



# Agenda Report

December 15, 2025

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT:** **AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT FOR AN AMOUNT NOT-TO-EXCEED \$535,070 WITH OEM PARTS NETWORK, INC. TO FURNISH AND DELIVER FUEL NOZZLES FOR THE GAS TURBINE AT THE GLENARM POWER PLANT**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the action proposed herein is not a "project" subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 21065 and within the meaning of Section 15378(b); and
2. Award contract to the lowest responsive bid dated July 1, 2025 submitted by OEM Parts Network, Inc. to furnish and deliver fuel nozzles and authorize the City Manager to enter into a one-year contract for an amount not-to-exceed \$535,070, which includes the base contract amount of \$486,427 and a contingency of \$48,643.

## **BACKGROUND:**

The City of Pasadena's Glenarm Power Plant includes five natural gas-fueled combustion turbines equipped with generators that produce electrical power. Gas Turbine 3 (GT-3) uses fuel nozzles that are a critical component in fuel delivery and the combustion process. The current fuel nozzles installed on GT-3 have eroded and require replacement. New fuel nozzles are needed for optimal turbine performance and longevity. The availability of this generating unit is essential to maintaining the reliability of the City's electrical system and California Independent Service Operator's (CAISO) requirements for resource adequacy.

On June 19, 2025, a Notice Inviting Bids to Furnish and Deliver Fuel Nozzles for Gas Turbine was published in OpenGov, which generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 13 vendors downloaded the specifications, none were local. A total of five electronic bids

were received, four of which were deemed non-responsive as the bids submitted did not meet the scope of work in the bid specifications or the bidders would not accept the City's contractual terms and conditions. None of the bids were from local companies. The City received a single responsive bid from OEM Parts Network, Inc., based in Rancho Cucamonga, California. The bid results are shown below in Table 1.

**Table 1: Responsive Bid**

<b>Bidder</b>	<b>Amount (\$)</b>
OEM Parts Network, Inc., Rancho Cucamonga, CA	\$ 486,427

It is recommended that OEM Parts Network Inc. be awarded the contract as they are the lowest responsive bidder. The one-year purchase order contract for an amount not-to-exceed \$535,070 includes the base bid of \$486,427 and a contingency of \$48,643 to allow for consumer price index increases. The bid pricing submitted by OEM Parts Network is in line with current industry pricing for the purchase of gas turbine fuel nozzles. The proposed contract fully complies with the Competitive Bidding and Purchasing Ordinance, Pasadena Municipal Code, Chapter 4.08. OEM Parts Network Inc. has previously received contracts with the City of Pasadena totaling \$16,600 since Fiscal Year 2016.

**COUNCIL POLICY CONSIDERATION:**

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the City Council's goal to improve, maintain and enhance public facilities and infrastructure; to provide high level of public service which adds to the quality of life in the City and increase its attractiveness through more efficient management of resources.

**ENVIRONMENTAL ANALYSIS:**

CEQA excludes, from environmental review, actions that are not "projects" as defined by CEQA Guidelines Section 21065 and within the meaning of Section 15378(b). Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378 excludes from the definition of "project" continuing administrative or maintenance activities, such as purchases for supplies and services. The actions proposed herein, authorizing the City Manager to enter into a contract with OEM Parts Network Inc. for fuel nozzles, is an administrative activity for the purchasing of supplies, and therefore is not a "project" as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required.

**FISCAL IMPACT:**

The total cost of this contract including contingency is \$535,070 and the total cost of this action will be \$535,070. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the *GT-3 and GT-4 Capital Equipment Refurbishments* (03186) CIP project. It is anticipated that all costs will be expended in FY 2026. There is no impact to the General Fund.

The following table represents a project summary:

Base Bid	\$	486,427
Contract Contingency	\$	48,643
<b>Total Fiscal Impact</b>	<b>\$</b>	<b>535,070</b>

Respectfully submitted,



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