

803



**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**FROM:** Riverside County Regional Medical Center

**SUBMITTAL DATE:**  
January 18, 2012

**SUBJECT:** Approval of R.F. McDonald as the Sole Source Vendor to perform retrofit of Cleaver-Brook Boilers

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and authorize, in accordance with Ordinance 459.4, sole source agreement with R.F. McDonald in the amount of \$435,497.00 without securing competitive bids; and
2. Authorize the Purchasing Agent to approve amendments up to ten-percent (10%) of the total cost.

**BACKGROUND:** The three (3) Cleaver-Brooks boilers currently in operation at Riverside County Regional Medical Center (RCRMC) were built in 1995 and installed during the construction of the hospital in 1997. When the hospital opened the Cleaver-Brooks boilers met South Coast Air Quality Management District's May 13, 1994 Rule 1146 amendment requiring boilers not to omit nitrogen oxide (NOX) levels greater than 30 parts per million (ppm).

*Douglas D. Bagley*  
\_\_\_\_\_  
Douglas D. Bagley, Hospital Director

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<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 435,497.00	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0.00	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0.00	For Fiscal Year:	2011/12

<b>SOURCE OF FUNDS: ENTERPRISE FUND</b>	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** **APPROVE**

BY: *Debra Cournoyer*  
Debra Cournoyer

**County Executive Office Signature**

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Tavaglione, seconded by Supervisor Buster and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone and Benoit  
 Nays: None  
 Absent: Ashley  
 Date: February 28, 2012  
 xc: RCRMC, Purchasing, CIP

Kecia Harper-Ihem  
 Clerk of the Board  
 By: *[Signature]*  
 Deputy

Prev. Agn. Ref.: \_\_\_\_\_ | District: 5/5 | Agenda Number: **3.47**

REVIEWED BY CIP *[Signature]*  
 Christopher Hans  
 Departmental Concurrence  
 Purchasing: *[Signature]*  
 Mark Seiler, Assistant Director

Dep't Recomm.:  Consent  Policy   
 Per Exec. Ofc.:  Consent  Policy

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**BACKGROUND (Continued):** September 5, 2008 Rule 1146 was amended to decrease NOX levels to not more than 9 ppm and that all units shall be in full compliance by January 1, 2013.

RCRMC has reviewed standard compliance limits and schedule and complied with the requirements to (1) submit compliance plan to South Coast Air Quality Management District by January 1, 2011 and (2) submit application for permit to construct by January 1, 2012. RCRMC consulted with County Counsel on the ability to challenge the ruling; it was determined there was no exemption for the hospital. The Cleaver-Brooks boilers require retrofitting to meet standards; R.F. MacDonald is the only California based Factory Authorized Sales and Service Representative for Cleaver-Brooks products.

**PRICE REASONABLENESS:** R.F. McDonald is providing the County of Riverside labor and material at the preferred customer pricing rate of a twelve-percent (12%) discount; total savings of approximately \$60,000 off the completed project.

**FINANCIAL IMPACT:** The costs to retrofit the boilers was not included in the FY 11/12 budget. RCRMC will monitor revenue and expenditures closely and, if necessary, will request a budget adjustment in the third quarter. RCRMC will be subject to a daily fine imposed by South Coast Air Quality Management District if not in compliance by January 1, 2013.

**CONCUR/EXECUTE:** County Purchasing, County Counsel