



Agenda Commentary

Item Title/ Subject: Ice Pigging/Water Tower Maintenance

Staff Source: Public Works Director, Stephen Jones

Date: December 13, 2013

History/Background Information: Ice pigging, Canyons West, and Airport Towers were presented at the last council meeting. This is for the approval of the 39,000' waterline for the Ice Pigging, the mixer in the Airport Water Tower, and the maintenance of the Canyons West Tower.

Subject Summary: Ice Pigging-\$12,000.00

Canyons West and Airport Towers-\$24,000.00

Recommendation: Approval from the council.

***** Additional Tanks and contracts will be part of a RFP that the City Attorney believes is needed. Proposals will be in early next year for budgeting in 14-15.

Price/Cost: \$36,000.00



Utility Service Co., Inc.

Water Tank Maintenance Contract

Owner: City of Clinton
Clinton, Oklahoma

Tank Size/Name: 100,000 Gallon Standpipe – West Tank

Location: N 2200 and E 1035

Date Prepared: December 13, 2013



WATER TANK MAINTENANCE CONTRACT

This Contract entered into by and between the **City of Clinton, whose business address is 415 Gary Boulevard, Clinton, Oklahoma 73601** (hereinafter referred to as "the Owner") and Utility Service Co., Inc., whose business address is 1230 Peachtree Street, NE, Suite 1100, 11th Floor – Promenade II Building, Atlanta, GA 30309 (hereinafter referred to as "the Company").

Therefore, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Owner and the Company, the parties agree as follows:

The Owner agrees to engage the Company to provide the professional service needed to maintain its **100,000** gallon water storage tank located at **N 2200 and E 1035, Clinton, Oklahoma 73601** (hereinafter "tank").

1. Company's Responsibilities. This Contract outlines the Company's responsibility for the care and maintenance of the above described water storage tank. Care and maintenance include the following:

- A. The Company will annually inspect and service the tank. The tank and tower will be thoroughly inspected to ensure that the structure is in a sound, watertight condition.
- B. Biennially, beginning with the first washout/inspection, the tank will be completely drained and cleaned to remove all mud, silt, and other accumulations that might be harmful to the tank or its contents. After cleaning is completed, the interior will be thoroughly inspected and disinfected prior to returning the tank to service; however, the Owner is responsible for draining and filling the tank and conducting any required testing of the water. A written report will be mailed to the Owner after each inspection.
- C. The Company shall furnish engineering and inspection services needed to maintain and repair the tank and tower during the term of this Contract. The repairs include: steel parts, expansion joints, water level indicators, sway rod adjustments, and manhole covers/gaskets.

D. The Company will clean and repaint the interior and/or exterior of the tank at such time as complete repainting is needed. The need for interior painting is to be determined by the thickness of the existing liner and its protective condition. When interior repainting is needed, procedures as outlined in A.W.W.A.-D102 specifications for cleaning and coating of potable water tanks will be followed. Only material approved for use in potable water tanks will be used on any interior surface area. The need for exterior painting is to be determined by the appearance and protective condition of the existing paint. At the time the exterior requires repainting, the Company agrees to paint the tank with the same color paint and to select a coating system which best suits the site conditions, environment, and general location of the tank. When painting is needed, all products and procedures will be equal to, or exceed the requirements of the **Oklahoma Department of Environmental Quality**, the American Water Works Association, and the Society for Protective Coatings as to surface preparation and coating materials.

E. A lock will be installed on the roof hatch of the tank.

F. The Company will provide emergency services, when needed, to perform all repairs covered under this Contract. Reasonable travel time must be allowed for the repair unit to reach the tank site.

G. The Company will furnish pressure relief valves, if requested by the Owner, so that the Owner can install the valves in its water system while the tank is being serviced.

H. The Company will furnish current certificates of insurance coverage to the Owner.

I. Chemical Clean Service.

1. During the washout/inspections, the Company will apply an NSF 60 approved chemical cleaning agent to the interior walls and floor surfaces of the Tank to treat mineral build-up and bio-film that form on the interior tank surfaces.

2. Contract Price/Annual Fees. The tank shall receive an **exterior renovation, interior renovation, and repairs** prior to the end of Contract Year 1. The annual fee for Contract Year 1 shall be **\$12,000.00**. The annual fees for Contract Years 2, 3, 4, and 5 shall be **\$20,195.00** per Contract Year. The annual fee for Contract Year 6 and each subsequent annual fee shall be **\$6,835.00** per Contract Year; however, in Contract Year 9 and each third anniversary thereafter, the annual fee shall be adjusted to reflect the current cost of service. The adjustment of the annual fee shall be limited to a maximum of 5% per annum. All applicable taxes are the responsibility of the Owner and are in addition to the stated costs and fees in this Contract. A "Contract Year" shall be defined as each consecutive 12-month period following the first day of the month in which the Contract is executed by the Owner and each subsequent 12-month period thereafter during the time the Contract is in effect. For example, if a contract was signed by an Owner on April 17, 2012, Contract Year 1 for that contract would be April 1, 2012 to March 31, 2013, and Contract Year 2 for that contract would be April 1, 2013 to March 31, 2014 and so on.

