

# Staff Report

for the Regular Meeting of the Board of Directors, May 25, 2016

**TO:** Board of Directors

**FROM:** Keane Sommers, Hydroelectric Manager <sup>KS</sup>  
Dar Chen, Dam Safety Engineer <sup>DC</sup>

**DATE:** May 18, 2016

**SUBJECT:** Rollins Penstock and Low-Level Outlet Pipe Coating Replacement Project (Consent)

---

---

## ***HYDROELECTRIC***

### **RECOMMENDATION:**

Approve a \$350,000 budget amendment from Hydroelectric Department Reserves to the Hydroelectric Division Budget as recommended by the Engineering Committee. These additional funds will supplement the current budget to allow a regulatory required recoating of the Rollins Penstock and Low-Level Outlet Pipe.

Award a contract to JeffCo Painting & Coating Inc. in the amount of \$730,864 for the coating project as recommended by the Engineering Committee and authorize the General Manager to execute the necessary documents.

### **BACKGROUND:**

In March of 2015, in response to an inquiry by Federal Energy Regulatory Commission (FERC), an inspection was performed by Pacific Coatings Consultants on the Rollins Penstock and Low-Level Outlet Pipe. This inspection found that the existing coating on the penstock is so deteriorated that it no longer offers protection from corrosion. A letter dated May 28, 2015, from FERC required that the District take appropriate action to repair the coating.

The Rollins Penstock is a 477-foot-long 102-inch-diameter penstock (Task I) built in the 1980s, and the low-level outlet pipe is 35-feet-long and 72-inches in diameter (Task II) built in the 1960s. During pre-project testing the low-level outlet was found to have high lead content. The intent of this project is to remove the existing coating and recoat these facilities.

Quotes for the project were requested from five (5) painting and coating contractors in Northern California and Nevada. Three (3) quotes were received and opened on April 13, 2016. The quotes include the regulatory required Task I and an optional Task II. Task II involves removing and replacing the high-lead content coating on the low-level outlet from the 1960s. It was stated in the Request for Quotes that the District may choose to proceed with construction of Task I only, both Tasks I and II, or neither. A summary of the quotes received are shown in the following table.

Quoter	Quote – Task I (\$)	Quote – Task II (\$)	Quote – Total (\$)
JeffCo Painting & Coating	691,300	39,564	730,864
Redwood Painting	634,500	111,700	746,200
Cor-Ray Painting	1,120,000	70,000	1,190,000

Staff recommends awarding the contract to JeffCo Painting and Coating, which has the lowest total quote for the total project. Redwood Painting has the lowest Task I quote, however it would be administratively inefficient for the District to conduct Task II separately in future and the incremental cost on the JeffCo quote is minimal.

The project is considered maintenance, as it does not change the character, function, scope, or size of the penstock or low-level outlet pipe. It is categorically exempted under the California Environmental Quality Act.

**BUDGETARY IMPACT:**

This project was included in the 2016 Budget at a total cost of \$600,000. However, quotes received for the Bowman-Spaulling Canal Lining Project were also higher than budgeted. Staff believes that both projects are necessary but prioritized the coating project slightly lower than the canal lining project and is asking for the Board's approval of the project. Staff believes that an additional \$350,000 is necessary to complete both projects in 2016.

MDC  
KSS