



# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



EXHIBIT F-14  
5 Pages

## Zone 3 Tank Recoating Project

**DATE:** May 30, 2023  
**TO:** District Board Members  
**FROM:** Dave Hunt, District Engineer  
**SUBJECT:** Professional Services Agreement with Construction Materials Engineers, Inc. for Coating Inspection Services.

**BACKGROUND:** The District awarded a contract to Olympus & Associates in March 2023 for the recoating of the Zone 3 Tank. The project will be completed this summer and fall and includes surface preparation and coating of the exterior and interior of the tank. Special inspection is critical to ensure that the process is completed in conformance with the contract documents.

**DISCUSSION:** The District requested proposals from Bay Area Coating Consultants, Inc. (BACC) and Construction Materials Engineers, Inc. (CME) to provide coating inspection services over the course of the project. CME was selected as the preferred service provider as they have extensive experience inspecting tank rehabilitation projects. Additionally, their work is prevalent in this area having performed similar services for many of our neighboring water districts.

The project is expected to take place between July-October. CME will be onsite to observe and monitor the contractors' operations and performance for the duration of the project. CME will also provide the 11-month warranty inspection on the West Tank. All other inspections required for the project (i.e temporary water supply improvements) will be performed by District staff.

**ALTERNATIVES:**

1. Approve the proposal from Construction Materials Engineers, Inc. to provide coating inspection services for an amount not to exceed \$23,780.
2. Do not approve the proposal from Construction Materials Engineers, Inc.

**FISCAL/RESOURCE IMPACTS:** The Zone 3 Tank Recoating Project will be funded through the Water FARF. The total project cost is estimated to be approximately \$316,000, which includes design and permitting, staff time, construction, and construction inspection.

**RECOMMENDATIONS:** Staff recommends approval of the proposal from Construction Materials Engineers, Inc, Inc. for providing coating inspection services and recommends the General Manager be authorized to execute a Professional Service Agreement in an amount not to exceed \$23,780.

**ATTACHMENTS:**

- Construction Materials Engineers, Inc. Proposal dated May 3, 2023

**DATE PREPARED:** May 16, 2023



300 Sierra Manor Drive, Suite 1  
Reno, NV 89511

May 3, 2023

Alexa Kinsinger, PE  
**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT**  
305 Squaw Valley Rd  
Olympic Valley, CA 96146

**RE: 135,000 Gallon Zone 3 Tank Coating Project and West Tank 11-Month Warranty  
NACE Tank Coating Inspections  
Olympic Valley Public Service District  
Placer County, California**

Dear Ms. Kinsinger:

Construction Materials Engineers, Inc. (CME) is pleased to present this proposal to provide NACE inspection services and possible structural steel welding inspection for the referenced projects. CME, Inc. will provide NACE and AWS/CWI certified personnel to perform the requested inspections. Our scope of work is outlined on the attached summary of services. Our fees are based on the assumption that only 2 trips per week will be required to complete our inspection services. Each inspection trip will include travel time and on-site inspection. We have included our overtime rate to cover weekend inspections if needed.

Our anticipated scope of work will include providing part-time inspection trips. We anticipate each daily trip will be 6 hours, with approximately 4 hours of onsite inspection per day during tank blasting, tank pre-paint preparation, and preliminary tank coating. Part-time inspection will also be performed during any welding structural repairs or rusted surface rating of 5 or less on the Zone 3 tank. New coating inspections will include all surfaces of the exterior and interior for the prime, intermediate, and top coatings. The remaining weeks of surface prep and recoat painting will be provided on the same part-time basis. Our inspector will provide a review of the contractor's project application procedures. If needed pre-project submittal review and review of the overall QC program can be provided by our inspector. An 11-month warranty inspection will be performed on the newly coated West Tank. CME will evaluate both the interior and exterior surfaces for any coating imperfections that may have appeared over the past year.

