

Agenda Report

File #: 2020-1024, **Version:** 1

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

SERVICE CONTRACT FOR PLANT NOS. 1 AND 2 CENTRAL GENERATION CARBON CHANGE-OUT, SPECIFICATION NO. S-2020-1130BD

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a Service Contract to EnviroSupply & Service Inc. for Plant Nos. 1 and 2, Central Generation Facility Fuel Gas Cleaning System, Carbon Change-Out [replacement]; Specification No. S-2020-1130BD, for a total amount not to exceed \$240,702 for the period July 1, 2020 through June 30, 2021, with four (4) one-year renewal options; and
- B. Approve a contingency of \$24,071 (10%).

BACKGROUND

The Plant Nos. 1 and 2 Central Generation facilities are equipped with activated carbon vessels/filter beds for cleaning digester gas prior to combustion in the engines. The activated carbon beds work in series to protect the air emissions control catalysts that were installed to meet South Coast Air Quality Management District (SCAQMD) permit requirements.

RELEVANT STANDARDS

- Maintain a proactive asset management program
- 24/7/365 treatment plant reliability
- Protect Orange County Sanitation District assets

PROBLEM

The digester gas cleaning system must run continuously in order to protect the Central Generation engines and exhaust catalysts from hydrogen sulfide and siloxanes. Both hydrogen sulfide and siloxanes are present in digester gas and will poison the exhaust catalysts. The activated carbon beds have a limited capacity to adsorb these contaminants. When the carbon adsorption material is fully consumed, it must be replaced.

PROPOSED SOLUTION

Enter into a service contract with a vendor to replace the activated carbon material used to clean digester gas at Plant Nos. 1 and 2.

TIMING CONCERNS

The current contract for activated carbon replacement expires on June 30, 2020.

RAMIFICATIONS OF NOT TAKING ACTION

Siloxane and hydrogen sulfide break-through will take place if activated carbon replacement does not occur. The Central Generation plants will be shut down due to air quality permit requirements when break-through occurs.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

Staff developed a scope of work and invited vendors to submit bids. Two bids were received as listed below.

Bid Results

<u>Company</u>	<u>Bid Amount (include tax)</u>	<u>Comments</u>
EnviroSupply & Service Inc.	\$240,702	Bid Award - Responsive
Carbon Activated Corp.	\$252,791	Responsive

Staff has identified EnviroSupply & Service Inc. as the lowest responsive and responsible bidder.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Orange County Sanitation District's Purchasing Ordinance. This item has been budgeted in Divisions 830 and 840, line item 65 Operating Budget 830.52050 and 840.52050.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
05/27/2020	\$240,702	\$24,071

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Service Contract