

## **FIRST AMENDMENT TO SERVICES AGREEMENT**

### **APGN INC., dba APG-NEUROS**

#### **Asset Management and Maintenance Service Plan – Five (5) NX300-C050 and One (1) NX600-C070 Turbo Blowers**

This FIRST AMENDMENT TO SERVICES AGREEMENT (“First Amendment”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation (“City”), and APGN INC., a Canadian corporation authorized to do business in California, doing business as APG-NEUROS (“Contractor”), with reference to the following facts:

### **RECITALS**

WHEREAS, on or about November 19, 2020, City and Contractor entered into that certain Services Agreement (“Agreement”) for Asset Management and Maintenance Service Plan – Four (4) NX300-C050 and One (1) NX600-C070 Turbo Blowers, with compensation in the amount not to exceed Three Hundred Forty-Nine Thousand Two Hundred Fifty Dollars (\$349,250.00); and

WHEREAS, the Agreement is set to expire on November 19, 2025; and

WHEREAS, City and Contractor intend to include one (1) additional NX300-C050 for a revised total of Five (5) NX300-C050 and One (1) NX600-C070 Turbo Blowers; and

WHEREAS, City and Contractor desire to extend the Agreement for five (5) years to June 30, 2030; and

WHEREAS, City and Contractor desire to increase compensation in the amount of Four Hundred Fifty-Two Thousand Six Hundred Fifty-Five Dollars (\$452,655.00), for a total revised contract amount not to exceed Eight Hundred One Thousand Nine Hundred Five Dollars (\$801,905.00); and

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, City and Contractor mutually agree as follows:

1. Section 2, “Term”, is hereby amended to extend the term of the Agreement for five (5) years to June 30, 2030.

2. Section 3, “Compensation/Payment”, is hereby amended to increase compensation in the amount of Four Hundred Fifty-Two Thousand Six Hundred Fifty-Five Dollars (\$452,655.00), for a total revised contract amount not to exceed Eight Hundred One Thousand Nine Hundred Five Dollars (\$801,905.00).

3. Exhibit “A” of the Agreement is hereby modified to include Exhibit “A-1”, which shall be applied to the extended term through June 30, 2030, attached hereto and incorporated herein by this reference.

4. Exhibit “B” of the Agreement is hereby modified to include Exhibit “B-1”, which shall be applied to the extended term through June 30, 2030, attached hereto and incorporated herein by this reference.

5. The Agreement is hereby amended to include Section 25, “Digital and Counterpart Signatures”, as follows:

“25. **Digital and Counterpart Signatures.** Each party to this Agreement intends and agrees to the use of digital signatures that meet the requirements of the California Uniform Electronic Transactions Act (Civil Code §§ 1633.1, et seq.), California Government Code § 16.5, and California Code of Regulations Title 2 Division 7 Chapter 10, to execute this Agreement. The parties further agree that the digital signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures for purposes of validity, enforceability, and admissibility. For purposes of this section, a “digital signature” is defined in subdivision (d) of Section 16.5 of the Government Code and is a type of “electronic signature” as defined in subdivision (h) of Section 1633.2 of the Civil Code. This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each certified or authenticated electronic copy of an encrypted digital signature shall be deemed a duplicate original, constituting one and the same instrument and shall be binding on the parties hereto.”

6. All terms and conditions of the Agreement not inconsistent herewith shall remain in full force and effect and are hereby incorporated by reference into this First Amendment as though set forth in full herein.

**[SIGNATURES ON THE FOLLOWING PAGE.]**

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed the day and year first above written.

CITY OF RIVERSIDE, a California charter city and municipal corporation

By: \_\_\_\_\_  
Mike Futrell  
City Manager

ATTEST:

By: \_\_\_\_\_  
Donesia Gause  
City Clerk

CERTIFIED AS TO AVAILABILITY OF FUNDS:

By:   
Chief Financial Officer


APPROVED AS TO FORM:

By: *Sean Murphy*  
Sean B. Murphy  
Deputy City Attorney

APGN INC., a Canadian corporation authorized to do business in California, doing business as APG-NEUROS

By: *Omar Hammoud*  
Omar Hammoud (Nov 5, 2025 12:11:50 EST)  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
(Signature of Board Chair, President, or Vice President)

