

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: SEPTEMBER 22, 2025

SUBJECT: SERVICES AGREEMENT TO REQUEST FOR PROPOSAL NO. 2469 WITH GE VERNOVA OPERATIONS, LLC. OF HOUSTON, TEXAS TO PERFORM GAS TURBINE PACKAGE INSTRUMENT CALIBRATIONS AT THE RIVERSIDE ENERGY RESOURCE CENTER AND CLEARWATER POWER PLANT FOR A FIVE-YEAR TERM, COMMENCING ON JULY 1, 2025 THROUGH DECEMBER 31, 2029 IN THE AMOUNT OF \$499,647.88

ISSUE:

Consider approving the Services Agreement with GE Vernova Operations, LLC. of Houston, Texas to perform gas turbine package instrument calibrations at the Riverside Energy Resource Center and Clearwater Power Plant for a five-year term commencing on July 1, 2025 through December 31, 2029 in the amount of \$499,647.88.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve the Services Agreement with GE Vernova Operations, LLC. of Houston, Texas to perform gas turbine package instrument calibrations at the Riverside Energy Resource Center and Clearwater Power Plant for a five-year term commencing on July 1, 2025 through December 31, 2029 in the amount of \$499,647.88; and
2. Authorize the City Manager, or his designee, to execute the Services Agreement with GE Vernova Operations, LLC., including making non-substantive changes.

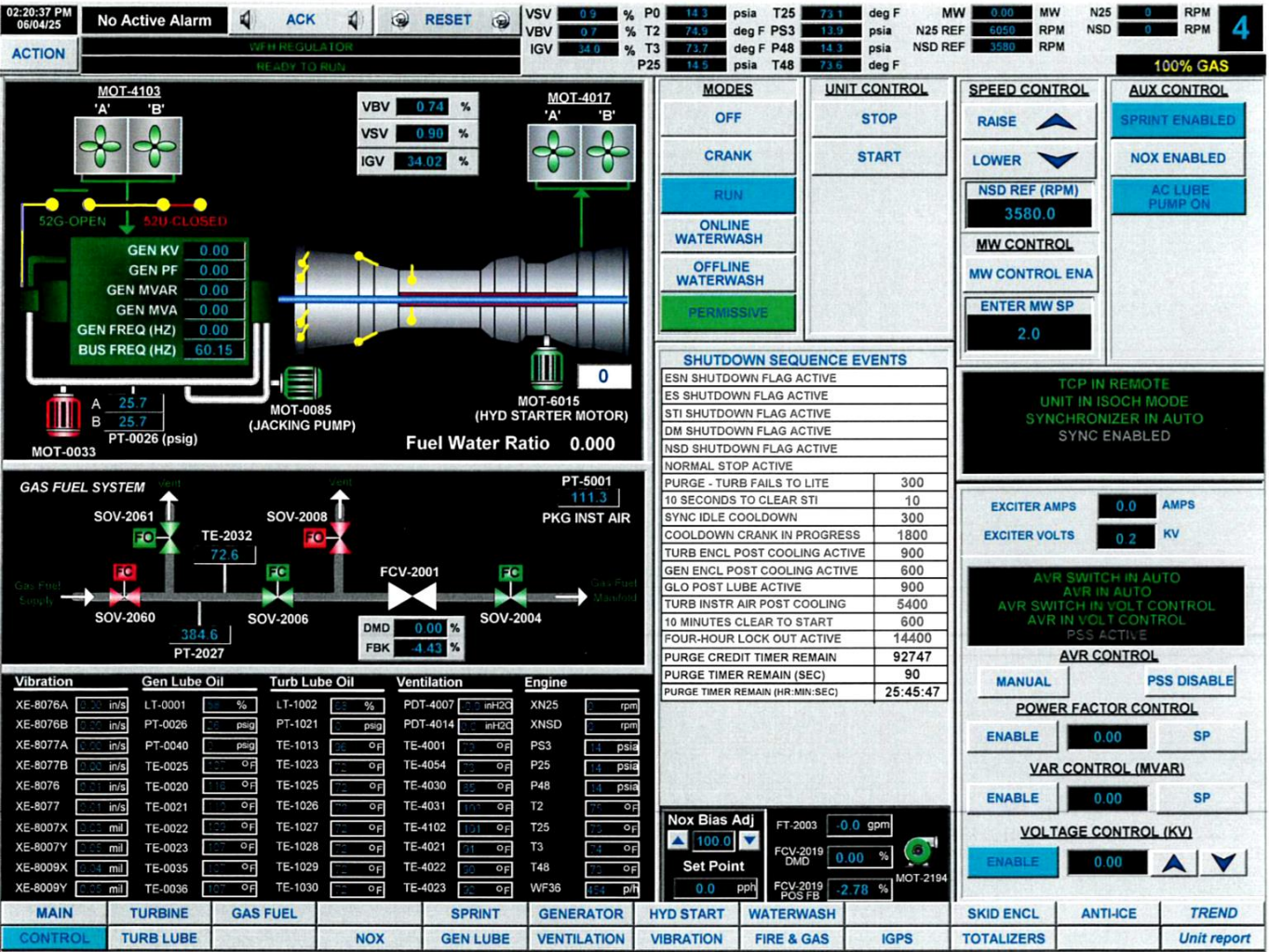
BACKGROUND:

The City of Riverside Public Utilities owns and operates the Riverside Energy Resource Center (RERC) and Clearwater Power Plant (Clearwater). These facilities have the capability to produce a combined total of 226 megawatts of electricity and serve a critical role in meeting customer demands during peak periods. There are four GE LM6000 gas turbines at the RERC facility and one GE LM2500 gas turbine at Clearwater which have been in operation for over 15 years.

