

FOR BOARD ACTION

Agenda Item # 5.a.

Meeting Date:

1/23/13

SUBJECT:

Installation of Diesel Oxidation Catalyst and
Continuous Parametric Monitoring System

PREPARED BY:

Tom Williamson --- Senior Mechanical Engineer

ITEM DESCRIPTION:

One bid was opened on January 22, 2013 for the installation of a diesel oxidation catalyst and continuous parametric monitoring system for the generator sets at IBM. HiMEC Inc. submitted the lowest bid for \$188,727.00. We are working with Himec to improve delivery of the parts, in order to allow installation at an earlier date than indicated in their proposal.

History of Regulations and Generators

On March 3, 2010, the EPA promulgated national emission standards for hazardous air pollutants (HAPs) for existing (i.e. installed before June 12, 2006) stationary compression ignition reciprocating internal combustion engines. The EPA established an emission limit on carbon monoxide (CO) as a surrogate for HAPs emissions and a compliance deadline of May 3, 2013.

The engine generator sets owned and operated by RPU at the IBM site fall under this standard. These engine sets were installed at the IBM site in 2005 by RPU and are used for system peak reduction and for emergency standby service to IBM. It was anticipated that the RPU engines would meet the requirements, however, on September 12, 2012, testing showed emissions on both engines to be greater than the CO limit. RPU concluded that the installation of exhaust treatment would be required in order to meet the new limit.

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

The anticipated price of the project is higher than the original 2012 allocation budget of \$70,000. The total amount requested below is covered by carryover-2012 and contingency-2013.

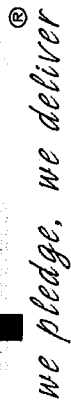
UTILITY BOARD ACTION REQUESTED:

Management recommends that the Utility Board approve a resolution to approve the Installation of Diesel Oxidation Catalyst and Continuous Parametric Monitoring System Contract with HiMEC Inc. in the amount of \$188,727.00 and authorize the Mayor and City Clerk to execute the Agreement.


General Manager

1-24-13
Date

ROCHESTER PUBLIC UTILITIES



BID TABULATION

ARCHITECT:

Exceptions:
16000-1,2D 3
16000-1,2D 9



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with HiMEC, Inc. and to request the Mayor and the City Clerk to execute the agreement for

INSTALLATION OF DIESEL OXIDATION CATALYST AND CONTINUOUS PARAMETRIC MONITORING SYSTEM

The amount of the contract agreement to be ONE HUNDRED EIGHTY-EIGHT THOUSAND SEVEN HUNDRED TWENTY SEVEN AND 00/100 DOLLARS (\$188,727.00) and HiMEC, Inc. being lowest responsible bidder.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of January, 2013.

President

Secretary