



TO THE HONORABLE CHAIRMAN AND TRUSTEES

REPORT TO: STILLWATER UTILITIES AUTHORITY

No. SUA-16-13

ISSUED BY THE GENERAL MANAGER - STILLWATER, OKLAHOMA

Date of Meeting: March 7, 2016

Subject: Water Storage Tank Inspection and Evaluation

Background: The City’s water distribution systems include eleven storage tanks; most of which are aging but not at the end of their useful life. These tanks are critical for maintaining steady pressure in the system and providing emergency storage for fighting fire, system outages and peak demands. Like any infrastructure, the tanks require periodic maintenance and improvements.

A consultant is needed to inspect the tanks to identify, recommend, and prioritize the maintenance, safety and any other improvements that may be needed. Examples of potential maintenance items include painting inside and out and/or replacement of corroded pipes, fittings and structural members. Examples of potential improvements include improving safety systems such as rigging connections and access hatches to meet current safety requirements, the addition of tank mixers to improve water quality in the system, and changes to pumping equipment and piping to improve flexibility of service to the system.

The inspection and evaluation report will be used to plan and budget for projects that will be needed in the future. This approach will ensure that improvement projects are completed in a cost effective manner and at a time that will minimize impacts to the customers.

The project includes water tanks that are planned to remain in service on a long term basis within the municipal service area, the rural service areas, and at the water treatment plant.

Discussion: Staff prepared a Request for Proposals (RFP) and solicited proposals from qualified firms. Three proposals were received. Upon reviewing each firm’s submitted statement of qualifications and proposed approach, Kleinfelder was determined to be the best qualified. Kleinfelder has extensive experience in tank inspection and has dedicated inspection staff. Their proposal includes Guernsey as a sub-consultant. Guernsey brings pumping and distribution system expertise to the project, as well as familiarity with the City’s three ground storage tanks and associated pump stations.

A detailed and comprehensive scope of services and fee were developed and negotiated for inspection and evaluation services.

Budget Impact: The fee proposed is a lump sum of \$327,756 plus an allowance of \$37,500 for tank cleaning if necessary for a total contract price of \$365,256. With a contingency of \$36,526 (10% of Kleinfelder’s fee), the total potential cost of \$401,782.

Kleinfelder Proposed Fee - Basic Services (Lump Sum)	Amount
Basic Services	\$ 327,756
Additional Services: Tank Cleaning	\$ 37,500
Total	\$ 365,256
Project Contingency (10% of Kleinfelder Fee Total)	\$ 36,526
Funding Total	\$ 401,782

The project cost exceeds the original projections, due to the addition of the tanks in the rural water system and at the water treatment plant. The approved budget for FY2015/2016 includes \$320,000 for this project (16WG09). If the Trustees approve the project as proposed, an additional \$81,782 from the water capital fund will be appropriated administratively to complete the project.

Alternatives:

- Approve the project as proposed. The project will enable staff to take a proactive approach to water tank maintenance and repair, which should be less costly and less disruptive to the customers.
- Do not approve the project. This would result in a lack of information about the condition of the water tanks. Water tanks would be repaired on a reactive basis, which would likely lead to more costly repairs at inconvenient and much more disruptive times.

Recommendation: It is recommended that the Trustees authorize staff to execute a contract with Kleinfelder in the amount of \$365,256 and authorize expenditures up to \$401,782 for the completion of the water storage tank inspection and evaluation project.

Prepared by:

Reviewed by Water Utilities Director:

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Date of Preparation:

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February 26, 2016

Submitted by:



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