

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JANUARY 12, 2026

SUBJECT: SERVICES AGREEMENT TO REQUEST FOR PROPOSAL NO. 2482 WITH NORTHWEST INDUSTRIAL ENGINE AND COMPRESSOR COMPANY OF RIVERBANK, CALIFORNIA TO PERFORM FUEL GAS COMPRESSOR MAINTENANCE AT RIVERSIDE ENERGY RESOURCE CENTER FOR A FIVE-YEAR TERM ENDING DECEMBER 31, 2030, IN THE AMOUNT OF \$268,975

ISSUES:

Consider approving the Services Agreement to Request for Proposal No. 2482 with Northwest Industrial Engine and Compressor Company of Riverbank, California to perform fuel gas compressor maintenance at Riverside Energy Resource Center for a five-year term ending December 31, 2030, in the amount of \$268,975.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve the Services Agreement to Request for Proposal No. 2482 with Northwest Industrial Engine and Compressor Company of Riverbank, California to perform fuel gas compressor maintenance at Riverside Energy Resource Center for a five-year term ending December 31, 2030, in the amount of \$268,975; and
2. Authorize the City Manager, or his designee, to execute the Services Agreement with Northwest Industrial Engine and Compressor Company, including making non-substantive changes.

BACKGROUND:

The Riverside Energy Resource Center (RERC) is equipped with four General Electric (GE) LM6000 gas turbine engines that can collectively provide up to 30 percent of Riverside's daily electric power demand during the summer months. Constructed in two phases, Units 1 and 2 were commissioned in 2006, followed by Units 3 and 4 in 2011. Each fast-start gas turbine unit can generate 50 megawatts (MW) of electricity in less than ten minutes, providing critical local generation capacity within the city limits to ensure Riverside Public Utilities (RPU) can meet reliability and demand requirements.

An essential component in the operation of the gas turbines are fuel gas compressors which were installed during the original construction of the facility. There is a total of six Cooper RAM

compressors, with three supporting Units 1 and 2 and three supporting Units 3 and 4. These gas compressors are critical for increasing the pressure of the natural gas that is supplied by Southern California Gas Company from 350 psi to 675 psi. The increased gas pressure is required for normal gas turbine operations, and the compressors play a vital role in maintaining reliable fuel delivery and overall system performance.

These gas compressors have been in service for 15-20 years and routine annual maintenance is performed to ensure safe and reliable turbine operations. At this point in their operating life, the equipment is now requiring more extensive inspections and replacement of components subject to normal wear. Staff recommend procuring a multi-year routine maintenance agreement from a vendor with equipment expertise to support the long-term maintenance of these types of fuel gas compressors to ensure consistent service support, minimize downtime, and secure stable pricing for ongoing maintenance needs. A multi-year agreement will also allow the vendor to build operational familiarity, resulting in more efficient troubleshooting and proactive maintenance planning.

Fuel Gas Compressors at RERC



DISCUSSION:

On March 3, 2025, the City’s Purchasing Division, on behalf of the RPU, issued Request for Proposal (RFP) No. 2463 through PlanetBids to solicit qualified vendors for a five-year fuel gas compressor maintenance contract at RERC. On April 24, 2025, only two proposals were received, one proposal presented an excessive cost variance, while the other proposal received a significantly lower evaluation score. As a result, RFP No. 2463 proposals were rejected by the Purchasing Manager, and the project scope was revised with a goal of updating the minimum scope of work to better match current operational needs.

Table 1. Proposal Summary (RFP No. 2463)

Vendors	Location	Bid Amount
Energy Link Industrial Services	Bakersfield, CA	\$800,902.70
Fueling and Service Technologies, Inc.	Fountain Valley, CA	\$224,844.87

On June 17, 2025, the Purchasing Division reissued the solicitation as RFP No. 2482 on PlanetBids. The notification summary is provided in the following table:

Table 2. Notification Summary (RFP No. 2482)

Action	Number of Vendors
External Vendors Notified	500
City of Riverside Vendors Notified	80
Vendors Who Downloaded the RFP	16
Proposals Received	2

On July 17, 2025, two proposals were received in response to RFP No. 2482. During responsive check, it was determined that Fueling and Services Technologies was deemed nonresponsive due to lack of submission of a valid proposal to the City. The results are summarized in the table below:

Table 3. Proposal Summary (RFP No. 2482)

Vendors	Location	Bid Amount	Rank
Northwest Industrial Engine & Compressor Co.	Oakdale, CA	\$268,975.00	1
Fueling and Service Technologies, Inc.	Fountain Valley, CA	\$224,844.84	Non-Responsive

Upon evaluation of the proposal from Northwest Industrial Engine & Compressor Co. (Northwest), it was determined that they submitted a responsive proposal which offered good value to the City. Northwest proposed favorable pricing and a more inclusive and proactive maintenance approach. Additionally, they have experience in maintaining, servicing, and repairing fuel gas compressors, specifically Cooper RAM compressors. Thus, entering into a 5-year agreement with Northwest should ensure cost stability and enhanced operational efficiency.

Purchasing Resolution 24101 Section 508(c) states, “Contract procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder, except that...(c) Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications...”

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 24101.

FISCAL IMPACT:

The total fiscal impact is \$268,975 for a five-year term ending December 31, 2030. Sufficient funds in the amount of \$52,835 for Fiscal Year 2026/27 are available in the RERC Maintenance-Generating Plants Account No. 6120130-424131.

Future years’ funding, as shown in Table 4, will be included as part of the biennial budget process for the term of this agreement.

Table 4. Fiscal Year Breakdown

Fiscal Year	RERC
FY 26/27	\$52,835
FY 27/28	\$52,835
FY 28/29	\$53,975
FY 29/30	\$53,975
FY 30/31	\$55,355
TOTAL	\$268,975

Prepared by: Scott Lesch, Utilities Assistant General Manager/Power Resources
Approved by: David A. Garcia, Utilities General Manager
Certified as to
availability of funds: Julie Nemes, Interim Finance Director
Approved by: Gilbert Hernandez, Interim Assistant City Manager
Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. Bid Award Recommendation
2. Services Agreement with Northwest Industrial Engine and Compressor Company
3. Presentation