

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: MARCH 8, 2021

SUBJECT: PROFESSIONAL CONSULTANT SERVICES AGREEMENT FROM RFP 2038 WITH PACIFIC STANDARD ENVIRONMENTAL, INC. OF WOODLAND HILLS, CALIFORNIA, FOR CONTINUOUS EMISSIONS MONITORING SYSTEMS MAINTENANCE AT RIVERSIDE ENERGY RESOURCE CENTER AND SPRINGS POWER PLANT FOR A FIVE YEAR TERM WITH TWO OPTIONAL ONE- YEAR EXTENSIONS, IN THE AMOUNT OF \$1,173,212

ISSUES:

Approve a Professional Consultant Services Agreement with Pacific Standard Environmental, Inc. of Woodland Hills, California, from Request for Proposal 2038 for Continuous Emissions Monitoring Systems Maintenance at Riverside Energy Resource Center and Springs Power Plant for five years, with two optional one-year extensions, in the amount of \$1,173,212.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve a Professional Consultant Services Agreement with Pacific Standard Environmental, Inc., of Woodland Hills, California for Continuous Emissions Monitoring Systems Maintenance at Riverside Energy Resource Center and Springs Power Plant for a five year term in an amount not to exceed \$1,173,211.91, with two optional one-year extensions; and
2. Authorize the City Manager, or designee, to execute the Agreement with Pacific Standard Environmental Inc., including making minor non-substantive changes and to execute the two optional one-year extensions.

BACKGROUND:

The City of Riverside owns and operates the Riverside Energy Resource Center (RERC) and Springs Power Plant (Springs). Combined, the facilities consist of eight turbine generators that are critical to meeting daily electricity demands and produce a combined total of 235 megawatts.

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 permits at RERC and Springs. Between the two

facilities, there are eight dedicated CEMS that operate on a “24/7” basis constantly measuring microscopic levels of emissions discharged from each turbine.

Each CEMS consist of four analyzers that are certified through rigorous testing protocols prescribed by the SCAQMD. Maintaining CEMS certification with the SCAQMD requires “24/7” monitoring, daily calibrations tests, annual third-party accuracy test audits and the completion of manufacturer’s recommended maintenance.

Non-monitoring periods or CEMS downtime could result in significant penalties and make a turbine unavailable for operation. Each year staff manages environmental compliance by scheduling maintenance with the allowed CEMS downtime and minimizing unscheduled outages to less than 24 hours. Based on the equipment’s age and the implementation of stricter AQMD regulations, staff is pursuing a long-term agreement to develop a program that sustains the high reliability standards of CEMS operations for the next seven years.

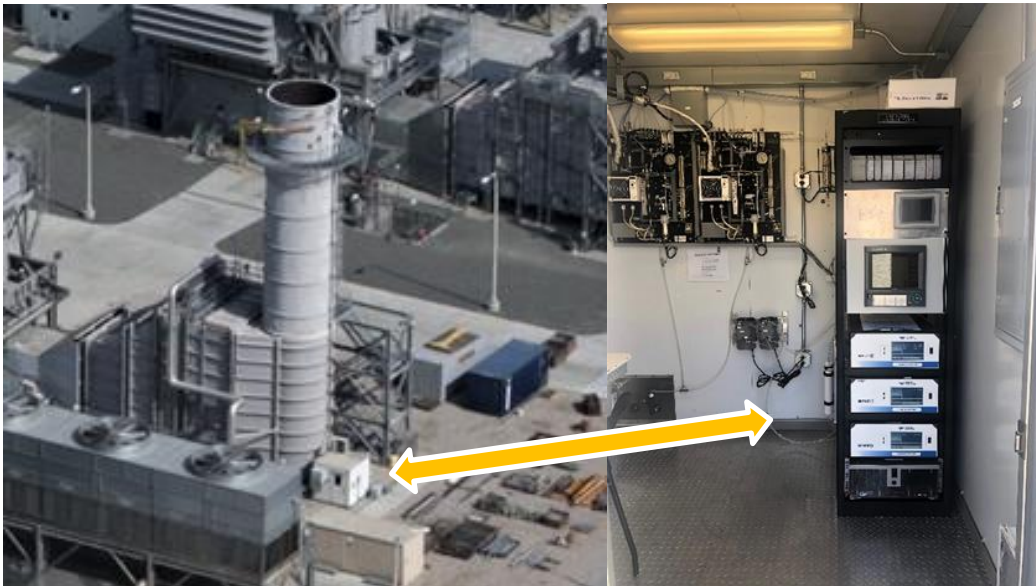


Figure 1. CEMS shelters (left) and CEMS components on each of the 8 units (right)

