



CITY COUNCIL AGENDA REPORT

MEETING DATE: Tuesday, February 24, 2026
TO: CITY COUNCIL
WRITTEN BY: WASTEWATER DIVISION MANAGER TELLEZ
RECOMMENDED BY: PUBLIC WORKS & UTILITIES DIRECTOR LINDBERG
APPROVED BY: TAMARA VIDES, CITY MANAGER

SUBJECT: SECOND AMENDMENT TO CONTRACT WITH COOPER MACHINERY SERVICES-EMERGENCY COGENERATION GENERATOR AND TURBO OVERHAUL ADDING TO THE SCOPE OF WORK AND INCREASING COMPENSATION IN AN AMOUNT OF \$67,624.72

RECOMMENDATION:

Adopt a resolution approving the Second Amendment to the contract with Cooper Machinery Services, LLC, for cogeneration generator and turbocharger repair services for the cogeneration system, adding scope of work and increasing compensation in an amount of \$67,624.72 for a revised total contract amount not to exceed \$293,192.32; and authorizing and directing City Manager to execute the same.

BACKGROUND:

On July 23, 2025, staff authorized emergency repairs to the Wastewater Treatment Plant's cogeneration generator and turbocharger under the Cooper Machinery Services Short Form Service Agreement to protect plant reliability and energy recovery.

On September 23, 2025, City Council approved the First Amendment to the contract with Cooper Machinery Services, increasing the not-to-exceed amount to \$225,567.60, to account for additional generator and turbocharger repair work identified during execution of the overhaul.

During continued disassembly and inspection of the turbocharger, additional concealed internal damage was identified that could not be reasonably detected prior to teardown. These conditions required expanded turbocharger core exchange and internal repairs to ensure safe operation, OEM compliance, and warranty protection.

DISCUSSION:

The additional work was performed under Emergency Work Authorization (EWAR) No. 2 and included disassembly, inspection, rebuild, and reassembly of the MAN NR20/106 turbocharger installed on the cogeneration engine. The scope involved replacing critical internal components, including turbine casings, bearings, seals, gaskets, and associated hardware, using OEM parts and certified repair procedures.

The work has been completed and invoiced through Cooper Machinery Services, incorporating costs from Turbocharger Solutions International, the OEM-authorized turbocharger service provider.

These costs are directly attributable to concealed conditions discovered during teardown and were necessary to complete the emergency repair and return the cogeneration system to reliable service. Delaying or deferring this work would have increased the risk of premature failure, extended downtime, and higher future repair costs.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION:

The approval of this amendment is exempt from California Environmental Quality (CEQA) in that it is the completion of an emergency project under Cal. Code Regs. Title 14 Section 15269 (b) in that it involves emergency repairs to publicly owned facilities necessary to maintain service essential to the public health, safety, or welfare. Further, even if the action were not considered an emergency project, the actions would still be categorically exempt from CEQA review in accordance with CEQA Guidelines Section 15301 Class 1 (b) in that it involves the repair of existing equipment in an existing facility of a publicly-owned wastewater/sewerage utility.

STRATEGIC PLAN:

The following contract amendment is consistent with Strategic Plan Goals:

Infrastructure & Environment

Public Safety

FINANCIAL IMPACT:

Following approval of the First Amendment, a remaining contract balance was available. This action requests approval of a Second Amendment to increase the contract by \$67,624.72, resulting in a revised not-to-exceed contract amount of \$293,192.32.

Funds remain available in the Wastewater Enterprise Fund, Account 710-530-7324. No additional appropriations are required.

ALTERNATIVE ACTION:

The City Manager could choose not to approve the Second Amendment. This option is not recommended, as it would leave previously authorized emergency repair costs unratified and delay payment for completed OEM-required work.

ATTACHMENTS AND/OR REFERENCES (IF ANY):

- 1) Final invoice amount (**\$71,809.73**)
- 2) EWAR 2 - ADDITIONAL WORK APPROVAL FORM