AGENDA STAFF REPORT

Control: 26001134

MEETING DATE:	11/17/2026
LEGAL ENTITY TAKING ACTION:	Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S):	District 2
SUBMITTING AGENCY/DEPARTMENT:	OC Public Works
DEPARTMENT CONTACT PERSON(S):	Joseph Seybold, 714-813-9290 Robert Shipp, 949-533-5672

SUBJECT: Approve Amendment No. 2 with Solar Turbines Incorporated

CEO CONCUR	**COUNTY COUNSEL REVIEW**	**CLERK OF THE BOARD**
Concur	Approve agreement to form	DISCUSSION 3 Votes Board Majority
Budgeted: Yes	**Current Year Cost:** $449,496	**Annual Cost:** FY 2027-28 $727,944 FY 2028-29 $725,955 FY 2029-30 $182,981
Staffing Impact: No		**Sole Source:** Yes
Current Fiscal Year Revenue: N/A	**Funding Source:** Fund 15D: 100%	**County Audit in Last 3 years:** No
Levine Act Review Completed? Yes		

Prior Board Action: 9/24/2024 #20, 8/27/2019 #30, 9/30/2014 #32, 7/28/2009 #28

RECOMMENDED ACTION(S):

Authorize the County Procurement Officer or Deputized designee to execute Amendment No. 2 to update the sole source contract with Solar Turbines Incorporated for Comprehensive Maintenance and Service for Combustion Turbine Generators to revise the Scope of Work to include additional overhaul, modernization and retrofitting services for obsolete components and increase the contract amount by $2,086,376, for a new cumulative total not to exceed amount of $13,686,376, effective upon execution of all necessary signatures through September 30, 2029.

SUMMARY:

Approval of Amendment No. 2 to the sole source contract for Comprehensive Maintenance and Service for Combustion Turbine Generators will expand the Scope of Work to include additional overhaul, modernization and retrofitting services necessary to support the continued reliable operation of the two combustion turbine engines at the Central Utility Facility.

BACKGROUND INFORMATION:
In December 2005, OC Public Works issued a Request for Proposals for the procurement and installation of two combustion turbine generators for the Cogeneration Conversion Project at the County of Orange's (County) Central Utility Facility (CUF). The generators produce electricity and steam for County facilities and the Central Justice Center within the Santa Ana Civic Center.

Prior Board of Supervisors (Board) actions related to the combustion turbine generators are summarized in the table below.

Board Date	Board Action	Amount	Effective Date	End Date
8/1/2006	Approved Contract D06-046 with Solar Turbines Incorporated (Contractor) for purchase and installation of two cogeneration combustion turbine generators.	$5,666,669	8/1/2006	N/A
7/28/2009	Approved Board Agreement with Contractor for CUF – Cogeneration Conversion Procurement of Combustion Turbine Generator Comprehensive Maintenance & Service.	$4,082,760	8/1/2009	7/31/2014
9/30/2014	Approved Sole Source Contract MA-080-15010124 with Contractor for Comprehensive Maintenance and Service for Combustion Turbine Generators (Services).	$5,084,028	10/1/2014	9/30/2019
8/27/2019	Approved Sole Source Contract MA-080-19011379 (Contract) with Contractor for Services and approved supplementary work orders not in the scope of work in an amount not to exceed $500,000.	$5.5 million	10/1/2019	9/30/2024
9/24/2024	Approved Amendment No. 1 to extend sole source Contract with Contractor for Services.	$6.1 million ($11.6 million cumulative)	10/1/2024	9/30/2029

This Contract is Sole Source because the Contractor is the original equipment manufacturer of the CUF combustion turbine generators and is the only source for certified parts, proprietary programming software and authorized services necessary to maintain applicable warranties and support the safe and reliable operation of the equipment. The Contractor does not license the manufacturing rights of its proprietary parts or programming software to third parties. Use of the Contractor-trained and authorized personnel also provides specialized engineering and field service support to minimize down time. In addition, the Contractor provides performance and emissions guarantees necessary to support the County's compliance with applicable South Coast Air Quality Management District permit requirements.

During the current Contract term, OC Public Works identified the need to expand the Scope of Work to address equipment and components that may become obsolete or are no longer supported by the Contractor and to provide for additional overhaul, modernization and retrofitting services. Amendment No. 2 expands the covered equipment and services to include additional turbine generator package systems, control systems and associated components and provides for modernization and retrofitting of equipment that can no longer be supported due to obsolete parts or components.

Modernization and retrofitting work will only be performed upon written authorization by the County. The Contract also preserves the County's right to obtain supplemental proposals and use alternate sources to perform modernization and retrofitting work.

Effective Dates	Requested Amount	Usage as of September 2026	Notes
10/1/2024 - 9/30/2029	$11.6 million	$7.9 million	Current term.
Upon execution - 9/30/2029	$2,089,376	N/A	Proposed amendment.

The Orange County Preference Policy is not applicable to this amendment.

OC Public Works recommends Board approval of Amendment No. 2 the sole source Contract with the Contractor for Services to revise the Scope of Work to include additional overhaul, modernization and retrofitting services and increase the contract amount by $2,086,376, for a new cumulative total not to exceed $13,686,376, effective upon execution of all necessary signatures through September 30, 2029.

An analysis was previously completed to verify the Contract provides the County with persons specifically trained, experienced, expert and competent to perform special services in accordance with the law.

The Contractor's performance has been confirmed as satisfactory. OC Public Works has verified there are no concerns that must be addressed with respect to the Contractor's ownership/name, litigation status or conflicts with County interests.

The Contract does not currently include subcontractors or pass through to other providers. See Attachment B for Contract Summary Form.

Compliance with CEQA: The proposed project was previously determined to be categorically exempt from CEQA pursuant to Section 15301 (Class 1) of the CEQA Guidelines, on August 27, 2019, when it was originally approved because it involves approval of a contract for repair and maintenance of existing public facilities involving negligible or no expansion of the existing use. The proposed project is still consistent with this determination.

FINANCIAL IMPACT:
Appropriations for the proposed Contract are included in Budget Control 040, Utilities, FY 2026-27 Budget, will be included in the budgeting process for future years and is funded by an operating transfer from Capital Projects Fund 15D.

The County has the right to terminate this Contract after 30 days' written notice without cause, unless otherwise specified, provided however, that if an overhaul or major repair or engine exchange has taken place on one package during the term, the County agrees to pay a cancellation fee equal to 25 percent

multiplied by the remaining monthly fees due for the remainder of the Contract. If an overhaul or major repair or engine exchange has taken place on both packages during the Contract, the County agrees to pay a cancelation fee equal to 45 percent multiplied by the remaining monthly fees due for the remainder of the Contract. The County or the Contractor may terminate this Contract at any time upon written notice, if the other party is in breach of any material obligation to be performed by it hereunder; provided the terminating party first gives the other party notice in writing, setting forth the precise details of the breach relied upon and granting the defaulting party not less than 30 days to cure such material breach.

STAFFING IMPACT:
N/A

REVIEWING AGENCIES/DEPARTMENTS:
N/A

ATTACHMENTS:
Attachment A - Amendment No. 2 to Contract MA-080-19011379 with Solar Turbines Incorporated
Attachment B - Contract Summary Form