

BOARD MEETING DATE: March 1, 2019

AGENDA NO. 3

**PROPOSAL:** Recognize Funds, Execute and Amend Agreements for Installation and Maintenance of Air Filtration Systems, and Reimburse General Fund for Administrative Costs

**SYNOPSIS:** U.S. EPA is executing a Supplemental Environmental Project (SEP) agreement and has asked SCAQMD to act as the SEP Implementer to install and maintain air filtration systems at schools. This action is to recognize up to \$161,352 into the Air Filtration Fund (75). These actions are to also execute agreements to install and maintain air filtration systems in an amount not to exceed \$153,284; execute or amend access agreement with a local school district; amend contracts to purchase additional filters using unspent administrative funds; and reimburse the General Fund for administrative costs up to \$8,068 for SEP administration.

**COMMITTEE:** Technology, February 15, 2019; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Recognize up to \$161,352 from Veolia ES Technical Solutions, LLC, for a SEP being administered on behalf of the U.S. EPA into the Air Filtration Fund (75);
2. Authorize the Executive Officer to execute agreements with Veolia ES Technical Solutions, LLC, for SCAQMD to implement a SEP for installation and maintenance of air filtration systems and to execute or amend agreements with Azusa Unified School District for the purpose of implementing a SEP;
3. Authorize the Chairman to execute a contract with IQAir North America for installation and maintenance of air filtration systems at schools in an amount not to exceed \$153,284 from the Air Filtration Fund (75);
4. Authorize the Chairman to amend, as needed, a contract with IQAir North America which is funded by an Air Filtration SEP or approved by this Board letter to purchase additional filters using unspent administrative funds; and

5. Reimburse the General Fund from the Air Filtration Fund (75) for administrative costs up to \$8,068, as needed, to implement the air filtration project.

Wayne Natri  
Executive Officer

MMM:NB:PSK

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### **Background**

U.S. EPA is executing a Supplemental Environmental Project (SEP) agreement with Veolia ES Technical Solutions, LLC, (Veolia) to install and maintain air filtration systems at schools in Environmental Justice (EJ) communities or geographical target areas identified by the SEP agreement and has asked SCAQMD to act as the SEP Implementer.

IQAir North America (IQAir) was previously selected through two separate competitive bid processes in 2011 and 2013 for air filtration projects, and staff subsequently performed a technology status check to ensure no new technologies had come on the market. Furthermore, IQAir is the only qualified manufacturer of high performance panel filters and stand-alone units which met the performance standards in SCAQMD's 2009 air filtration pilot study as well as through a national testing opportunity conducted in 2010 by the University of California Riverside's College of Engineering/Center for Environmental Research and Technology. These performance standards include an average removal efficiency of at least 85 percent for ultrafine PM, black carbon and PM2.5, and noise level below 45 decibels for stand-alone units. To date, SCAQMD has installed air filtration systems at 84 schools and community centers.

### **Proposal**

U.S. EPA staff have requested that schools receiving air filtration systems for this SEP be within the Azusa Unified School District (USD), located closest to the Veolia facility and major freeways, with project completion to occur by April 30, 2019. The funding includes five percent for reimbursement of administrative costs.

The proposed schedule for installation and maintenance of air filtration systems in one or more schools in Azusa USD is as follows:

<b>Date</b>	<b>Event</b>
March 2019	Board Approval
March 2019	Anticipated Execution of Contracts
March 2019	Selection of Schools, Site Assessments
March–April 2019	Installation
April 2019–April 2023	Maintenance (varies by school)
August 2019	Final Report

These actions are to: 1) recognize up to \$161,352 from the SEP agreement into the Air Filtration Fund (75); 2) authorize the Executive Officer to execute an agreement with Veolia and execute or amend an agreement with Azusa Unified School District to implement the SEP for installation and maintenance of air filtration systems; 3) execute an agreement with IQAir North America for installation and maintenance of air filtration systems at schools in an amount not to exceed \$153,284; 4) amend, as needed, contracts with IQAir North America funded by other air filtration SEPs to purchase additional filters using unspent administrative funds from the respective SEPs; and 5) reimburse the General Fund from the Air Filtration Fund (75) for administrative costs up to \$8,068.

**Sole Source Justification**

Section VIII. B. 2 of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified. This request for a sole source award is made under provision B.2.c (1): The desired services are available from only the sole-source based upon the unique experience and capabilities of the proposed contractor or contractor team. IQAir remains the only manufacturer of high performance panel filters and stand-alone units identified by SCAQMD and CARB staff that meet the performance standards required to complete the work.

**Benefits to SCAQMD**

This project will reduce children’s exposure to criteria and toxic pollutants and ultrafine PM. Health studies have determined that fine and ultrafine PM, including diesel PM, present the greatest air pollution health risk to sensitive receptors in EJ communities identified in the SEP agreement.

**Resource Impacts**

The new contract with IQAir will not exceed \$153,284, and any contract amendment with IQAir to purchase additional filters will not exceed the amount of any unspent administrative fees. Reimbursement of administrative costs will not exceed \$8,068.