

#### SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

# Request for Proposals for Engineering Services: Landfill Gas Processing RFP Date: December 12, 2013 Response Deadline: January 31, 2014

### I. Introduction

The Southern California Public Power Authority (SCPPA), on behalf of its Member Utilities, is hereby soliciting competitive proposals for engineering services associated with the processing of an existing landfill gas (LFG) supply in the City of Glendale to meet California state standards for injection of biomethane gas (BMG) into the common carrier pipeline system of the Southern California Gas Company (Sempra Energy), as described below in Section III.

SCPPA is interested in learning as much as possible about each Respondent's relevant capabilities and its proposed fees to enable informed decisions to be made about pursuing more specific negotiations with one or more qualified Respondents to this Request for Proposals (RFP).

Responses to this RFP are due on or before January 31, 2014, as described below in Sections III and V.

# II. Background

SCPPA is a joint powers authority and a public entity organized under the California Joint Exercise of Power Act found in Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, and through the SCPPA Joint Powers Agreement, for the purposes of planning, financing, developing, acquiring, constructing, operating and maintaining projects for the generation or transmission of electric energy. SCPPA also facilitates joint service contracts, at the request of its members, to aggregate like project efforts amongst its Members for the purposes of developing energy efficiency, demand response and resource procurement Programs or Projects to improve operating efficiencies and reduce costs.

Membership of SCPPA consists of eleven cities and one irrigation district, which supply electric energy within Southern California, including the municipal utilities of the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District. SCPPA is governed by its Board of Directors, which consists of representatives from each of its Members. The management of SCPPA is under the direction of an Executive Director who is appointed by the Board.

Any service contract subsequently entered into by SCPPA pursuant to this RFP would be utilized directly by the interested Members to serve their respective utility customers' needs. The service and work products would be ordered and approved directly by the Members and the billing would be administered through SCPPA.

## III. Areas of Interest

SCPPA Members have expressed interest in procuring certain engineering services associated with the processing of LFG into BMG to meet California state standards for injection into a common carrier pipeline.

LFG is available at an existing site (Scholl Canyon) in the City of Glendale. The LFG is currently treated and delivered via a dedicated low-pressure pipeline within the City of Glendale to the Grayson Power Plant, where it is combusted in boilers. Until recently, LFG produced within the state of California has been barred from injection into the interstate and intrastate natural gas pipeline system. In 2012, California enacted AB 1900 (Gatto), which overturned this prohibition and directed the California Public Utilities Commission (CPUC) to develop standards for the injection of BMG into the common carrier pipeline system. The CPUC has an open docket (R.13-02-008) in which such standards are under development. Pursuant to AB 1900, the CPUC is required, by December 31, 2013, to issue a rule or order adopting (a) standards for constituents in BMG to be injected into a common carrier pipeline, and (b) monitoring, testing, reporting and record-keeping requirements. SCPPA members, including but not limited to the City of Glendale, are interested in the potential for upgrading the existing LFG supplies at Scholl Canyon to meet the new CPUC standards and requirements for BMG, to enable the combustion of the BMG at the Grayson Power Plant and the injection of the processed LFG into the Sempra common carrier pipeline. All responses to this RFP should incorporate and make clear and specific reference to the CPUC's rules or orders related to AB 1900. Following are the scopes of work for two phases of the expected project. Proposals should ideally follow the format of the two phases; if a different approach is recommended, proposals must explain the basis for the different approach.

#### Phase I Tasks: Site Evaluation

- Review chemistry of the current supply of LFG from Scholl Canyon
- Review existing LFG treatment assets; determine ability to incorporate same into a new system
- Identify the active and inactive portions of the Scholl Canyon landfill
- Review technical characteristics of, and limits on use of, existing LFG pipeline between Scholl and Gravson
- Determine the equipment required to meet the CPUC's order(s) on constituents and other characteristics of BMG to be injected into the common carrier pipeline
- Determine available footprints for additional operations (e.g., siloxane removal, CO2 removal, compressors) at the Scholl Landfill and Grayson Power Plant sites, taking into account multiple ownership of property at Scholl
- Determine what additional assets can and should be located at the Scholl Landfill site
- Determine what assets can and should be located at Grayson Power Plant site
- Determine ability to "stack" components at each site
- Determine site preparation requirements
- Conduct a fatal flaws analysis
- Recommend specific locations including pros and cons for the LFG clean-up equipment at each site
- Identify permits needed to construct the LFG clean-up project
- Identify short-list of thermal oxidizers for discussion with AQMD
- Prepare a high-level (+/- 20%) estimate of the capital and operating costs of the proposed new capital equipment, including all auxiliary power load and fuel requirements, identify equipment maintenance requirements and costs

