

STAFF REPORT UTILITY MEETING

AGENDA DATE: November 29, 2022

DEPARTMENT: Water Utilities

TITLE:

Agreement with Utility Service Co., Inc. for Elevated Water Tanks Maintenance Services

SUMMARY:

Agreement with Utility Service Co., Inc. for Elevated Water Tanks Maintenance Services for a total cost of \$908,417.00 over the ten year contract, with a cost of \$280,706 in Fiscal Year 2023.

BACKGROUND AND JUSTIFICATION:

The City issued a Request for Proposals #22-202 for maintenance of the water utility's two elevated water storage tanks, one located at the water plant site and one at 22nd Avenue North and N D St. The maintenance of the tanks includes inspections, washouts, painting and specialized services. The Request for Proposals also included painting several exterior sections of the Jo-Ann Golden Reverse Osmosis Water Treatment Plant where the blue color has faded and coating the generator muffler exhaust stack, which is showing signs of corrosion. Three proposals were received and scored by a selection committee. Utility Service Co. received the highest score and City staff proceeded to negotiations with them. Portions of the scope of work were updated and revised to be the most cost effective and the term of the agreement was changed from five to ten years. The tanks require exterior renovation every eight to ten years, which was last done in 2008. The tanks were last painted in 2013, which also should be updated in the same timeframe. Interior renovations should be completed every twelve to fifteen years and was completed on both tanks in 2013.

MOTION:

Move to approve/disapprove Agreement with Utility Service Co., Inc. for Elevated Water Tanks Maintenance Services for a total cost of \$908,417.00 over the ten year contract, with a total cost of \$280,706 in Fiscal Year 2023.

ATTACHMENT(S):

Fiscal Impact Analysis
Agreement
Evaluation Matrix
Tank Renderings with City Logo

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
Inflows					
Current Appropriation	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows					
Operating	280,706	262,341	242,849	17,503	17,503
Capital	0	0	0	0	0
Net Fiscal Impact	280,706	262,341	242,849	17,503	17,503
No. of Addn'l Full-Time Employee Positions					
	0	0	0	0	0

New Appropriation Fiscal Impact:		
	Revenue Source	Expenditure
Department		
Division		
GL Description		
GL Account Number		
Project Number		
Requested Funds		

Budget Transfer Impact		
	Revenue Source	Expenditure
Department		
Division		
GL Description		
GL Account Number		
Project Number		
Requested Funds		

Contract Award - Existing Appropriation		
	Expenditure	
Department	Water	
Division	Treatment	
GL Description	Other Contractual Services	
GL Account Number	402-7022-533.34-50	
Project Number	N/A	
Requested Funds	\$280,706	