****** Second and Final Reading ******

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, Director of Utilities

DATE: January 3, 2011

RE: South Water Tower Maintenance Agreement

Issues

The City Utilities Department maintains four water towers. Three of the tanks (Mulberry-200,000 gallons, NW-300,000 gallons and Wal-Mart-500,000 gallons) have been under a maintenance agreement since 2000 for the Mulberry tank and 2002 for the NW and Wal-Mart tanks. Under the maintenance plan, the tanks are inspected each year, washed out/cleaned every two years and re-coated or touched up as needed and completely sandblasted and re-coated when needed. This is usually done every 20 years. Any emergency repairs are also included in the service agreement.

Under the program, the three tanks are well maintained and the City has never received a sanitary violation from the Missouri Department of Natural Resources, which is the agency responsible for conducting sanitary surveys of water towers. Towers must be kept in sanitary condition with vents, hatches and screens intact and serviceable. The coating must be checked and maintained to prevent corrosion of the steel surface. Internally, tanks are inspected for sound coating and ladder integrity (free from ice damage, weld breaks, etc.). The wash outs performed every two years helps keep sediment from building up in the tank, keeping water quality degradation to a minimum.

The new South tower (500,000 gallons) was put on line this summer. To ensure that the tank is maintained in good operating condition, we would like to add it to the maintenance program. Utility Service Company will inspect the tank each year, clean the tank every two years, coordinating with our schedule, and will sandblast and re-coat the interior and exterior of the tank, and re-paint the logos. In addition to the work described, they will address any repairs needed throughout the year.

Recommendation

Staff recommends that the South tower be added to the maintenance program. Our towers have been maintained in excellent condition since they were put into the program. The first annual payment of $15,699 for the South tank will not occur until October, 2011. Annual payments continue at that rate until 2014. After that, annual adjustments can be made, not to exceed 5%.

Staff recommends a minimum of two readings for contracts of this nature.

Bill 2011-5

AN ORDINANCE AUTHORIZING THE CITY MANAGER OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI TO ENTER INTO AGREEMENT WITH UTILITY SERVICE COMPANY, INC. FOR TANK MAINTENANCE AT THE NEW SOUTH TOWER

WHEREAS, the City of Cameron has three water towers in a comprehensive maintenance system; and

WHEREAS, a new tank was recently put on line that will need regular inspection, cleaning and maintenance; and

WHEREAS, the City negotiated with Utility Service Company to add the South tank to the existing tank maintenance program.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AS FOLLOWS:

Section 1. The City Manager is hereby authorized to enter into an agreement with Utility Service Company, Inc. all as per the agreement attached hereto and made apart hereof. The initial three (3) year period fee is $15,698 per year with cost of service increase the fourth year not to exceed five (5) percent.

Section 2. The Mayor is authorized to sign this ordinance on behalf of the City of Cameron.

Section 3. The City Clerk is hereby directed to attest to the Mayor's signature.

Section 4. This ordinance shall be in full force and effect from and after its passage.

Passed and approved on first reading this 3rd day of January 2011.
Passed and approved on second reading this 18th day of January 2011.
Passed and approved on third and final reading this 18th day of January 2011.

_____
Mayor Dennis M. Clark

ATTEST:

_____
City Clerk