- Propose a "not-to-exceed cost" for this Phase I
- Complete Phase I no later than approximately June 15, 2014, but in no case later than September 30, 2014

## Phase II Tasks: Process Engineering and Design

- Necessary process engineering and design work to satisfy future permitting and financing and to support new business arrangements (e.g., PPAs)
- Specific arrangement of new assets to upgrade existing LFG to BMG
- Preparation of a detailed estimate of total installed capital cost and complete estimate of O&M
  costs, including supplies, auxiliary electrical load, natural gas for oxidizer; this estimate must be
  sufficient to support financing (e.g., debt service) and new business arrangements (e.g., PPA
  pricing)
- Process engineering details
  - Process flow diagrams (PFDs)
  - Piping and instrumentation diagrams (P&IDs)
  - Plant energy and mass balance
  - Utility diagrams (one-line for electricity and equivalent for natural gas)
  - Process data sheets
  - Plant control system (PCS) and architecture
  - Major equipment list
  - Procurement data sheets
  - Plant general arrangement
  - Estimated schedule to commercial operation
  - o Drawings required for all permitting (local, state, federal)
- Complete Phase II no later than approximately January 2015

See Appendix A for more details on Phase II.

# Timeline / Schedule\*

SCPPA RFP for Engineering Services (LFG Processing) Selection Process	
Schedule of Requirements	Target Date(s)
Issue RFP	December 12, 2013
Responses Due	January 31, 2014
Review of Responses	Approximately February 3 - 14, 2014
Interviews (if necessary)	TBD
Selection of Respondent(s)	Approximately March 14, 2014

<sup>\*</sup>Timeline/Schedule is subject to change.

## IV. Proposal Submission Required Elements

#### 1. Transmittal Letter Content:

- a. A brief statement of the Respondent's understanding of the work to be done and commitment to perform the work as scheduled, including:
  - i) statement of work specifications; and
  - ii) reference to any proposed contractual terms and conditions required by the Respondent; and
  - iii) a summary of exceptions taken to the RFP requirements; and
  - iv) any and all expectations from SCPPA including, but not limited to: requirements definition, strategy refinement, and staffing requirements to support the proposed project or program implementation.
- b. An officer authorized to bind must sign the proposal on behalf of the Respondent and must include the following declarations on the Transmittal Letter:

"This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the Respondent has not directly or indirectly induced or solicited any other Respondent to put in a sham bid, or any other person, firm or corporation to refrain from submitting a proposal; and the Respondent has not in any manner sought by collusion to secure for themselves an advantage over any other Respondent."

- 2. Respondent Information: Provide legal name of Company or Individual, physical street address, the name(s) and title(s) of the individual(s) authorized to represent the Respondent, including telephone number(s) and email address(es).
- 3. Proposal: Proposals must include a description of the proposed project or program, how it meets each of the objectives of this RFP, and a detailed description addressing all of the Areas of Interest. Respondents may also include additional services, products, tasks, task elements and/or functions that may not be part of or included in the RFP, but are deemed by the Respondent to be pertinent and potentially valuable to SCPPA or its Members. SCPPA will have full discretionary authority to consider, accept and/or reject without cause such supplemental information that is not directly requested, included in or made part of the RFP.
- 4. Fees: Pricing in all Proposals should be made based on good faith estimates of the requirements defined in this RFP. Please include all necessary details of specific examples or estimates of the fees, labor rates and service charges. Describe how the fees, rates or charges will be determined. Respondents shall also be prepared to provide a breakdown of the applicable overheads and fringe benefit costs that are part of any labor rates and other direct costs associated with the services to be performed.
- **5. Timeline:** Provide a timeline for implementing and completing the tasks referenced in the Areas of Interest and any other natural subdivisions of work applicable to this RFP.
- **6. Experience:** Respondent shall clearly identify project participants and management team, including:

- a. Describe your firm's experience as may be applicable to this RFP, your organizational structure, management qualifications, and other contract related qualifications, including number of years firm has been in business.
- b. Specify key employees and describe their qualifications, experience and duties related to this RFP, including the office location(s) where work will be performed, in addition to the physical street address referenced above.
- c. Provide a commitment statement for the retention and use of key employees as proposed, their availability to initiate and sustain the proposal, as well as planned supplemental employees if key personnel are not available to assure project delivery.
- d. State whether Respondent will use subcontractors to perform services pursuant to the contract. Should the use of subcontractors be offered, the Respondent shall provide the same assurances of competence for the subcontractor, plus the demonstrated ability to manage and supervise the subcontracted work. Subcontractors shall not be allowed to further subcontract with others for work. The provisions of any contract resulting from this RFP shall apply to all subcontractors in the same manner as to the Respondent.
- e. Respondent shall indicate any and all pending litigation that could affect the viability of Respondent's proposal, continuance of existing contracts, operation or financial stability.

