



Legislation Text

File #: 22-0429, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Bid 22-024, West-Southwest Elevated Tank Painting Project, to ERA-Valdivia Contractors, Inc. for an amount not to exceed \$845,050, plus a 3% contingency

DEPARTMENT: Water Utilities

SUBMITTED BY: Darrell Blenniss, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In 1995, the 0.75 MG West-Southwest Elevated Tank (WSWET) was built as part of the West-Southwest Waterworks (WSWWW) site that includes an 8.0 MG ground level water storage tank, high lift pumps, and an emergency backup electric power generator, as well as disinfection equipment, instrumentation, supervisory control and data acquisition (SCADA), system controls, and communications equipment. The existing coating of WSWET is original to its construction in 1995 and has exceeded its life expectancy.

In November 2018, Dixon Engineering Inc. (Dixon), an independent third-party engineering firm, conducted an inspection of WSWET that revealed deterioration of the interior and exterior surface coatings, with numerous spot failures of the coating systems exposing the structure to corrosion and rusting. Safety and structural repairs were also identified and recommended for completion while the tank is out of service for painting. In September 2021, an inspection of WSWET by Sherwin-Williams Company provided paint and application recommendations that complement Dixon's recommendations.

In March 2022, the Water Utilities issued Bid 22-024, West-Southwest Elevated Tank (WSWET) Painting Project, which incorporates the recommendations from Dixon and Sherwin-Williams. Work on this project includes:

1. Spot cleaning exterior surfaces with power tools, spot painting, and overcoating.
2. Dry interior surfaces need to be spot cleaned with power tools and spot painted.
3. Wet interior, water holding, surfaces need to be abrasive blast cleaned to bare metal and coated.
4. Base area piping needs to be cleaned with power tools and coated with an insulative coating to protect it from condensation.
5. Concrete foundation needs repair and coating.
6. Replacement of riser expansion joint

7. Replacement of undersized roof hatch
8. Column repairs to antennae penetrations
9. Improvements to the fall protection system

DISCUSSION:

Advertisement Date:	3/18/2022	Notices Sent:	14
Bid Opening Date:	4/05/2022	Planholders:	13
		Proposals Received:	4

The below vendors submitted bids:

Firm Name	Total Bid Amount
ERA-Valdivia Contractors, Inc.	\$845,050
<i>Engineer's Estimate</i>	<i>\$1,500,000</i>
Tecorp, Inc.	\$1,385,210
Jetco Ltd.	\$1,782,862
Neumann Co. Contractors	\$1,618,900

Staff had originally prepared a budgetary estimate in September 2021 of \$800,000 to \$900,000 to perform this work. Considering current logistics issues with painting materials and skilled labor for projects such as this, and through additional consultations with Sherwin-Williams and Dixon, staff prepared a final engineer's estimate for the project of \$1,500,000.

To avoid logistical pinch points and excessive cost, Water Utilities modified the project timeline by changing the completion date to June 30, 2023. The extended schedule will allow the painting contractor to complete interior painting and repair work during the winter months, which is traditional downtime for industrial painters. The schedule will leave the exterior painting for the spring of 2023 when weather conditions are more favorable. The schedule allows preordering of painting materials to avoid backlogs and the associated excess costs.

The low bid from ERA Valdivia Inc. falls within the original estimate, with the extended schedule allowing for reduced costs. ERA Valdivia, Inc. has completed similar work for Water Utilities and the work has been satisfactory.

The completion date of this project is June 30, 2023.

FISCAL IMPACT:

CIP: WU007

Painting work of Water Utilities assets is expensed to the Infrastructure account listed below, as part of the annual capital improvement program. A total of \$3,090,000 is budgeted for miscellaneous waterworks improvements in 2022. The remainder of this award will be budgeted appropriately in 2023.

Account Number	Fund Description	Total Budget Amount
41252000-551502	Water Capital	\$27,438,275

Per Council directive, contingency on construction projects is set at 3% on projects over \$500,000 and 5% on projects under \$500,000.