

AGENDA BILL
Beaverton City Council
Beaverton, Oregon

SUBJECT: Contract Award – Sexton Mountain 1.75
MG Standpipe Maintenance/Recoating
Project and Transfer Resolution

FOR AGENDA OF: 8-13-13 **BILL NO:** 13185

Mayor's Approval: *[Signature]*

DEPARTMENT OF ORIGIN: *PW*

DATE SUBMITTED:

7-29-13

CLEARANCES:

City Attorney
CAO
Purchasing
Finance
Engineering

WS
[Signatures]

PROCEEDING: CONSENT AGENDA
(CONTRACT REVIEW BOARD)

- EXHIBITS:**
1. Transfer Resolution
 2. Bid Results Summary
Memorandum (Pending)

BUDGET IMPACT

EXPENDITURE	AMOUNT	APPROPRIATION
REQUIRED \$336,000*	BUDGETED \$275,000**	REQUIRED \$51,000**

* \$336,000 is the estimated construction cost and the final bid amount will be presented to Council in advance of the Council meeting as further explained in this agenda bill.

** The FY 2013-14 Adopted Budget includes \$275,000 in Account Number 501-75-3701-682 – Water Fund – Infrastructure Projects – Water System Improvements Program – Construction Account, and the remaining \$51,000 Appropriation Required is available from the Water Fund's Contingency Account and would be established through the attached Transfer Resolution.

RECOMMENDED ACTION:

City Council, acting as the Contract Review Board, authorizes the Mayor to sign a contract to the lowest responsible bidder for the Sexton Mountain 1.75 million gallon (MG) Standpipe Maintenance/Recoating Project (CIP No. 4095) in a form approved by the City Attorney and approves the attached Transfer Resolution and provides the additional appropriation for the project.

HISTORICAL PERSPECTIVE:

The City's Sexton Mountain 1.75 MG steel standpipe reservoir was constructed in 1980, and was repainted in 1999 as part of a maintenance painting and repair project. As part of the 1999 project, it was documented that existing lead paint (primer) on the tank exterior was encapsulated within the existing coating. At that time, lead paint on the tank interior was completely removed with a blast process and replaced with a standard epoxy coating.

In 2003, T-Mobile cellular phone facilities were installed on the standpipe reservoir as allowed by a lease from the City to T-Mobile. The T-Mobile contractor also installed a Cathodic Protection System (CPS) to mitigate against corrosion. In 2010, the City hired Potable Divers, Inc., (PDI) to perform underwater cleaning and inspection of City reservoirs. PDI recommended recoating the tank within five years. Staff contracted with Murray Smith and Associates (MSA) in 2013 to evaluate the existing tank coating and CPS.

INFORMATION FOR CONSIDERATION:

MSA concluded that both the interior and exterior coatings on the standpipe reservoir have reached the end of their useful life, and recommended the following:

1. Re-coat both the interior and exterior of the reservoir.
2. Furnish and install safety improvements including removal of existing notch rail fall prevention systems and furnish/installation of a new cable style fall prevention systems on interior and exterior ladders.
3. Cathodic Protection System (CPS) maintenance and improvements be performed during construction.

The safety improvements and CPS maintenance noted above were not part of the original \$275,000 construction cost estimate shown in FY 2013-14 Adopted Budget. These items were discovered during MSA's final evaluation of the tank in June 2013. When complete, the new coating system should last approximately 15 years, and the fall prevention system upgrades will increase safety for staff and City contractors performing routine maintenance on the tank. During the tank evaluation process, MSA and City staff coordinated closely with T-Mobile representatives to ensure the cellular facilities also receive appropriate coatings. Under the terms of the City's lease agreement with T-Mobile, after the project is complete, T-Mobile will reimburse the City for the cost associated with coating their facilities and portions of the tank obstructed by their facilities.

The invitation to bid was advertised in the Daily Journal of Commerce on July 19, 2013. A mandatory pre-bid meeting and site tour is scheduled for July 30, 2013. Submitted bids are scheduled to be opened at 2:00 PM on August 8, 2013. Since the Council packet for this meeting will have already been distributed, staff will prepare a supplemental memorandum (Exhibit 1) that will be provided to City Council on August 9, 2013, summarizing the bid results and recommending contract award to the lowest responsible bidder.

