



PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH C.E. MECHANICAL, INC. FOR AIR COMPRESSOR MAINTENANCE AT RIVERSIDE ENERGY RESOURCE CENTER

Riverside Public Utilities

Board of Public Utilities
December 13, 2021

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BACKGROUND

1. RERC Units 1&2

- a. Commissioned in 2006
- b. Total of 96 MW

2. Air compressors are essential equipment at the facility

- a. Operate 24/7 even if plant is not generating electricity
- b. Have operated over 40,000 hours
- c. Reaching overhaul and costly component replacements



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REQUEST FOR PROPOSAL 2051

1. Very limited number of vendors with expertise to perform the work
2. C.E. Mechanical, Inc. was determined to provide the best complete and comprehensive proposal
 - a. Solid option
 - b. Existing vendor performing preventive maintenance on the air compressors at RERC 3&4 and Springs

Vendors	Location	Bid Amount	Rank
C.E. Mechanical Inc.	Chino, CA	\$151,654 (\$30,330.80/year)	1
California Air Compressor*	Compton, CA	\$143,253 (\$28,650.60/year)	2

California Air Compressors were initially selected but unable to reach mutual agreement on Riverside's standard terms and conditions

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ADDITIONAL MAINTENANCE

1. Additional maintenance expected with equipment age and duty cycle
2. Insures plant reliability, especially during summer peak periods
3. Staff negotiated as-needed maintenance not to exceed \$30,000/year
 - a. As-needed costs encumbered only if repairs are authorized by staff
 - b. Unused amounts remain in the RPU generation budget
4. Fiscal Breakdown

	Annual Cost Years 2022 - 2029	Total Cost
Preventive Maintenance	\$30,330	\$242,640
As-Needed Repairs	\$30,000	\$240,000
Total	\$60,330	\$482,640

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STRATEGIC PLAN ALIGNMENT

This item contributes to the following strategic priorities and goals from the Envision Riverside 2025 Strategic Plan:

- **Strategic Priority 6, Infrastructure, Mobility & Connectivity**
Goal 6.2. Maintain, protect and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

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STRATEGIC PLAN ALIGNMENT

The item aligns with EACH of the five cross-cutting threads as follows:

1. **Community Trust** – Ensuring that RERC Units 1&2 are able to safely and effectively operate and provide electricity to the entire City and its communities serves the greater public good.
2. **Equity** – This item ensures that the RERC Units 1&2 are able to safely and effectively operate and provide reliable electricity benefitting entire City and all customers.
3. **Fiscal Responsibility** – The agreement with C.E. Mechanical has a small savings of \$2,000 per year. In addition, staff was able to negotiate favorable fixed costs for the five-year term and the three optional 1yr extensions.
4. **Innovation** – Having a 5-year Preventive Maintenance Program for equipment at the current age and duty cycle is a best practice in the industry.
5. **Sustainability & Resiliency** – RERC Units 1&2 operate during the most critical times when the demand for electricity is high. Having an air compressor maintenance program for the next five years is essential to sustaining a highly reliable power plant.

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RECOMMENDATIONS

That the Riverside Public Utilities Board:

1. Approve the Professional Consultant Services Agreement with C.E. Mechanical Inc. of Chino, California for air compressor maintenance at Riverside Energy Resource Center, Units 1 and 2, for a term through December 31, 2029 in the amount of \$482,640;
2. Authorize the City Manager, or his designee, to execute the agreement with C.E. Mechanical Inc., including making any minor non-substantive changes; and
3. Authorize the City Manager or his designee, to terminate the agreement during the last three years of the agreement if such services are no longer needed.