Based on the attached summary, we will provide our services on a time and expense basis not to exceed the estimated total project fees of \$23,780.00. Our fee estimate is based upon CME paying prevailing wages listed in the California Department of Industrial Relations general prevailing wage determinations. Our services will be dependent on your anticipated construction schedule and the provided scope of work. Any changes to the mentioned scope or schedule may result in a change in cost. All services outside the mentioned scope will be provided on a time and expense basis in accordance with our current standard fee schedule.

We appreciate the opportunity to provide our services. If you have any questions or require further information, please do not hesitate to call.

Sincerely,



300 Sierra Manor Drive, Suite 1

**CONSTRUCTION MATERIALS ENGINEERS, INC.**

A handwritten signature in blue ink, appearing to read "Jon A. Del Santo", is written over a light blue rectangular background.

Jon A. Del Santo, PE  
Principal

[jdelsanto@cmenv.com](mailto:jdelsanto@cmenv.com)

Direct: 775-737-7564

Mobile: 775-846-4399

JAD:lr

V:\promotion\Minor Proposals\2023\Olympic Valley Public Service District NACE\_OVPSD Zone 3 and West Tank NACE Inspection letter\_5-4-2023

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
135,000 GALLON ZONE 3 TANK COATING PROJECT  
NACE INSPECTION SERVICES**

DATE : 5/3/2023

ACTIVITY	QTY/WEEK	HRS/WEEK	RATE	TOTAL	COMMENTS
<b><u>PROJECT MANAGER</u></b>					
PROFESSIONAL REVIEW/REPORTS	8	1.5	\$ 185.00	\$ 2,220.00	

<b><u>ZONE 3 TANK NACE INSPECTIONS*</u></b>			APPROX 9 WEEKS OF NACE INSPECTION / 2 TRIPS / WEEK / 6 HOURS PER TRIP		
NACE INSPECTOR - REGULAR	9	12	\$ 145.00	\$ 15,660.00	BLAST/ PRE-PAINT SURFACE PREP/REPAIR,INT/EXT
CWI WELDING INSPECTOR	3	4	\$ 170.00	\$ 2,040.00	NACE INSPECTION
NACE INSPECTOR - O.T.	1	4	\$ 190.00	\$ 760.00	WEEKEND NACE INSPECTIONS - IF NEEDED
VEHICLE + EQUIPMENT	124		\$ 10.00	\$ 1,240.00	

\*RATES INCLUDE TRAVEL TIME

<b><u>WEST TANK NACE INSPECTIONS*</u></b>			2 TRIPS - ONE INITIAL INSPECTION / ONE FINAL INSPECTION		
NACE INSPECTOR - REGULAR	2	6	\$ 145.00	\$ 1,740.00	BLAST/ PRE-PAINT SURFACE PREP/REPAIR, INT/EXT
VEHICLE + EQUIPMENT	12		\$ 10.00	\$ 120.00	

\*RATES INCLUDE TRAVEL TIME

1. BASED ON CME PAYING GROUP 4 PREVAILING WAGES AT \$76.06 / HR FOR A NACE CERTIFIED INSPECTOR
2. BASED ON CME PAYING GROUP 2 PREVAILING WAGES AT \$89.24 / HR FOR AN AWS/CWI CERTIFIED INSPECTOR
2. PART-TIME INSPECTION INCLUDES 2 HOURS OF TRAVEL TO AND FROM RENO
3. NO WATER DISINFECTION TESTING WILL BE PERFORMED BY CME
4. CONTRACTOR IS REQUIRED TO FURNISH AND PERFORM HOLIDAY DETECTION TESTING EQUIPMENT AND DRY-FILM THICKNESS GAUGE
5. CME HAS HOLIDAY DETECTION TESTING EQUIPMENT IF NEEDED TO SPOT CHECK CONTRACTORS EQUIPMENT AND PROCESS
6. CME WILL PROVIDE A NACE CERTIFIED INSPECTOR
7. CONFINED SPACE TRAINING WILL BE PROVIDED BY THE CONTRACTOR TO OUR ON-SITE INSPECTOR

ESTIMATED TOTAL FEE: \$ 23,780.00