**and**

By:   
Vito Mossa (Nov 5, 2025 13:55:11 EST)  
Print Name: Vito Mossa  
Title: Director of Finance  
(Signature of Secretary, Assistant Secretary, CFO, Treasurer, or Assistant Treasurer)

**EXHIBIT “A-1”**

**SCOPE OF SERVICES**



# PROPOSAL FOR AN ASSET MANAGEMENT AND MAINTENANCE SERVICE PLAN



Presented to:

**Brent Keaster**

Site

5950 Acorn Street

Riverside, CA, United States, 92504

Phone: 951-351-6181

Email: [bkeaster@riversideca.gov](mailto:bkeaster@riversideca.gov)

Date August, 2025

## **Our Proposal**

**Reference:** 12-0051, 17-0010, 20-0036 – Riverside, CA / AM-2025-4449

**Subject:** **Proposal for an Asset Management and Maintenance Service Plan**

Equipment covered: 5 x NX300-C050 and 1 x NX600-C070

Dear Mr. Keaster

We are pleased to provide you with our proposal for an **Asset Management and Maintenance Service Plan** for our product in your facility.

We trust that our High-Speed Turbo Blowers have met your expectations throughout the life of the operation at your facility. APG-Neuros is continuously listening to its customers to develop the highest quality products and offer the latest product innovations to keep your blowers technologically current and up to date.

This plan has been carefully designed to provide you with a peace-of-mind operation, protecting your turbo blowers from unscheduled events. Through the Asset Management, we incorporate the latest improvements and developments into your Turbo Blowers and proactively manage their health throughout their life cycle, maintaining the equipment technologically up to date and maximizing their efficiency. The Asset Management and Maintenance Service Plan provides protection from unexpected maintenance spending through the Extended Warranty as well as priority supply of spare parts when needed.

Our Asset Management and Maintenance Service Plan includes:

- A. Asset Management – Upgrades**
- B. Extended Warranty**
- C. Remote Monitoring System**
- D. Extended Preventive Routine Maintenance**

## A. Asset Management – Upgrades

The Asset Management maintains the Turbo Blowers technologically up to date.

### Includes:



Mandatory or recommended product modifications



Recommended upgrades and new component developments



Fine tuning of turbo blower(s) and aeration system



Participation in manufacturer's maintenance and support development



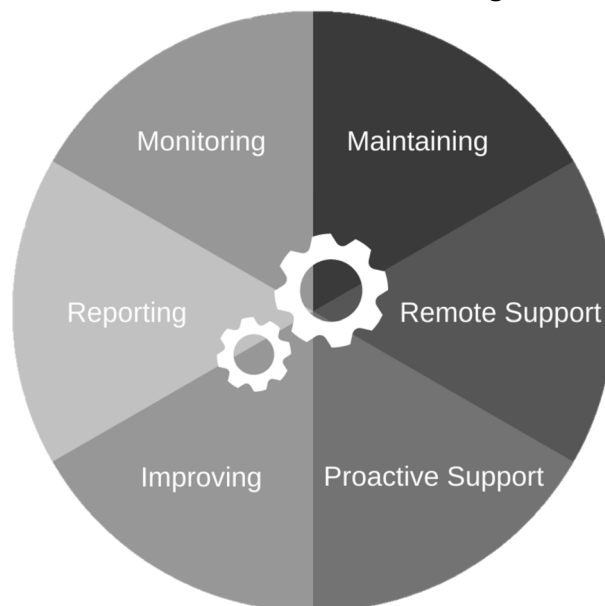
After Hours Remote Technical Support (by telephone), as required:

- 24 hour a day - 365 days a year customer service support line by calling at **1-855-423-2746**
- Priority access to the field support team
- Priority on availability of parts and modules within 72 hours
- Priority on availability of replacement cores (loaners) at no charge to minimize downtime
- Field service report after each visit
- Refresher training on turbo blower preventive maintenance activities



Dedicated Regional Manager for first response on field support

- Regular meetings with customers to listen to current concerns and future needs
- Regular training sessions for on-site personnel



## B. Extended Warranty

The Extended Warranty eliminates the need to worry about capital and maintenance budget restrictions. It covers the cost of repairing or replacing major components when out of service.

