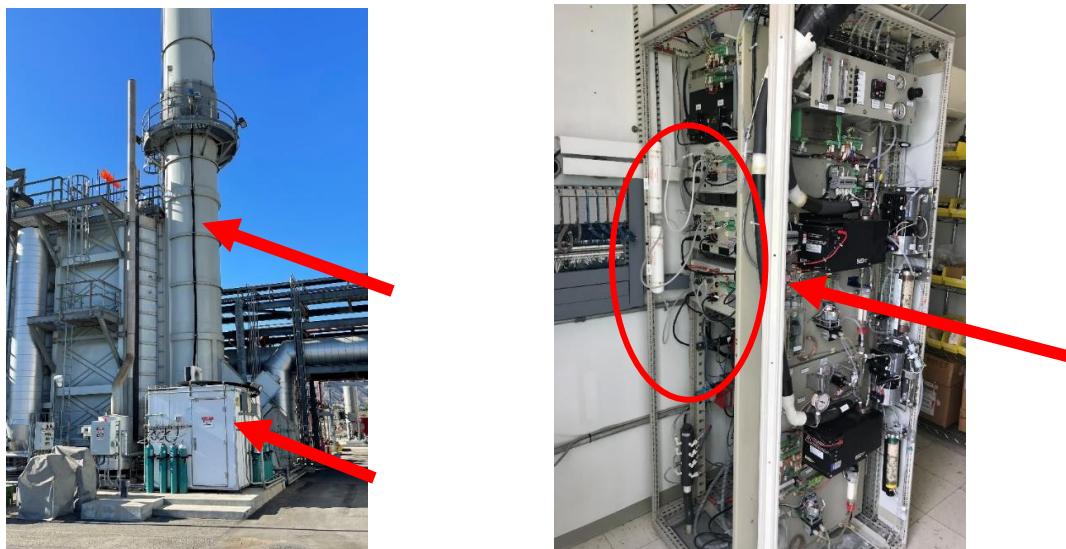


Figure 1. Clearwater CEMS shelters (left) and obsolete analyzers and CEMS components (right).

DISCUSSION:

CEMS analyzers are highly specialized and complex components. They are manufactured and certified to perform in compliance with both EPA and SCAQMD standards. Other than field preventative maintenance, major repairs are restricted to the original equipment manufacturer. Due to these requirements, staff anticipated only a few qualified proposals.

Request for Proposals (RFP) No.1994 was posted on December 19, 2019 and closed on January 30, 2020. Five-hundred vendors were notified through the City's bidding platform, PlanetBids. Included in the notification were three vendors who have CEMS expertise. Two vendors submitted proposals and staff interviewed each respondent. After extensive review, staff recommends the proposal from Cemtek Environmental, Inc., (Cemtek). Cemtek provided the most responsive proposal and the best overall plan for the maintenance and equipment repairs of the CEMS at Clearwater.

Cemtek's proposal utilizes existing CEMS components and only replaces the three obsolete analyzers and the main sample line. Staff selected this approach because it maximizes the use of reliable and serviceable components at the lowest possible cost.

Table 1. RFP Notification Summary

Action	Number of Vendors
External Vendors Notified	500
City of Riverside Vendors Notified	70
Vendors who downloaded the RFP	16
Proposals received	2

Vendors	Location	Proposal Amount	Rank
1. Cemtek Environmental	Santa Ana, CA	\$ 97,988	1
2. Teledyne Monitor Labs	Englewood, CO	\$ 173,581	2

To ensure reliable CEMS operations, staff requested ongoing maintenance of existing equipment not replaced as part of this project, as well as any minor analyzer repairs needed after the 1-year warranty period. Staff negotiated the additional maintenance for the equipment to be included in the agreement for the CEMS component upgrades at an additional cost not to exceed \$25,000 per year. The breakdown for the full CEMS maintenance agreement with Cemtek is as follows:

Table 2. Analyzer Project Upgrade Agreement Details

Description	Amount
CEMS Analyzers and Sample Line	\$ 97,988
As Needed Maintenance \$25,000/year for 3 years	\$ 75,000
Total agreement cost with Cemtek	\$ 172,988

The Purchasing Manager concurs that the recommended actions comply with Purchasing Resolution No. 23256.

FISCAL IMPACT:

The total Fiscal Year 2020/21 impact for the Clearwater CEMS Upgrade project is \$97,988. Sufficient funds are available from Clearwater Maintenance-Generating Plants Account No. 6120140-424131. Funding for Fiscal Years 2021/22 – 2023/24 will be included as a part of the biennial budget process.

Prepared by Daniel E. Garcia, Utilities Deputy General Manager/Power Resources

Approved by: Todd M. Corbin, Utilities General Manager

Approved by: Al Zelinka, FAICP, City Manager

Approved as to form: Kristi Smith, Interim City Attorney

Certifies availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Attachments:

1. Professional Consultant Services Agreement CEMTEK
2. RFP Award Recommendation
3. Presentation