



City of San Antonio

Agenda Memorandum

File Number:15-5110

Agenda Item Number: 4.

Agenda Date: 2/11/2016

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Council District 2

SUBJECT:

Ratification of Services rendered for Upgrade of Gas Candlestick Flare Station at Rigsby Landfill

SUMMARY:

This ordinance authorizes ratification of a contract with Perennial Energy, LLC (PEI) for emergency services provided during an unforeseen event that caused the failure of the Rigsby Landfill gas candlestick flare station used to control and manage the buildup of methane gases in closed landfills. Emergency services were rendered and completed to protect public health and safety in December 2015. The existing Rigsby landfill gas candlestick flare station was replaced with an upgraded flare control system for a total cost of \$81,202.00. Funding is available from the FY2015 Solid Waste Management Department Operating and Maintenance Fund.

BACKGROUND INFORMATION:

Submitted for Council consideration and action is the invoice submitted by Perennial Energy, LLC (PEI) for the replacement and upgrade of the existing Rigsby landfill gas (LFG) candlestick flare station in the amount of \$81,202.00. The final invoice was approved by Solid Waste Management Department (SWMD) in December 2015. Services were rendered utilizing a Public/Health/Safety Exemption due to the need to repair or replace critical equipment in a timely manner.

The Rigsby landfill located at 2755 Rigsby Road is a 40-acre Type I landfill facility containing Municipal Solid Waste (MSW). The site closed in the mid 1980's and currently requires a landfill gas collection system to flare methane and protect adjacent property owners from methane migration. The failed LFG collection system

consisted of a candlestick flare, blower, 41 gas extraction wells, 22 monitoring probes, and associated piping. The failed system was installed in 1998, and scheduled for replacement in 2018.

In April 2015, the candle stick flare began showing signs of abnormal readings. The sensors used to detect changes in methane levels and adjust accordingly failed resulting in fire damage to some of the flare components and safety controls. Furthermore, due to the age of the flare components, the flare was unable to detect oxygen or methane levels accurately. Flame arrestors (a safety feature) were installed as a temporary measure until a comprehensive assessment was conducted to evaluate the aging system. In May 2015, it was confirmed that the candle stick flare components were obsolete and parts for this system could not be replaced.

In August 2015, PEI was asked to design and upgrade the current candle stick flare system with the latest technology. The PEI proposed design included meeting the SWMD standard 20 year replacement criteria. In October 2015, Raba Kistner was hired to do a third party review of the damaged LFG collection system as well as review the design proposal provided to SWMD from PEI for a flare system replacement and upgrade. Raba Kistner assessed the new design proposed by PEI and concluded that their proposal was adequate based on the condition of the flare system and the cost on the PEI proposal was justified.

Subsequent to the Raba Kistner report, the system began to fail much faster than anticipated by City staff. Consequently, the decision was made to replace the system on an emergency basis. In December 2015, emergency services were provided by PEI to replace and upgrade the existing LFG candlestick flare station at the Rigsby Landfill.

ISSUE:

This ordinance will ratify the contract for the replacement and upgrade to the Rigsby landfill gas candlestick flare station. It was determined that the candle stick flare caught fire and extinguished itself within the fire stack causing damage to some of the flare components and safety controls. Cause of ignition was attributed to the age of the flare components as the flare was unable to detect oxygen or methane levels accurately. It was also verified that the candlestick flare components were obsolete and parts for this system could not be replaced.

This contract is an exception to the Small Business Economic Development Advocacy (SBEDA) and Local Preference Programs.

The Veteran-Owned Small Business Preference Program does not apply to goods/supplies contracts, so no preference was applied to this contract.

ALTERNATIVES:

This contract was necessary to expedite the repair and upgrade of the Rigsby landfill candlestick flare to prevent further damage to equipment and to avoid more costly repairs. The candlestick flare and gas collection system are designed to provide methane migration control and prevent potential safety hazards such as underground landfill fires.

FISCAL IMPACT:

This ordinance authorizes the ratification of a contract with Perennial Energy, LLC (PEI) to provide candlestick

flare station repair and upgrade services at the Rigsby landfill for a one-time cost of \$81,202.00. Funding is available from the FY2015 Solid Waste Management Department Operating and Maintenance Fund.

RECOMMENDATION:

Staff recommends approval of this contract with Perennial Energy, LLC (PEI) in the amount of \$81,202.00 to provide all labor, material and equipment for the repair and upgrade of the Rigsby landfill gas candlestick flare station.

This contract was procured as an exemption from competitive bidding to Preserve or Protect the Public Health or Safety Procurement and a Contracts Disclosure Form is not required.