

SPRINGS CEMS UPGRADE SERVICES AGREEMENT WITH CEMTEK ENVIRONMENTAL

Riverside Public Utilities

Board of Public Utilities
September 23, 2024

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BACKGROUND

1. Continuous Emissions Monitoring Systems (CEMS)
 - a. Mandated by EPA and SCAQMD
 - b. In continuous (24/7/365) operation since 2002
 - c. Horiba Instruments Inc. discontinued production and support in 2015
 - d. RERC upgraded in 2018 and analyzers were repurposed at Springs
2. Upgrading the CEMS at Springs
 - a. Unreliable and no longer feasible to maintain existing system
 - b. Critical for environmental compliance and meeting RA requirements
 - c. Current market cost for replacement RA is at least \$8 million dollars per year
 - d. After the retirement of Springs in 2030, the analyzers will be repurposed at RERC

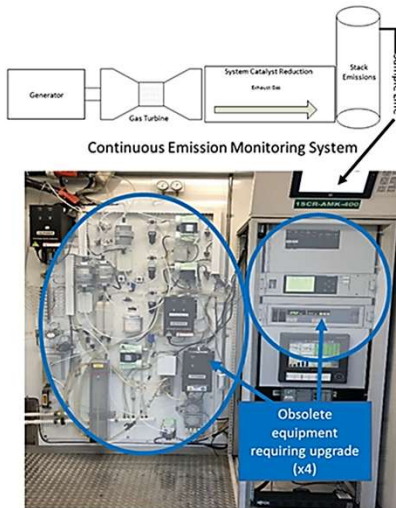


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SPRINGS POWER PLANT AND CEMS EQUIP.



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DISCUSSION – RFP 2347

1. Request for Proposal (RFP) No. 2347 posted February 6, 2024
 - a. 500 external vendors notified
 - b. 118 City of Riverside vendors notified
 - c. 27 prospective bidders downloaded the RFP
2. On March 20, 2024, three proposals were received:

Vendors	Location	Proposal Amount	Rank
CEMTEK Environmental	Santa Ana, CA	\$ 835,247.80	1
Pacific Standard Environmental	Santa Ana, CA	\$ 1,128,117.47	2
Alliance Source Testing	Cypress, CA	\$ 1,299,905.00	3



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DISCUSSION – RFP 2347

1. CEMTEK Environmental (CEMTEK)
 - a. Highest rated proposal
 - b. Qualified CEMS vendor in Southern California
2. After two negotiation meetings
 - a. CEMTEK provided the best and final offer
 - b. Aligned closely with the engineer’s estimate of \$650,000
 - c. Includes a 10% contingency option as a precaution only and is not guaranteed payment

Vendor	Location	Best and Final Offer	Contingency Option	Total
CEMTEK Environmental	Santa Ana, CA	\$ 639,242	\$63,924	\$703,166



DISCUSSION – RFP 2347

10% Contingency

1. Amendments required for any unforeseen changes in work scope
 - a. Up to 30 days to process a fully executed amendment
2. Project elements required
 - a. Compliance timeline to install new analyzers on each unit is 96 hours
 - b. SCAQMD requires emissions recertification tests
3. Contingency option
 - a. Does not guarantee payment nor increase cost for the project
 - b. Covers unforeseen and reasonable changes to the project
 - c. Requires Riverside’s authorization prior to any project changes



STRATEGIC PLAN ALIGNMENT



Strategic Priority 2 - Community Well-Being

Goal 2.6. Strengthen community preparedness for emergencies and disruptive events to ensure effective response and recovery.



Strategic Priority 4 - Environmental Stewardship

Goal 4.3. Implement local and support regional proactive policies and inclusive decision-making processes to deliver environmental justice and ensure that all residents breath healthy and clean air with the goal of having zero days of unhealthy air quality per the South Coast Air Quality District's Air Quality Index (AQI).



Strategic Priority 5 - High Performing Government

Goal 5.4. Achieve and maintain financial health by addressing gaps between revenues and expenditures and aligning resources with strategic priorities to yield the greatest impact.

Cross Cutting Threads



Community Trust



Equity



Fiscal Responsibility



Innovation



Sustainability & Resiliency



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RECOMMENDATIONS

That the Board of Public Utilities:

1. Approve a services agreement with CEMTEK Environmental, Inc. of Santa Ana, California to perform continuous emissions monitoring system upgrades at Springs Power Plant in the amount not to exceed \$703,166;
2. Authorize the City Manager, or his designee, to execute the services agreement with CEMTEK Environmental, Inc., including making non-substantive changes; and
3. Approve Work Order No. 2429762 in the amount not to exceed \$703,166



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