



# TOWN OF ERIE

645 Holbrook Street  
Erie, CO 80516

## Town Council

**Board Meeting Date: 3/24/2020**

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**File #: 20-186, Version: 1**

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**SUBJECT: CONSENT AGENDA**

**A Resolution of the Board of Trustees of the Town of Erie Approving a Construction Contract with Spiegel Industrial, LLC for the Interior Lining Replacement of The 4 Mg Concrete Storage Tank**

**DEPARTMENT: Public Works**

**PRESENTER: Todd Fessenden, Public Works Director**

**FISCAL SUMMARY:**

Cost as Recommended: \$123,000  
Balance Available: \$500,000  
Budget Line Item Number: 500-70-110-605000-100343  
New Appropriation Required: No

**STAFF RECOMMENDATION:**

Resolution to approve said contract, authorize the appropriate Town officer to execute said contract, and authorize staff to expend contracted funds.

**SUMMARY AND BACKGROUND OF SUBJECT MATTER:**

**Background:**

The Town's largest drinking water storage tank, a 4 million gallon concrete tank was constructed in 2015 and a protective coating (liner) was installed to protect the concrete from corrosion (aka concrete degradation). Upon final warranty inspection in 2017 it was discovered that the liner had begun to fail and separate from the tank wall. This situation was monitored in the interim while staff coordinated engineering investigations and negotiations with the general contractor. The Town received \$500,000 towards the ultimate replacement of this liner in 2019. The tank, being the main supply for fire flow and peak demand storage, has remained in service during this time. It has been regularly inspected and taken offline (drained) multiple times.

At this time the liner has begun to significantly deteriorate, to the point where large cracks and blisters in the liner have surfaced. In order to protect water quality and avoid service issues due to large sections delaminating all of the areas of the liner which are not strongly adhered to the tank must be removed. Staff's plan is to bring a contractor in to remove the failed liner and place the tank in service for the summer. In the fall or the following spring we will remove the remaining sub-layers and either leave it as is or replace with a new liner. We believe this to be the most cost effective and safest path forward. We have worked extensively with engineers and contractors who specialize in water tanks and requested multiple bids for this removal process.

Due to timing being of the essence, the need to keep this integral part of the Town's drinking water system functional, and most importantly to maintain public health and safety, staff requests approval to proceed with the selected contractor and engineer for this phase of rehabilitating this tank.

**Fiscal Impact:**

The Town has a balance of \$500,000 available for the replacement of the liner for this tank. This first removal effort will cost \$139,000, \$123,000 for the work and \$16,000 for engineering oversight (which will be contracted separately). Staff has worked with the selected contractor on past tank coating projects and other projects and have found them to have excellent workmanship and service.

Staff will work with engineers and contractors to obtain the best value for either full removal or replacement of this liner after summer irrigation season 2020.

**ATTACHMENTS:**

1. Resolution
2. Construction Agreement
3. Spiegel Industrial LLC Proposal