The Extended Warranty includes:

1. Blower core:
  - High efficiency impeller,
  - Permanent magnet synchronous motor,
  - Bump-foil air bearings,
  - Diffuser fan,
  - Motor casing.
2. Variable speed drive/inverter
3. Input line reactor
4. Sine-wave (sinus) filter
5. Blower local control panel and Programmable Logic Controller (PLC) components
6. HMI touch-screen components
7. Internal vibration and absorption mounts
8. Vibration sensors and monitoring
9. Discharge expander (discharge cone)
10. Blow off by-pass valve and solenoid parts
11. Blow off silencer
12. Sound attenuating enclosure
13. Check valve seals and discs
14. Stop valve body seals and discs
15. External expansion joint





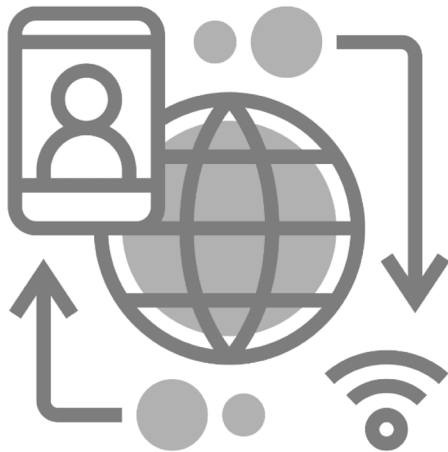
## C. Remote Monitoring System

Remote Monitoring System and support as permitted by the customer.

- Enables site managers to make better informed decisions through useable data of Turbo Blower operation.
- Fine tuning and monitoring of aeration system that allows for optimal Turbo Blower operation.

### Option C1

**Customer allows APGN to have remote access.**



- APGN will have a real-time view of all analog values of the Turbo Blower.
- Elevated security with independent 3G/LTE mobile network connection.
  - No on-site Wi-Fi connection required.
  - Site can enable or disable access at anytime.

### Option C2

**Customer provides operational data to APGN.**

- APGN will not have remote access.
- Up to twice per year, operation and diagnostics reporting on operating units, when available. Customer will provide operational data from its control system to APGN for analysis such as:
  - a. Motor speed and temperature
  - b. Suction flow rate and temperature
  - c. Discharge pressure and temperature
  - d. Filter pressure drop
  - e. Bearing temperature
  - f. Power consumption
  - g. Rotor vibration
  - h. VFD temperature
  - i. Ambient temperature and ambient relative humidity
  - j. Blower status
  - k. Fault codes

## D. Extended Preventive Routine Maintenance

Our Extended Preventive Routine Maintenance is designed in accordance with the standards of the annual health check and inspection outlined in the O&M manual.

- One (1) on-site maintenance and inspection visit by a manufacturer's Field Service Technician.
- Customized classroom/hands-on training to your staff's needs.
  - o Also available through videoconference.
- Inspection and cleaning or replacement of air intake filters (inside the turbo blower).
- Inspection and cleaning of dirt and debris in enclosure, sealing air leaks as required.
- Visual inspection of core.
- Core shaft torque measurement to assess condition.
- Bump start alignment of the core bearings.
- Audible and visual inspection of unit to determine health of connections, valves, and gaskets.
- Verification of PLC and HMI software, ensuring it is operational and suitable for the blower control.
- Verification of blower protection from surge or adverse operating conditions.
- Review and analysis of PLC error history, identifying trends and providing recommendations as needed.
- Verification of the PLC and HMI software version including the new protection or optimization, and update to latest standard, if applicable.
- Inspection for loose electrical and mechanical connections, tightening as required.
- Inspection of all electrical wiring for signs of overheating or wear.
- Verification of sensors functionality, replacing as required.
- Inspection of blower operation following factory specifications and adjustment of control parameters to adapt to the operating environment.
- Inspection of paint and fasteners, applying touch-up paint to areas the size of up to a quarter dollar coin and replacing fasteners as required.
- For liquid cooled models only:
  - o Coolant system check and top up as required.
  - o Perform coolant flush (every 3 years)
    - Customer to dispose the old fluid.
- Field service report including a comprehensive check list for each blower.

### Additionally, this plan includes:

- After Hours Remote Technical Support (by telephone), as required.
  - 24 hour a day - 365 days a year customer service support line by calling at 1-855-423-2746
  - Response time within 1 hour
  - Up to 150 hours of technical support
  - Remote trouble shooting for operation issue and diagnostics of unit, where remote access is available and provided by customer.
- **10% discount on spare parts and air filters.**



**Price:**

☐ **Five-year option: US \$90,531.00 per year for five (5) years of coverage.**

➤ The above prices include coverage for 5 x NX300-C050 and 1 x NX600-C070 Turbo Blowers.

