



# STAFF REPORT

DATE: 12/04/2024

TO: Honorable Mayor and City Council Members  
Honorable President and Board Members

FROM: Utilities Department

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**2024-172**

## **REQUEST FOR CITY COUNCIL AND CORONA UTILITY AUTHORITY ACTION**

### **SUBJECT:**

ISSUANCE OF PURCHASE ORDER TO QUINN POWER SYSTEMS FOR TWO EMERGENCY STANDBY GENERATOR SETS FOR THE SIERRA DEL ORO WATER TREATMENT FACILITY AND THE GREEN RIVER LIFT STATION

### **EXECUTIVE SUMMARY:**

This staff report asks the City Council to authorize issuance of a purchase order to Quinn Power Systems for the acquisition of two emergency generator sets for the Sierra Del Oro Water Treatment Facility and Green River Lift Station to provide reliable and redundant operations in the event of a power outage.

### **RECOMMENDED ACTION:**

That the City Council:

- a. Authorize the City Manager, or his designee, to issue a purchase order to Quinn Power Systems in the amount of \$217,938.69 for the procurement of two emergency standby generator sets.
- b. Make a determination under Corona Municipal Code Section 3.08.140(C), that competitive bidding has been satisfied based upon reasons provided in the "Basis for determination of competitive bidding" section of this report.

- c. Authorize the City Manager, or his designee, to approve and execute any documents necessary to implement change orders, up to the amount authorized by Corona Municipal Code Section 3.08.080(l) with respect to the total compensation authorized for the purchase of two emergency standby generator sets.

That the Corona Utility Authority review, ratify, and to the extent necessary, direct that the City Council take the above actions.

**BACKGROUND & HISTORY:**

The Utilities Department (UD) is responsible for the uninterrupted, 24-hour operation and maintenance of vital City infrastructure, including water treatment facilities, and lift stations. Providing reliable backup power is indispensable, particularly for critical facilities such as the Sierra Del Oro Water Treatment Facility and Green River Lift Station. The City of Corona Utilities Department is dedicated to providing reliable wastewater conveyance and treatment in full compliance with the Clean Water Act and California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2011-0015. The Sierra Del Oro Water Treatment Facility, located at 2940 Wilderness Circle, treats over 4.5 Million Gallons per Day (MGD). A key component of the facility’s operations is a 200-kilowatt(kW) generator, which was recently found to have a hole in its fuel tank. The Green River Lift Station, located at 4776 Golden Ridge Drive, handles a daily average flow of 71,000 gallons. These generators were installed in 2007 and require frequent maintenance to keep them in service. Therefore, it is crucial to replace the two units promptly.

**ANALYSIS:**

City staff reviewed and approved the specifications for Caterpillar’s 200 kW and 100 kW Emergency Generator Sets. Both facilities rely on aging emergency generators that frequently fail and may jeopardize continued uninterrupted operations during power outages. Upgrading the equipment is a preventative measure to reduce the risk of costly maintenance and failing operations.

<b>Vendor</b>	<b>Item</b>	<b>Lead Time</b>	<b>Cost</b>
Quinn Power Systems	Caterpillar Model D200-2, EPA Tier 3, Stationary Emergency Generator Set. Rated 200kW Standby Power, with fan, 60 Hz, 3 Phase 277/480V Configuration at 1800 RPM	6 months	\$121,625.75
	Caterpillar Model D100-8, EPA Tier 3, Stationary Emergency Generator Set. Rated 100kW Standby Power, with fan, 60 Hz, 3 Phase 277/480V Configuration at 1800 RPM	6 months	\$96,312.94
Total Cost			\$217,938.69

## **BASIS FOR DETERMINATION OF COMPETITIVE BIDDING:**

Staff believes that Competitive Bidding has been accomplished for these purchases pursuant to Corona Municipal Code [Section 3.08.140\(C\)](#), which states as follows:

**(E) Purpose of bidding is otherwise accomplished.** When the purchasing agent and the authorized contracting party, with the approval of the City Manager, determine that it is in the best interest of the city and its administrative operations to dispense with public bidding for non-public projects under this chapter.

Resolution No. 2022-046 designated Caterpillar generators as the Utilities Department exclusive standard. This designation is based on the proven reliability and success of Caterpillar Generators, which are utilized at many of the UD facilities.

On August 4, 2022, Sourcewell, a local government unit and service cooperative based in Minnesota, issued Request for Proposals (RFP) No. 092222 through its Procurement Portal website and various newspaper publications across the United States. The RFP invited interested parties to submit proposals for Electrical Energy Power Generation Equipment, including related parts, supplies, and services. By the submission deadline on September 22, 2022. Sourcewell had received ten proposals, all of which were carefully evaluated by their staff. Ultimately, five proposals were recommended for award.

Contract No. 092222-CAT was awarded to Caterpillar Inc. (CAT), which provides a comprehensive range of turnkey diesel and natural gas generator sets, spanning from 20 to 4000 kW, as well as microgrid and battery energy solutions. Caterpillar supports its offerings with a vast network of 800 dealers across the United States and Canada and an extensive service infrastructure, including over 20,000 service technicians, 468 locations, 8,000 service bays, and 8,500 field service trucks. Their pricing structure also includes significant discounts from standard list prices.

Corona's Purchasing Division actively seeks cooperative purchasing agreements, as they offer the City the opportunity to save time, reduce administrative costs, enhance efficiency, and maximize budget resources by securing competitively priced contracts. Through cooperative purchasing, the city can leverage a procurement process previously conducted by another government agency.

Considering the competitive bidding process conducted by Sourcewell, the Corona Utilities Department requests approval to purchase the Emergency Generator Sets from Quinn Power Systems, the authorized CAT dealer for Southern California, for a total amount of \$217,939.

Sourcewell Contract discount for Generator Model D100-8 is \$23,971 (31%) of list price of \$77,326. Sourcewell Contract discount for Generator Model D200-2 is \$42,439 (35%) of list price of \$121,255.

Based on a thorough review of product specifications and equipment performance evaluations, staff recommends the Caterpillar Model D200-2 and Model D100-8 EPA Tier 3 Stationary Emergency Generator Sets. This recommendation is largely influenced by the City's existing CAT generators, which have demonstrated consistent reliability and have performed well over time.

**FINANCIAL IMPACT:**

Funding for the recommended actions is available in the Sierra Del Oro Generator Replacement Capital Improvement Project No. UT-2024-07 and Green River Lift Station Generator Upgrade Capital Improvement Project No. UT-2025-06, each with a current available balance of \$150,000.

**ENVIRONMENTAL ANALYSIS:**

This action is categorically exempt pursuant to Section 15301 of the Guidelines for the California Environmental Quality Action (CEQA), which states that “operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the CEQA determination” and is therefore exempt from CEQA. This action involves repairs to existing infrastructure to maintain public health and safety and therefore is exempt from the requirements of CEQA. Therefore, no environmental analysis is required.

**PREPARED BY:** AFTAB HUSSAIN, MAINTENANCE MANAGER

**REVIEWED BY:** TOM MOODY, DIRECTOR OF UTILITIES

**ATTACHMENTS:**

1. Exhibit 1 – Resolution No. 2022-046
2. Exhibit 2 – Sourcewell Contract 092222-CAT