The \$51,000 Appropriation Required amount is available from the Water Fund's Contingency Account and the attached Transfer Resolution would provide the necessary additional appropriation.

RESOLUTION NO. 4195

A RESOLUTION APPROVING TRANSFER OF APPROPRIATION WITHIN THE WATER FUND OF THE CITY DURING THE FY 2013-14 BUDGET YEAR AND APPROVING THE APPROPRIATIONS FOR THE FUND

WHEREAS, the City Council reviews and approves the annual budget; and,

WHEREAS, during the year the Council must authorize the transfers of appropriations from one category of a fund to another fund or from categories within a fund; and,

WHEREAS, an additional appropriation of \$51,000 is needed in the Capital Outlay Category of the Water Fund for the Sexton Mountain 1.75 million gallon (MG) Standpipe Maintenance/Recoating Project (CIP No. 4095), and the expenditure appropriation is available in the Contingency Category of the fund; now therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF BEAVERTON, OREGON:

Section 1. The Finance Director is hereby authorized and instructed to transfer the following appropriations:

- \$51,000 out of the Contingency Category of the Water Fund into the Capital Outlay Category as indicated below:

Capital Outlay – Construction	501-75-3701-682	\$51,000
Contingency	501-85-0741-991	<\$51,000>

Adopted by the Council this _____ day of _____, 2013.

Approved by the Mayor this _____ day of _____, 2013.

Ayes: _____

Nays: _____

ATTEST:

APPROVED:

Catherine Jansen, City Recorder

Denny Doyle, Mayor

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EXHIBIT 2

MEMORANDUM

City of Beaverton
Public Works Department

To: Mayor Doyle and City Councilors

From: Brion Barnett, Project Engineer *BB*

Date: August 9, 2013

Subject: Agenda Bill No. 13185: Sexton Mountain 1.75 MG Standpipe
Maintenance/Recoating Project – Bid Summary and
Recommendation for Award of Contract

The City received proposals from four firms. The lowest bid was from Coatings Unlimited, Inc. of Kent Washington. The next lowest bid from Purcell Painting was considered non-responsive as they did not include the required "Bidder Responsibility" information. A bid summary from the Finance Department is attached. Proposals were reviewed and staff has determined that Coatings Unlimited, Inc., of Kent, Washington, was the lowest responsive bidder (\$385,500).

While all bids received were higher than Murray Smith and Associates (MSA) construction cost estimate of \$336,000, tank coating prices in the Pacific Northwest have increased in the last few months. Staff recommends award of the construction contract for the Sexton Mountain 1.75 MG Standpipe Maintenance/Recoating Project to Coatings Unlimited Inc. A revised transfer resolution is also attached for the additional appropriation of \$110,500 necessary to construct the project.

RESOLUTION NO. 4195

A RESOLUTION APPROVING TRANSFER OF
APPROPRIATION WITHIN THE WATER FUND OF
THE CITY DURING THE FY 2013-14 BUDGET
YEAR AND APPROVING THE APPROPRIATIONS
FOR THE FUND

WHEREAS, the City Council reviews and approves the annual budget; and,

WHEREAS, during the year the Council must authorize the transfers of appropriations from one category of a fund to another fund or from categories within a fund; and,

WHEREAS, an additional appropriation of \$110,500 is needed in the Capital Outlay Category of the Water Fund for the Sexton Mountain 1.75 million gallon (MG) Standpipe Maintenance/Recoating Project (CIP No. 4095), and the expenditure appropriation is available in the Contingency Category of the fund; now therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF BEAVERTON, OREGON:

Section 1. The Finance Director is hereby authorized and instructed to transfer the following appropriations:

- \$110,500 out of the Contingency Category of the Water Fund into the Capital Outlay Category as indicated below:

Capital Outlay – Construction	501-75-3701-682	\$110,500
Contingency	501-85-0741-991	<\$110,500>

Adopted by the Council this _____ day of _____, 2013.

Approved by the Mayor this _____ day of _____, 2013.

Ayes: _____

Nays: _____

ATTEST:

APPROVED:

Catherine Jansen, City Recorder

Denny Doyle, Mayor

