



Orange County Sanitation District

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OPERATIONS COMMITTEE

Agenda Report

File #: 2020-1268

Agenda Date: 10/7/2020

Agenda Item No: 5.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

OPERATIONS AND MAINTENANCE COATING REHABILITATION PROGRAM ON-CALL SERVICES CONTRACT

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve an On-Call Service Contract for the Operations and Maintenance Coating Rehabilitation Program with Techno Coatings, Inc., per Specification No. S-2020-1191BD, for a total amount not to exceed \$329,925 per year, for the period of December 1, 2020 through November 30, 2021, with four optional one-year renewals; and
- B. Approve an annual contingency of \$65,985 (20%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) Plant Nos. 1 and 2 are susceptible to the corrosive nature of our extreme wastewater environment. Wastewater related structures and pipes require periodic maintenance to coating systems on its interior and/or exterior surfaces, primarily for corrosion protection. The application of coating systems extends the useful life of these assets and prevents corrosion-related failures.

RELEVANT STANDARDS

- Maintain a proactive asset management program
- Protect Orange County Sanitation District assets

PROBLEM

Currently, maintenance coating tasks and projects are executed through a task-by-task open bid process. Non-critical and routine needs are met by utilizing Facility Maintenance staff contingent upon availability. Due to the numerous assets requiring preventative and corrective coatings maintenance in both treatment plants and collections systems, a programmatic approach utilizing external resources is required to ensure timely and consistent coating applications.

PROPOSED SOLUTION

Staff recommends Techno Coatings, Inc. be awarded the Operations and Maintenance Coating Rehabilitation Program On-Call Service Contract to perform coating services at the treatment Plants and pump stations. This approach will decrease cost by taking advantage of economies of scale, reducing procurement costs, and decreasing the time required to start individual coating tasks.

TIMING CONCERNS

Timely approval of the Service Contract will enable periodic coating required for the preservation of Sanitation District assets, improving longevity, and will mitigate potential for equipment failures due to structural corrosion.

RAMIFICATIONS OF NOT TAKING ACTION

Increased risk of failures due to corrosion of equipment and assets potentially resulting in loss of the asset or disruptive system shutdowns.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

The Sanitation District issued a Notice Inviting Bids on August 13, 2020 for the Operations and Maintenance Coating Rehabilitation Program On-Call Contractor Services, per Specification No. S-2020-1191BD. Three sealed bids were received on September 15, 2020. The bids were evaluated in accordance with the Sanitation District's policies and procedures. Summary information of the bids received is as follows:

Bidder	Amount
Techno Coatings, Inc.	\$329,925
Capital Industrial Coatings, LLC	\$499,305
Advanced Industrial Services, Inc.	\$5,059,350

The bid amounts are based on the submitted unit pricing for the types of coating preparation and application steps and projected quantities provided in the Notice Inviting Bids. Staff recommends awarding a Service Contract to the lowest responsive and responsible bidder, Techno Coatings, Inc., for the Operations and Maintenance Coating Rehabilitation Program On-Call Contractor Services.

A contingency of 20% is recommended because of the potential for additional work required resulting from operating constraints and seasonal wet weather occurrences.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This recommendation will be funded under the Professional and Contractual Services line items for Plant Nos. 1 and 2 Maintenance Department (Budget Fiscal Year 2020-21, Section 6, Pages 92 and 96). The available funding is sufficient for this action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
10/28/2020	\$329,925	\$65,985 (20%)

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Service Contract

RM:sb:jf:ls:gc