Each gas turbine at RERC and Clearwater is housed in a self-contained, fully integrated package equipped with specialized instrumentation that monitors and protects the turbine subsystems. These include sensors, transmitters, analyzers, and control devices that help ensure safe and reliable operations. RERC has over 300 critical instruments across four turbines and Clearwater has over 50. These instruments help prevent accidents, reduce the risk of unexpected breakdowns, and keep the turbines running smoothly while generating power. They also improve

fuel efficiency, maximize power output, and track emissions data to keep the plant in compliance with environmental regulations.

Below is a real-time data display from the specialized instrumentation on the turbine control system:



In line with industry's best practice, each turbine's critical instruments are calibrated annually by an authorized technician. This work is typically completed in two weeks, during the scheduled outages in the fourth quarter each year. These instruments monitor and measure critical pressures, temperatures, and speeds; therefore, maintaining accuracy is vital to ensure safe, reliable and environmentally compliant plant operations. Only four Authorized Service Providers (ASP) worldwide, including GE Vernova Operations, LLC (GE Vernova) - the Original Equipment Manufacturer (OEM), are authorized to perform this specialized maintenance.

Historically, staff obtain competitive quotes annually from GE Vernova and the Authorized Service Providers to perform these calibrations. Since this work requires specific tools and expertise, and must be done regularly, staff recommend securing a multi-year agreement to ensure consistency and cost-effectiveness.

DISCUSSION:

On April 24, 2025, the City's Purchasing Division, on behalf of Riverside Public Utilities (RPU),

posted Request for Proposal (RFP) No. 2469 on PlanetBids to solicit proposals from qualified vendors to perform annual gas turbine instrument calibrations at RERC and Clearwater for a 5-year term. The RFP included the ability to address any minor, unanticipated maintenance items that are discovered during the calibration process. To facilitate this, vendors were instructed to submit hourly labor rates for the next 5-years. Considering the substantial cost of gas turbine instrumentation, staff recommend including an annual limit of \$50,000 for additional maintenance items. This is not guaranteed payment to the vendor and only Riverside approved expenditures will be encumbered.

This maintenance service requires an authorized technician to perform the annual calibration of over 350 instruments during a scheduled two-week outage. There is significant potential for an instrument to fail calibration, requiring the replacement of sensors or its associated electrical components. With the limited amount of time scheduled for the outage, promptly addressing these minor repairs at the earliest stage is the best and most cost-effective approach that ensures overall plant availability.

The City did not host a pre-proposal meeting, there were no questions to respond to, and did not post any addenda for this RFP. The notification summary is provided below.

Table 1. RFP Notification Summary

Action	Number of Vendors
External Vendors Notified	106
City of Riverside Vendors Notified	15
Vendors Who Downloaded the RFP	9
Proposals Received	1

On May 22, 2025, one proposal was received. Given there are only four (4) authorized service providers worldwide to perform these highly specialized gas turbine instrument calibrations, it is not unusual to receive one proposal.

The proposal submitted by GE Vernova was thoroughly evaluated and staff concluded that it satisfactorily meets the operational requirements of the department. GE Vernova has proposed competitive pricing that is consistent with the informal proposals from previous years and demonstrated the capability to adhere to the City of Riverside's outage schedules and repair timelines. Accordingly, City Purchasing staff recommend awarding the contract to GE Vernova, the original equipment manufacturer.

Table 2. Proposal Summary

Vendor	Location	Amount	Rank
GE Vernova Operations, LLC.	Houston, TX	\$499,647.88	1

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 action is in compliance with Purchasing Resolution No. 24101.

A purchase order for the fixed annual amount will be issued to the vendor each fiscal year. The amount of \$50,000 per year for as-needed repairs is not guaranteed payment to the vendor. Staff will review all additional recommendations and will only authorize the vendor to perform items that are vital to the overall performance and reliability of the power plants. Only approved repairs will be encumbered, and any unused funds will remain in the generation budget. In Table 3 below, this additional \$50,000 per year has been allocated proportionally across sites.

Table 3. Fiscal Year Breakdown

Fiscal Year	RERC	Clearwater	Total
FY 25/26	\$76,260.00	\$20,762.32	\$97,022.32
FY 26/27	\$77,347.80	\$21,085.19	\$98,432.99
FY 27/28	\$78,468.24	\$21,417.74	\$99,885.98
FY 28/29	\$79,622.28	\$21,760.28	\$101,382.56
FY 29/30	\$80,810.95	\$22,113.08	\$102,924.03
5-Year Total:			\$499,647.88

FISCAL IMPACT:

The total fiscal impact for the five-year term is \$499,648. For Fiscal Year 2025/26, the total amount is \$97,022. Sufficient funds are available in the RERC Maintenance Generating Plants Account No. 6120130-424131 and Clearwater Maintenance-Generating Plants Account No. 6120140-424131.

Future years' funding, as shown in Table 3, will be included as part of the biennial budget process for the term of this agreement.

Prepared by: Scott Lesch, Utilities Assistant General Manager/Power Resources
 Approved by: David A. Garcia, Utilities General Manager
 Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
 Approved by: Rafael Guzman, Assistant City Manager
 Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. Services Agreement with GE Vernova Operations, LLC.
2. Award Recommendation
3. Presentation