#### 7. References:

- a. Describe whether the Respondent has, within the last five (5) years, rendered any service to SCPPA or to any of SCPPA's Members, either as a contractor or subcontractor, either under the current Respondent's name or any other name or organization. If so, please provide details (status as prime or subcontractor, brief description of the contract, contract start and end dates, the contract administrator name, and total actual contract expenditures).
- b. If the Respondent has not rendered any service within the last five (5) years to SCPPA or to any of SCPPA's Members, then please provide references over that period with the details described above including the counterparty for which services were provided.
- c. Identify existing related or relevant projects or programs which Respondent developed and/or operates that would demonstrate Respondent's capabilities in this area.
- d. Describe relevant program development and implementation experience, approach, and provide a list of references for similar projects completed.

# V. <u>Proposal Submission Delivery Requirements</u>

There will not be an initial Respondent's conference associated with this RFP. Clarification questions may be addressed to LFGProcessRFP@scppa.org

One (1) hard copy of your response, including a transmittal letter of authentic offer with wet-ink authority signature, and any supporting documentation should be delivered no later than 4:00 p.m., Pacific Prevailing Time, on January 31, 2014 to:

Southern California Public Power Authority
Engineering Services RFP: Landfill Gas Processing
1160 Nicole Court
Glendora, California 91740

One (1) electronic copy of your proposal should also be delivered to the address above, preferably on a CD or USB flash drive, or alternatively e-mailed to <a href="LFGProcessRFP@scppa.org"><u>LFGProcessRFP@scppa.org</u></a> no later than the time and date referenced above.

No contact should be made with the Board of Directors, committees or working group representatives, or SCPPA Participating Members concerning this RFP.

All information received by SCPPA in response to this RFP is subject to the California Public Records Act and may be subject to the California Brown Act and all submissions may be subject to review in the event of an audit.

## VI. Proposal Terms and Conditions

- 1. SCPPA reserves the right to cancel this RFP at any time, reject any and all proposals and to waive irregularities.
- 2. SCPPA shall determine at its sole discretion the value of any and/or all proposals including price and non-price attributes.
- 3. Proposals may be sub-divided or combined with other proposals, at SCPPA's sole discretion.
- 4. SCPPA shall perform an initial screening evaluation to identify and eliminate any proposals that are not responsive to the RFP, do not meet the minimum requirements set forth in the RFP, are clearly not economically competitive with other proposals, or are submitted by Respondents that lack appropriate creditworthiness, sufficient financial resources, or qualifications to provide dependable and reliable services.
- 5. SCPPA reserves the right to submit follow up questions or inquiries to request clarification of information submitted and to request additional information from any one or more of the Respondents.
- 6. SCPPA reserves the right, without qualification and in its sole discretion, to accept or reject any or all proposals for any reason without explanation to the Respondent, or to make the award to that Respondent, who, in the opinion of SCPPA, will provide the most value to SCPPA and its customers.
- 7. SCPPA may decline to enter into any potential engagement agreement or contract with any Respondent, terminate negotiations with any Respondent, or to abandon the request for proposal process in its entirety.
- 8. SCPPA reserves the right to make an award, at its sole discretion, irrespective of price or technical ability, if SCPPA determines that to do so would result in the greatest value to SCPPA and its Members.

