



BOARD MEMORANDUM

DATE: April 3, 2020

TO: Board of Directors

FROM: Keith Abercrombie 
Chief Operating Officer

SUBJECT: Approve a Resolution Awarding a Construction Contract to CalSierra Construction, Inc. to Recoat the Exteriors of Princess Tanks No. 1 and No. 2

SUMMARY

Staff recommends that the exterior coating on the Princess Tanks No. 1 and No. 2 be removed and replaced to maintain the integrity and service life, based on a condition assessment and inspection by CSI Services, Inc. (CSI). The tanks were constructed in 1980 and the original coating on the tanks is reaching the end of its service life. Staff received bids from six qualified contractors and recommends awarding the contract to CalSierra Construction, Inc. as the lowest responsible bidder in the amount of \$146,750. The Engineer's Estimate for the work was between \$140,000 and \$180,000. This contract award is approximately \$25,000 more than the budgeted amount. However, Staff budgeted an additional \$125,000 to recoat two additional tanks, which have been deferred. Therefore, there are enough funds budgeted within the approved FY 2019/20 Capital Improvement Budget for Storage Tank Improvement projects.

DISCUSSION

The Capital Improvement Program (CIP) includes periodic tank inspections and recoating (as required) to maintain the integrity and to extend the service life of storage tanks. The Princess Pressure Zone includes two One Million Gallon Tanks located at a site southwest of Mountain Pass Road, approximately one-half mile southwest of Golden Valley Road. The tanks are welded steel tanks that were constructed in 1980 with an epoxy primer and acrylic or urethane finish coat. The typical service life of an epoxy coating is 20 to 25 years.

Tank inspections were performed by CSI to assess the condition of the tank exterior coating. Based on the inspection report by CSI, the exterior coating is heavily weathered and chalked, and the topcoat on the roof has weathered away. Based on the CSI condition assessment, and evidence that the coatings are nearing the end of their service life, staff recommends that the exterior coatings be removed and replaced to maintain the integrity and service life of the tank, in accordance with CSI recommendations. The new exterior coating shall be an epoxy urethane coating system in the standard Bayberry color scheme.

Staff issued a Request for Bids by posting to PlanetBids on January 28, 2020. Six bids were received on February 18, 2020. Staff reviewed the bids and recommends awarding the contract to CalSierra Construction, Inc. as the lowest responsible bidder.

Bid results are as follows:

Contractor	Bid Amount
CalSierra Construction, Inc.	\$146,750
Paso Robles Tank	\$154,048
Capital Industrial Coatings	\$173,495
Advanced Industrial Services	\$329,700
Simpson Sandblasting & Special Coatings	\$376,084
Harbor Coating & Restoration	\$378,730

On April 2, 2020, the Engineering and Operations Committee considered staff's recommendation to approve a resolution authorizing the General Manager to enter into contract with CalSierra Construction, Inc. to Recoat the Exteriors of Princess Tanks No. 1 and No. 2.

FINANCIAL CONSIDERATIONS

Funding for the recoating of the exteriors of the Princess Tanks No. 1 and No. 2 project is provided through the CIP and is included in the FY 2019/20 Budget.

RECOMMENDATION

The Engineering and Operations Committee recommends that the Board of Directors approve the attached resolution awarding a contract to recoat the exteriors of the Princess Tanks No. 1 and No. 2 to CalSierra Construction, Inc. in the amount of \$146,750.

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Attachment

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RESOLUTION NO. SCV-XXX

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AWARDING A CONTRACT TO
CALSIERRA CONSTRUCTION, INC. TO RECOAT THE EXTERIORS OF
PRINCESS TANKS NO. 1 AND NO. 2 IN THE AMOUNT OF \$146,750**

WHEREAS, all bid proposals submitted to the Agency pursuant to the Agency's specifications for the recoat of the exteriors of Princess Tanks No. 1 and No. 2 were received at the Agency's offices on Tuesday, February 18, 2020 at 2:00 p.m., in full accordance with the law and the Agency's customary procedures; and

WHEREAS, the Board of Directors finds, after considering the opinion of staff, that the total bid of CalSierra Construction, Inc. in the amount of \$146,750 is the lowest responsible bid of six bids submitted, and that said bid substantially meets the requirements of said construction contract documents; and

WHEREAS, it is in the Agency's best interest that the Board of Directors, on behalf of the Agency, authorize its General Manager to accept the \$146,750 bid.

NOW, THEREFORE, BE IT RESOLVED that the Agency's Board of Directors does authorize its General Manager to accept said low bid and does therefore authorize the Agency's General Manager or its Chief Operating Officer to issue a Notice of Award to CalSierra Construction, Inc., hereby found to be the "lowest responsible bidder" for the recoat of the exteriors of the Princess Tanks No. 1 and No. 2 for the total sum of \$146,750.

RESOLVED FURTHER that the Agency's General Manager or its President and Secretary are thereupon authorized, upon receipt of appropriate payment and performance bonds, appropriate certificates of insurance and an executed Contract Agreement from CalSierra Construction, Inc., all of which must be approved by General Counsel, to execute the said Contract Agreement on behalf of the Agency.

RESOLVED FURTHER that the Agency's General Manager or Chief Operating Officer are thereafter authorized to execute and forward to CalSierra Construction, Inc. an appropriate Notice to Proceed.

President

I, the undersigned, hereby certify: That I am the duly appointed and acting Secretary of the Santa Clarita Valley Water Agency, and that at a regular meeting of the Board of Directors of said Agency held on April 7, 2020, the foregoing Resolution No. SCV-XXX was duly and regularly adopted by said Board, and that said resolution has not been rescinded or amended since the date of its adoption, and that it is now in full force and effect.

DATED: April 7, 2020

Secretary