

BOARD MEETING DATE: February 6, 2015

AGENDA NO. 2

PROPOSAL: Amend Contract with Norton Engineering for NOx RECLAIM Technical Evaluation

SYNOPSIS: This action is to amend the contract with Norton Engineering to provide supplemental technical evaluation in support of the NOx RECLAIM rule amendment process. The current contract for technical support was signed in September 2014 at a cost not to exceed \$75,000. Norton Engineering has satisfactorily completed the tasks outlined in the current contract. The proposed amendment to the Statement of Work would add \$12,000 to the contract total, thus requiring Board approval.

COMMITTEE: Stationary Source, January 23, 2015, Recommended for Approval

RECOMMENDED ACTION:

Authorize the Executive Officer to amend the contract with Norton Engineering for NOx RECLAIM Technical Evaluation Support for an additional amount not to exceed \$12,000 from the FY 2014-15 Budget.

Barry R. Wallerstein, D.Env.
Executive Officer

EC:PF:JC

Background

Staff is currently evaluating NOx RECLAIM emissions limits for the source categories covered under Rule 2002. The rule amendment is seeking to determine Best Available Retrofit Control Technology (BARCT) for 12 sources categories. The draft BARCT evaluation was completed in July 2014 and the set of proposed BARCT NOx emissions limits were presented to the RECLAIM stakeholders. Due to the complexity of the

analysis, estimated costs associated with rule implementation and stakeholder recommendations, the SCAQMD entered into a contract with Norton Engineering to review the refinery BARCT assessment of the staff proposal. Norton Engineering signed the contract in September 2014 and satisfactorily completed the assessment, including field visits to targeted sources, in December 2014.

Proposal

Staff is recommending amending the contract with Norton Engineering to provide supplemental technical evaluation in support of the NOx RECLAIM rule amendment. Specifically, Norton Engineering will provide a set of refinery specific reports and supporting documentation. Norton Engineering will also provide consultation where necessary to assist staff in responding to stakeholder inquiries on the BARCT analysis and cost effectiveness calculations.

Sole Source Justification

The criteria for a sole source award of contracts is addressed in Section VIII of the Procurement Policy and Procedures. Subsections (B)(2)(c)(1) and (B)(2)(c)(2) cite the unique experience and capabilities of the contractor and the use of proprietary technology as sole source criteria, respectively. The proposed project will supplement the analysis already conducted by Norton Engineering based on their expertise in refinery operations and pollution control equipment. The project will require Norton's proprietary software to disaggregate the process data in a format that is understandable to the operators and does not create further confidentiality issues. Furthermore, in order to maintain a timely rule development process and meet its critical schedule, it is desirable to keep the analysis with Norton Engineering who has the greatest familiarity with the data and past analyses.

Resource Impacts

Funds for this project, in an amount not to exceed \$12,000, are available in the Planning, Rule Development and Area Sources FY 2014-15 Budget, Professional and Special Services account.