3. Payment Terms. The annual fee for Contract Year 1, plus all applicable taxes, shall be due and payable upon completion of exterior and interior renovations. Each subsequent annual fee, plus all applicable taxes, shall be due and payable on July 1, of each Contract Year thereafter. Beginning in Contract Year 2, the annual fee can be paid either monthly, quarterly, semiannually, or annually. Owner shall circle the preferred billing frequency. If the Owner does not choose a preferred billing frequency, the Owner will be billed quarterly. Furthermore, if the Owner elects to terminate this Contract prior to remitting the first five (5) annual fees, then the unpaid balance of the first five (5) annual fees shall be due and payable within thirty (30) days of the Company's receipt of the Owner's Notice to Terminate.

4. Structure of Tank. The Company is accepting this tank under program based upon its existing structure and components. *Any modifications to the tank, including antenna installations, shall be approved by Utility Service Co., Inc., prior to installation and may warrant an increase in the annual fee.*

5. Environmental, Health, Safety, or Labor Requirements. The Owner hereby agrees that future mandated environmental, health, safety, or labor requirements as well as changes in site conditions at the tank site which cause an increase in the cost of tank maintenance will be just cause for modification of this Contract. Said modification of this Contract will reasonably reflect the increased cost of the service with a newly negotiated annual fee. Any requested modifications shall be in writing and shall be submitted to Owner at least ninety (90) days prior to any anniversary date of the Contract.

The parties agree that the Company's annual fees are based on the Owner's representation that the work to be performed under this Contract is not subject to prevailing wage requirements. The Owner agrees to notify the Company immediately, if the Company's work is (or will become) subject to prevailing wage requirements, so that the Company may submit revised amounts for annual fees.

This Contract contains a contingency provision whereby the municipality or district is not obligated to make any payments, in any year, in an amount exceeding the income and revenue provided for such year.

6. Excluded Items: This Contract does NOT include the cost for and/or liability on the part of the Company for: (1) containment of the tank at any time during the term of the Contract; (2) disposal of any hazardous waste materials; (3) resolution of operational problems or structural damage due to cold weather; (4) repair of structural damage due to antenna installations or other attachments for which the tank was not originally designed; (5) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (6) negligent acts of Owner's employees, agents or contractors; (7) damages, whether foreseen or unforeseen, caused by the Owner's use of pressure relief valves; (8) repairs to the foundation of the tank; (9) any latent defects of the tank or its components (i.e., corrosion from the underside of the floor plates); (10) other conditions which are beyond the Owner's and Company's control, including, but not limited to: acts of God and acts of terrorism. Acts of terrorism include, but are not limited to, any damage to the tank or tank site which results from unauthorized entry of any kind to the tank site or tank.

7. Termination. The Owner shall have the right to continue this Contract for an indefinite period of time providing payment of the annual fees is in accordance with the terms herein. This Contract is subject to termination by the Owner only if written notice of intent to terminate is received by the Company ninety (90) days prior to the first day of the upcoming Contract Year. Notice of Termination is to be delivered by registered mail to Utility Service Co., Inc., Attention: Customer Service, P O Box 1350, Perry, Georgia 31069.

8. Assignment. The Owner may not assign or otherwise transfer all or any of its interest under this Contract without the prior written consent of the Company. If the Company agrees to the assignment, the Owner shall remain responsible under this Contract, until its assignee assumes in full and in writing all of the obligations of the Owner under this Contract.

9. Indemnification. THE COMPANY AGREES TO INDEMNIFY THE OWNER AND HOLD THE OWNER HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY BY REASON OF ANY ACT, OMISSION, OR REPRESENTATION OF THE COMPANY OR ITS SUBCONTRACTORS, AGENTS, OR EMPLOYEES.

10. Assignment of Receivables. The Company reserves the right to assign any outstanding receivables from this Contract to its Bank or other Lending Institutions as collateral for any loans or lines of credit, provided that Owner's obligations to make payment shall not be altered by any assignment.

11. Miscellaneous Items. No modifications, amendments, or alterations of this Contract may be made except in writing signed by all the parties to this Contract. No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof. The parties expressly warrant that the individuals who sign below are authorized to bind them.

12. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior communications, understandings, and agreement relating to the subject matter hereof, whether oral or written.

13. Visual Inspection Disclaimer. This Contract is based upon a visual inspection of the Tank. The Owner and the Company hereby acknowledge and agree that a visual inspection is intended to assess the condition of the Tank for all patent defects. If latent defects are identified once the tank has been drained for repairs, the Owner agrees and acknowledges that the Company shall not be responsible to repair the latent defects unless the Owner and the Company negotiate compensation for such work. The definition of a "latent defect" shall be any defect of the Tank which is not easily discovered (e.g., corrosion of the floor plates, damage to the roof of the tank which is not clearly visible during the visual inspection, etc.).

