

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: NOVEMBER 26, 2018

ITEM NO: 8

SUBJECT: PURCHASE ORDER WITH TRANE U.S. INC. FOR INSPECTION AND REPAIR OF AIR INLET CHILLERS AT RIVERSIDE ENERGY RESOURCE CENTER UNITS 1 AND 2, IN THE AMOUNT OF \$109,517

ISSUE:

Approve the issuance of a purchase order with Trane U.S. Inc., of Davidson, NC, for the inspection and repair of the air inlet chillers at the Riverside Energy Resource Center Units 1 and 2, in the amount of \$109,517.

RECOMMENDATION:

That the Board of Public Utilities approve the issuance of a purchase order with Trane U.S. Inc., of Davidson, NC, for the inspection and repair of the air inlet chillers at the Riverside Energy Resource Center Units 1 and 2, in the amount of \$109,517.

BACKGROUND:

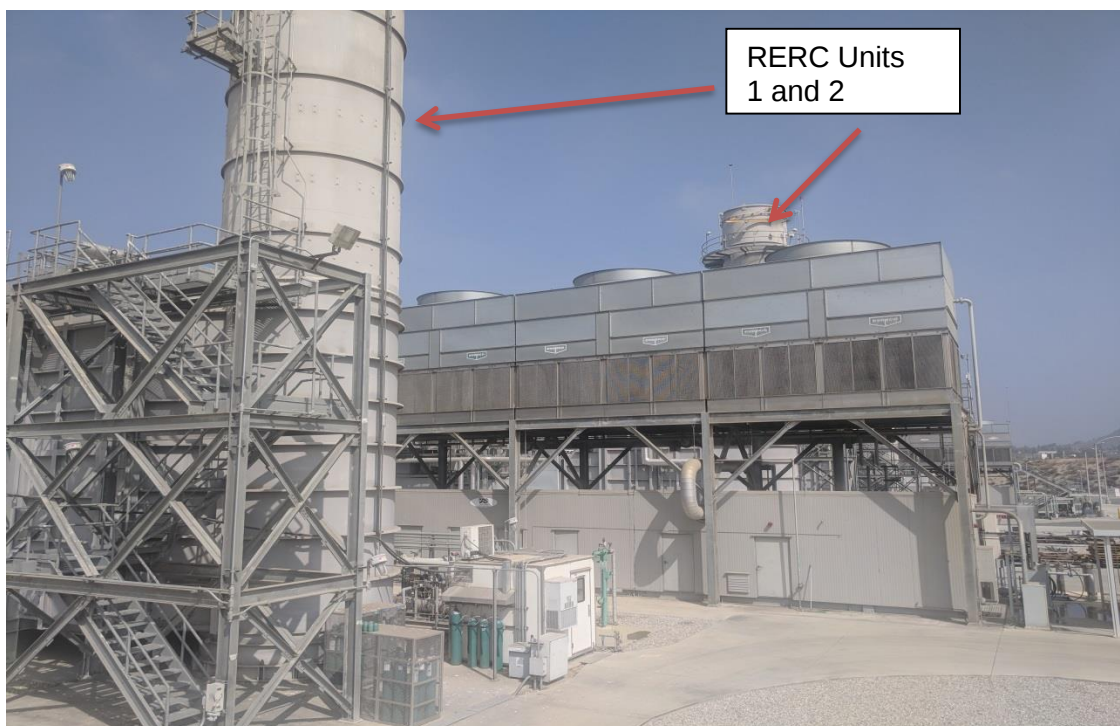
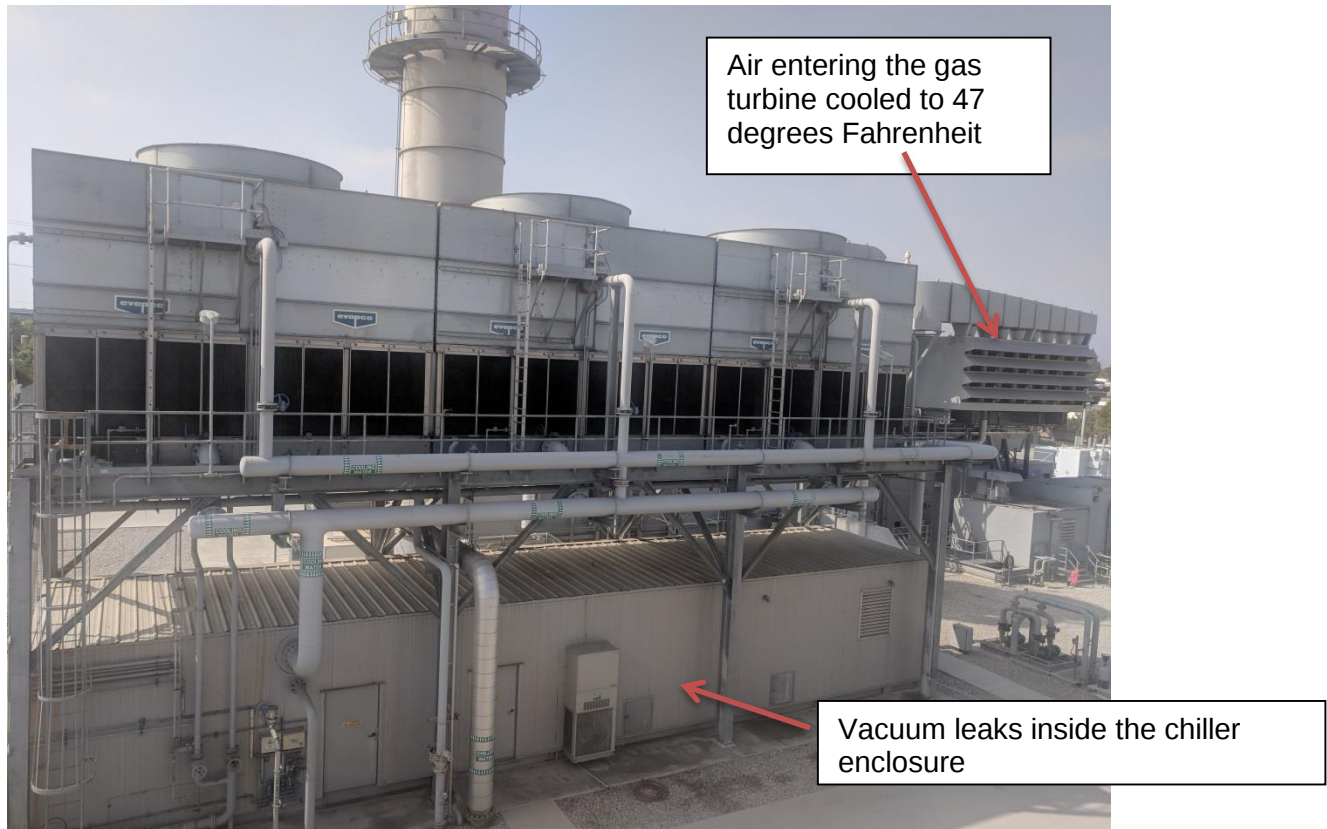
Riverside Public Utilities commissioned Riverside Energy Resource Center (RERC) Units 1 and 2 in June 2006. These fast-start units were strategically located in the city limits and achieve maximum power output in less than ten minutes. RERC Units 1 and 2 are very reliable units that serve a critical role in meeting customer demands during peak periods.