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 Proposal (RFP) 2038 posted on August 14, 2020 and later advertised in the Press Enterprise on August 20, 2020. Over 600 vendors that are registered with the City and through the City’s bidding platform, PlanetBids, were notified of the RFP. Included in the notification were four vendors who previously performed CEMS maintenance at Riverside’s generating facilities. RFP 2038 closed on September 10, 2020 and staff received two proposals.

Table 1. RFP Notification Summary

Action	Number of Vendors
External Vendors Notified	500
City of Riverside Vendors Notified	106
Vendors who downloaded the RFP	15
Proposals received	2

Table 2. Proposals Received

Vendor		Location	Amount
1	Pacific Standard Environmental, Inc.	Woodland Hills, CA	\$1,173,212
2	Teledyne Instruments Inc	Englewood, CO	Deemed Non-Responsive, Missing Department of Industrial Relations bid requirements

Of the two proposals received, only one was deemed to be complete. Pacific Standard Environmental, Inc. (PSE) was evaluated and deemed responsive based on qualifications, pricing and industry experience. Staff determined that the pricing offered was consistent with the pricing of prior vendors. Staff recommends a five-year maintenance agreement with the option for two annual extensions.

PSE will conduct all routine maintenance inspections on all eight CEMS, including 32 analyzers that are part of the equipment. Routine maintenance in the agreement includes annual maintenance for all equipment, bi-annual (every other year) maintenance for specified equipment and 5-year comprehensive maintenance. Additionally, because minimization of CEMS outages to less than 24 hours is vital for environmental compliance and sustaining a highly reliable operation, a budget of \$50,000 per year is included to address any as-needed CEMS repairs at RERC and Springs in order to minimize the number and duration of any outages due to equipment failures.

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

FISCAL IMPACT:

The total fiscal impact for FY 2020-2021 is \$182,207. Sufficient funds are available in RERC Maintenance-Generating Plants Account No. 6120130-424131 and Springs Maintenance-Generating Plants Account No. 6120120-424131. Sufficient funds will be allocated in subsequent fiscal year budgets.

Table 3. Project Costs

Year	RERC	Springs	As needed Repairs	Total	Description of Work
1	\$ 61,969.63	\$ 70,237.33	\$ 50,000.00	\$ 182,206.96	Annual plus RERC Bi-annual and Springs 5-year Maintenance
2	\$ 59,249.26	\$ 39,128.76	\$ 50,000.00	\$ 148,378.02	Annual and Springs Bi-annual Maintenance
3	\$ 65,443.73	\$ 34,906.55	\$ 50,000.00	\$ 150,350.28	Annual and RERC Bi-annual Maintenance
4	\$ 48,457.26	\$ 41,982.92	\$ 50,000.00	\$ 140,440.18	Annual and Springs Bi-annual Maintenance
5	\$ 89,196.54	\$ 37,326.14	\$ 50,000.00	\$ 176,522.68	Annual plus RERC Bi-annual and 5-year Maintenance
6	\$ 75,627.79	\$ 82,829.50	\$ 50,000.00	\$ 208,457.29	Annual and Springs Bi-annual and 5-year Maintenance
7	\$ 77,110.81	\$ 39,745.69	\$ 50,000.00	\$ 166,856.50	Annual and RERC Bi-annual Maintenance
Total	\$ 477,055.02	\$ 346,156.89	\$ 350,000.00	\$ 1,173,211.91	

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 J. Smith, Interim City Attorney

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

Attachments:

1. CEMS Maintenance Agreement with Pacific Standard Environmental, Inc.
2. Purchasing Division Bid Award Recommendation
3. Presentation