- 9. Those Respondents who submit proposals agree to do so without legal recourse against SCPPA, its Members, their directors, officers, employees and agents for rejection of their proposal(s) or for failure to execute or act on their proposal for any reason.
- 10. SCPPA shall not be liable to any Respondent or party in law or equity for any reason whatsoever for any acts or omissions arising out of or in connection with this RFP.
- 11. SCPPA shall not be liable for any costs incurred by any Respondents in preparing any information for submission in connection with this RFP process or any and all costs resulting from responding to this RFP. Any and all such costs whatsoever shall remain the sole responsibility of the Respondent
- 12. SCPPA may require certain performance assurances from Respondents prior to entering into negotiations for a proposed project. Such assurances may potentially include a requirement that Respondents provide some form of performance security.
- 13. Prior to contract award, the successful Respondent shall supply a detailed breakdown of the applicable overheads and fringe benefit costs that are part of the labor rates and other direct costs associated with the services to be performed.
- 14. Either SCPPA collectively or Members individually may respond to, or enter into negotiations for a proposal. SCPPA is not responsible or liable for individual Members interactions with the Respondent which are not entirely conducted through SCPPA or at SCPPA's option or election to engage the Respondent as defined within the Terms and Conditions herein.
- 15. Submission of a Proposal constitutes acknowledgement that the Respondent has read and agrees to be bound by the terms and specifications of this RFP and any addenda subsequently issued prior to the due date for a Proposal.
- 16. Information in this RFP is accurate to the best of SCPPA's knowledge but is not guaranteed to be correct. Respondents are expected to complete all of their due diligence activities prior to entering into any final contract negotiations with SCPPA.
- 17. SCPPA reserves the right to reject any Proposal for any reason without cause. SCPPA reserves the right to enter into relationships with more than one Respondent, can choose not to proceed with any Respondent with respect to one or more categories of services, and can choose to suspend this RFP or to issue a new RFP that would supersede and replace this RFP.

# VII. Additional Requirements for Proposal

- 1. Consideration of Responses: Submitted proposals should be prepared simply and economically, without the inclusion of unnecessary promotional materials. Proposals should be submitted on recycled paper that has a minimum of thirty percent (30%) post-consumer recycled content and duplex copied (double-sided pages) where possible.
- 2. Insurance, Licensing, or other Certification: If selected, the Respondent will be required to maintain sufficient insurance, licenses, or other required certifications for the type of work being performed.

SCPPA or its Members may require specific insurance coverage to be established and maintained during the course of work and as a condition of award or continuation of contract.

- 3. Non-Discrimination/Equal Employment Practices/Affirmative Action Plan: If selected, the Respondent and each of its known subcontractors may be required to complete and file an acceptable Affirmative Action Plan. The Affirmative Action Plan may be set forth in the form required as a business practice by the Department of Water and Power of the City of Los Angeles which is SCPPA's largest Member.
- 4. Living Wage Ordinance: If selected, the Respondent may be required to comply with the applicable provisions of the City of Los Angles Living Wage Ordinance and the City of Los Angeles Service Contract Workers Retention Ordinance. The Living Wage Ordinance provisions are found in Section 10.36 of the Los Angeles City Administrative Code; and the Service Contract Workers Retention Ordinance are found in Section 10.37 of the Los Angeles Administrative Code (SCWRO/LW0).
- 5. Prevailing Wage Rates: If selected, the Respondent will be required to conform to prevailing wage rates applicable to the location(s) where any work is being performed. Workers shall be paid not less than prevailing wages pursuant to determinations of the Director of Industrial Relations as applicable in accordance with the California Labor Code. To access the most current information on effective determination rates, Respondent shall contact:

Department of Industrial Relations
Division of Labor Statistics and Research
PO Box 420603, San Francisco, CA 94142-0603
Division Office Telephone: (415) 703-4780
Prevailing Wage Unit Telephone: (415) 703-4774

Web: http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm

- **6. Child Support Policy:** If selected, Respondent may be required to comply with the City of Los Angeles Ordinance No. 172401, which requires all contractors and subcontractors performing work to comply with all reporting requirements and wage earning assignments and wage earning assignments relative to court ordered child support.
- 7. Supplier Diversity: Respondents shall take reasonable steps to ensure that all available business enterprises, including Small Business Enterprises (SBEs) and Disabled Veteran Business Enterprises (DVBEs) have an equal opportunity to compete for and participate in the work being requested by this RFP. Efforts to obtain participation of SBEs, DVBEs, and other business enterprises may reasonably be expected to produce a twenty percent (20%) participation goal for SBEs and a three percent (3%) participation goal for DVBEs. For the purpose of this RFP, SCPPA's Supplier Diversity program is modeled after that of the Los Angeles Department of Water and Power. Further information concerning the Supplier Diversity Program may be obtained from the Supply Chain Services Division of the Los Angeles Department of Water and Power
- **8. SCPPA-Furnished Property:** SCPPA or participating utility drawings, specifications, and other media furnished for the Contractor's use shall not be furnished to others without written authorization from the source agency.