Both gas turbine units generate 96 megawatts of electricity and share a 3,500-ton air inlet chiller system. The chilling system cools the ambient air entering each gas turbine to 47 degrees Fahrenheit. During summer peak months, the colder air represents 20% of the overall electrical output generated from each turbine.

Following a recent maintenance activity, staff detected vacuum leaks in the low-pressure section of the chiller system. This section of the chiller cycle operates below atmospheric pressure, and vacuum leaks introduce ambient air into the refrigerant system. The undesirable air contamination is later extracted from the refrigerant system with purge pumps. Operating long term with this condition is not recommended by the original equipment manufacturer, Trane U.S. Inc. (Trane).

Staff conducted leak tests on the accessible areas and was unable to locate the source of the leaks. In order to identify and fix the leaks, staff is planning to conduct repairs on the chiller system during a scheduled maintenance interval between planned unit operational periods in February 2019. The leak repair process will be more extensive than the regular unit maintenance process, including disassembling the unit housing and evacuating the refrigerant.

The following are photos of the chiller system at RERC Units 1 and 2.



DISCUSSION:

Staff contacted Trane for a proposal to perform repairs on the chiller system for RERC Units 1 and 2. Trane has an existing contract under the U.S. Communities Cooperative Agreement RFP No. 15-JLP-023 (U.S. Communities). U.S. Communities is a national cooperative purchasing program, providing government procurement resources and solutions to local and state government agencies, school districts (K-12), higher education institutions, and nonprofits looking for the best overall pricing. Under this program, the City is able access pricing obtained by other public agencies through a competitive procurement process. Trane was able to provide pricing in accordance with U.S. Communities in the amount of \$109,517.

Purchasing Resolution 23256, Section 702(e) provides for informal procurement instead of competitive procurement when Cooperative Purchasing is available and undertaken or when Services can be obtained through Federal, State and/or other public entity pricing contracts or price agreements. In this case, the Purchasing Department has determined that the quote provided by Trane is under the U.S. Communities agreement. The Purchasing Manager concurs that the recommended actions comply with Purchasing Resolution No. 23256.

FISCAL IMPACT:

The total fiscal impact of the inspection and repair of the air inlet chillers at the Riverside Energy Resource Center Units 1 and 2 is \$109,517. Sufficient funds are available in Public Utilities Maintenance – Generating Plants Account No. 6120130-424131.

Prepared by: Daniel E. Garcia, Utilities Assistant General Manager/Resources
Approved by: Todd Jorgenson, Interim Utilities General Manager
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability
of funds: Aileen Ma, Interim Utilities Assistant General Manager/Finance & Administration

Attachments:

1. Trane Leak Repair Proposal with third party certification
2. U.S. Communities Cooperative Agreement RFP No. 15-JLP-023
3. Presentation