**Exclusions:**

The following consumables and life limited parts are excluded from the coverage:

- Air filters elements
- BOV orifice diaphragm
- Coolant fluids
- Fuses
- Gaskets
- Hardware and fittings
- Power supplies
- Thermocouple and thermocouple transmitter
- Transformer 560/480 – 110/220 V
- Existing rusted areas on enclosure are not covered under the warranty

Note: A pre-inspection of the turbo blowers may be required prior enrollment of the Asset Management and Maintenance Service Plan.

This proposal is valid until November 21, 2025

Sincerely,

**Joe Gerardo**

Life Cycle Regional Manager

P 1-951-370-4310

E jgerardo@apg-neuros.com

## **About APG-Neuros**

Founded in 2005, APG-Neuros is recognized as the force behind the successful introduction of the high-efficiency turbo blower technology to the water and wastewater treatment market in North America and Europe, modernizing and bringing a much-needed change to the existing aging industry. APG-Neuros turbo blowers are used in a variety of industrial applications and wastewater treatment processes, with over 1500 units installed in over 500 installations in North America and Europe, and more than 3000 additional units installed worldwide.



APG-Neuros continues to lead the industry by constantly driving and propelling innovation forward through the most technologically advanced products and artificial intelligence aeration control solutions to achieve maximum energy efficiency and operational flexibility for our customers.

## **OUR MISSION**

APG-Neuros is committed to achieving customer satisfaction by providing quality products and services delivered on time while maintaining a safe environment for our employees in a setting that promotes resource sustainability. APG-Neuros honors its commitments by integrating quality and environmental considerations into the decision-making process.

## **OUR VISION**

To be recognized as the reference technology company for producing innovative products, including the Turbo Blowers, Turbo Compressors, and other efficient and affordable technology products.

## **OUR VALUES**

1. **Innovation:** We strive for continuous technological development and innovation. We conduct in-house R&D programs to keep innovating and improving our products and services.
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## **OUR CERTIFICATIONS**



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### **APGN Inc.**

1270, Michèle-Bohec, Blainville, Québec J7C 5S4  
Tel.: 450 939-0799 Fax: 450 939-2115 Web site: [www.apg-neuros.com](http://www.apg-neuros.com)

## Acceptance and Authorization

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Your signature below indicates your authorization to proceed with the enrollment to the Asset Management and Maintenance Service Plan.

### For Customer

---

*Name*

---

*Title*

---

*Signature*

---

*Date*

### For APGN inc.

Omar Hammoud

---

*Name*

CEO & President

---

*Title*

---

*Signature*

---

*Date*

*The APG-Neuros Aftermarket Team thanks you for your trust.*

**EXHIBIT “B-1”**  
**COMPENSATION**



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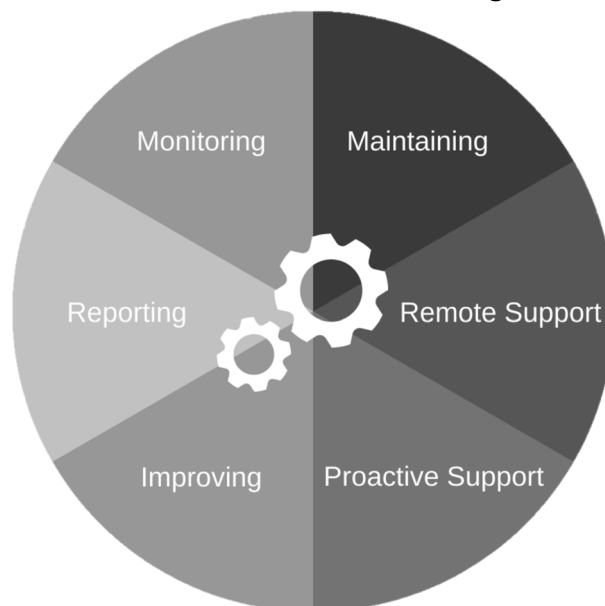
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### For Customer

\_\_\_\_\_  
*Name*

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

### For APGN inc.

Omar Hammoud  
\_\_\_\_\_  
*Name*

CEO & President  
\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

*The APG-Neuros Aftermarket Team thanks you for your trust.*