9. Contractor-Furnished Property: Upon completion of all work under any agreement developed as a result of this RFP, ownership and title to reports, documents, drawings, specifications, estimates, and any other document produced as a result of the agreement shall automatically be vested to SCPPA and no further agreement will be necessary for the transfer of ownership to SCPPA. SCPPA has the sole right to distribute, reproduce, publish, license, or grant permission to use all or a portion of the deliverable documentation, work product or presentations as it determines fit in its sole discretion.

#### Appendix A – Detailed Specifications for Phase II

#### I. Civil

- Develop specifications for a site survey to be performed by others
- Develop specifications for a geotechnical report to be performed by others
- Provide specifications for site preparation
- Develop final grading and paving design
- Develop site drainage and storm water plan
- Provide fencing details
- Develop seeding and landscaping plan

#### II. Structural/Architectural

- Develop plans showing general locations for all foundations and pads
- Prepare foundation plans, sections and details for the major equipment, blowers, electrical transformer, pipe supports suitable for detailing by others
- Prepare specifications for concrete/foundation installations
- Prepare structural steel drawings showing plans and sections for pipe/tray support racks, miscellaneous platforms, stairs, and railings suitable for detailing by others
- Prepare specifications for structural installation
- Prepare specifications for pre-engineered structures
- Prepare architectural details, schedules, and specifications for doors, windows, and finishes

#### III. Mechanical

- Develop general arrangement drawings
- Prepare interconnecting piping drawings
- Prepare piping sections/details, providing additional detail in congested areas
- Prepare typical pipe support details for non-engineered hangers
- Prepare line list for piping
- Prepare piping specifications
- Prepare piping installation specifications

- Conduct pipe stress analysis
- Prepare valve list
- Prepare ancillary equipment list including process data from equipment data sheets (e.g., motor data, pumping data, and approximate dimensions)
- Prepare insulation specifications
- Prepare mechanical installation specifications
- Perform HVAC load calculations
- Develop HVAC equipment specifications

#### IV. Process

- Prepare process specifications or data sheets for equipment/systems excluded from the major equipment list
- Prepare final PFDs to reflect final design conditions
- Prepare final P&IDs for all process systems, including vendor-prepared P&IDs: process flows, operating temperatures and pressures and fluid composition, as well as piping tie-ins required to existing systems
- Prepare an ancillary equipment list providing process data from the equipment data sheets (e.g., motor data, pumping data and approximate dimensions)

#### V. Electrical

- Refine electrical single line diagram
- Perform electrical coordination study
- Provide grounding system design and installation details, including connection to motors, electrical equipment, ground rods, building steel and mechanical equipment
- Prepare conduit and cable schedule for all equipment
- Prepare electrical load list for all equipment showing operating and connected loads
- Provide elementary drawings or AC schematics for non-skid equipment
- Make drawings of electrical room equipment arrangement, including detailed dimensions of equipment for electrical working clearances
- Provide embedded conduit drawings
- Develop electrical power and control conduit layout plan, section and detail drawings
- Develop lighting plans
- Provide lighting and receptacle locations
- Provide electrical power and lighting panel schedules (wattage of each device, branch circuit breaker size and main breaker size)

- Develop specifications for the design and installation of fire, heat, smoke and methane detection systems
- Provide electrical installation details: typical conduit termination for motors, instruments and lighting fixtures; and mounting details for conduit supports, push buttons, trays, and lighting
- Provide lightning protection drawings

#### VI. Instrumentation & Control/Automation

- Prepare instrument data sheets for miscellaneous required instrumentation not provided by vendors
- Provide typical details to show physical connections to instrument devices
- Show typical bill of material for each type of instrument
- Prepare detailed functional specifications sufficient to design the plant control system (PCS) and integration of vendor systems
- Prepare PCS input/output and alarm list
- Prepare instrument index and instrument data sheets listing all devices to be purchased and ISA style data sheet for each
- Prepare procurement specifications for all instrumentation not included in vendor packages
- Develop instrumentation installation specifications

#### VII. Site Maps

- Grayson Power Plant Facilities Site Plan (attachment) Coordinates in Deg-Min-Sec: 34° 09' 22.41" N 118° 16' 43.33" W
- Scholl Canyon Landfill Plot Plan (attachment) Coordinates in Deg-Min-Sec: 34° 09' 11.22" N 118° 11' 35.55" W