



CITY OF FERNLEY

CITY COUNCIL

AGENDA REPORT

Meeting Date: November 17, 2021

REPORT TO:	Mayor and City Council
REPORT THRU:	Derek Starkey, City Engineer
REPORT FROM:	Kari Weitzel, Admin Specialist III
REVIEWED BY:	Brandi Jensen, City Attorney
REVIEWED BY:	Denise Lewis, City Treasurer

FINANCIAL IMPACT: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	CURRENTLY BUDGETED: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	FUND/ACCOUNT: 510-166-100
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ACTION REQUESTED: <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Receive/File

AGENDA ITEM: Staff Report (For Possible Action):
Possible action to approve the Sage Tank Recoat contracts with; Olympus & Associates in the amount not to exceed \$529,200.00 with a 2% contingency of \$10,584.00 a total of \$539,784.00 for construction services; and CME in the amount not to exceed \$43,260.00 for inspection and materials testing services.

Business Impact (per NRS Chapter 237): <input type="checkbox"/> A Business Impact Statement is Attached. <input type="checkbox"/> A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).
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Agenda Item Brief:
Staff is seeking approval from city council for a contract for construction service with Olympus & Associates to construct the Sage Tank Recoat Project and a contract with CME for inspection and materials testing services.
This project will recoat the interior and exterior of the 2.5 mg Sage Tank and finish the exterior with a mural to represent City of Fernley.

See attached report for background, analysis, alternatives.

RECOMMENDED MOTION:

“I move to approve the Sage Tank Recoat contracts with; Olympus & Associates in the amount not to exceed \$529,200.00 with a 2% contingency of \$10,584.00 for construction services; and CME in the amount not to exceed \$43,260.00 for inspections and materials testing services.”

ALTERNATIVES:

City Council could choose to not approve of the contract award. Staff would go through the advertisement and bidding process over again and its not anticipated that the prices for construction will decrease.

PROJECT SUMMARY:

This project was publicly advertised in the Reno Gazette Journal and Mason Valley News and bids were received and opened on November 2nd (see bid tabulation – Attachment A). Shaw Engineering has recommended the contract be awarded to Olympus & Associates as they are the low bidder and fully qualified contractor (see letter of Recommendation of Award – Attachment B). We have received a proposal from CME for inspection and materials testing service.

This project will consist of recoating the interior and exterior of the Sage Tank. Repairing any pitted areas on the interior walls and floors and adding additional temperature controls. The tank will be finished with an artistic mural representing the City of Fernley. Once all repairs are made a *City of Fernley* mural will be painted on the outer wall of the tank.

BACKGROUND:

The Sage Tank was originally constructed in 2006 as part of the Sage Ranch Development. The Sage Tank is a 2.5 MG tank that provides operations, emergency and fire storage for a large portion of the city’s west side of town.

A video inspection was completed on the tank in 2015 and again in 2019. The Consultant found some areas of rusting in the walls and some areas of concern on the roof as well.

February 2021, Shaw engineering and city staff conducted a roof inspection to specifically determine the state of the roof beams. The inspection found that besides surface rusting, several of the roof beams show portions of the beams with significant weakened cross sections and have recommended portions of these beams need to be replaced. All rusting on the walls, roof, appurtenances would be removed and replaced. Priming and a finished coat would be sprayed on the interior of the tank.

LEGAL IMPLICATIONS:

Replacing damaged areas of the tank now will avoid costly repairs and avoid unwanted interruption in the future. Taking a proactive approach can avoid that.

FINANCIAL IMPLICATIONS:

The funding for this project was approved for the current fiscal year 2021/2022. The total amount approved was \$500,000.00. The additional fund will come out of the water enterprise fund.

Contracts to Follow:

Shaw Engineering \$23,500
Olympus & Associates \$529,200.00

Contingency \$10,584.00
CME Q&A \$43,260.00

Total cost: \$606,544.00

ATTACHMENTS:

- 1. City of Fernley Construction Agreement (Olympus & Associates)**
- 2. Bid Tabulation – Attachment A**
- 3. Letter of Recommendation – Attachment B**
- 4. Proposal from CME – Attachment C**
- 5. City of Fernley Professional Services Contract (CME) – Attachment D**