This Contract signed this _____ day of _____, _____.

OWNER:

COMPANY:

City of Clinton

Utility Service Co., Inc.

By: _____

By: _____

Title: _____

Title: _____

Print Name: _____

Print Name: _____

Witness: _____

Witness: _____

Seal:

Seal:



Proposal From
UTILITY SERVICE COMPANY, INC.
 1230 Peachtree St, NE, Suite 1100 · Atlanta, GA 30309
 Toll-free: 855-526-4413 | Fax: 478-987-2991
 utilityservice.com

Date: **13 December 2013**

Submitted by: **S. Woodward**

Local Phone:

SFID: [REDACTED]

CN:

SO:

Proposal Submitted To: City of Clinton OK		Phone Number: 580-592-4554		Fax Number:	
Street Address: 415 Gary Blvd – PO Box 1177		Description of Work to be Performed: Ice pigging potable water mains			
City: Clinton	State: OK	Zip Code: 73601	County/Parish: Custer		
Billing Contact Name (Invoicing): Mr. Stephen Jones	Email:		Job Site Address: Various		
Job Contact (Inspection Reports):	Email:		Length (FT): 39,000	Size (Inches): 2, 6, 10"	Material: DIP

Utility Service Co., Inc. agrees to provide all labor, equipment, and materials needed to complete the following:

- USCI shall produce approximately 2,700 gallons of ice slurry for delivery and removal from the water mains each day of work to clean sediments, loose deposits, and biofilms from the water mains covered under this proposal. The water mains to be cleaned and procedures are listed in Addendum A.
- Based upon the information provided by the Owner to USCI, USCI estimates this project will take **3 full loads** to complete.
- Note: The attached proposed schedule of work is a draft copy and will need to be finalized prior to work commencement and following a pre-project meeting.

COST OF PROJECT WILL BE SPREAD OUT OVER 3 YEARS: \$12,000 PER YEAR FOR NEXT 3 YEARS

NOV/DEC 2013: \$12,000

NOV 2014: \$12,000

NOV 2015: \$12,000

CONTRACTUAL PROVISIONS ARE CONTINUED ON ADDITIONAL PAGES.

Please sign and date this proposal and fax one copy to our office.

Thirty Six Thousand and No/100..... Dollars \$36,000.00

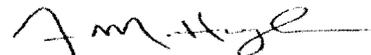
Payment to be made as follows:

Payment in Full Completion of Work – plus all applicable taxes

Remittance Address: Utility Service Co., Inc., P O Box 674233, Dallas, TX 75267-4233

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

Authorized
USG Signature



Note: This proposal may be withdrawn by us if not accepted within Sixty (60) days.

Acceptance of Proposal - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Fiscal Yr Beginning Month _____

Signature _____

Date of Acceptance

Printed Name



Proposal From

UTILITY SERVICE COMPANY, INC.

1230 Peachtree St, NE, Suite 1100 · Atlanta, GA 30309

Toll-free: 855-526-4413 | Fax: 478-987-2991

utilityservice.com

City of Clinton OK / Various

1. Owner agrees to provide the following:
 - a. All potable water necessary to create the ice slurry,
 - b. Secure location to store the ice making equipment,
 - c. Network Operators to isolate and re-open valves and hydrants during the project,
 - d. MOT (Maintenance of Traffic) procedures in accordance with the requirements written in The Manual of Uniform Traffic Devices.
 - e. A tanker truck to haul the wastes where a sanitary sewer is not in close proximity, Note: The discharge will be to the ground at those points where no hose connection is possible
 - f. Notification to the Owner's customers describing the operations and water shutoff during the process,
 - g. Network Operators to close the service lines when required by the Owner.
2. USCI shall provide a report summarizing the daily cleaning events, water quality pre and post cleaning, and a quantitative amount of sediments removed only on those lines where a connection can be made to the discharge point.
3. USCI shall endeavor to manage the ice concentration to maximize cleaning efficiency and minimize the removal of tuberculation that could cause future water quality complaints.
4. Owner agrees that there is considerable expense to produce 2,700 gallons of ice slurry and that the ice slurry cannot be held for more than 12 hours before it becomes unusable. If on a scheduled work day, the Owner cannot isolate the water main or does not have the needed personnel, USCI shall charge the Owner the Full Daily Rate of \$12,000 per day.
5. USCI shall not charge the Owner the above-mentioned Daily Rate, if USCI cannot perform the complete day's work due to those factors under USCI's control, i.e. the ice is not in suitable condition, USCI cannot provide the necessary labor, equipment failure, etc.
6. Due to the potential condition or deterioration of assets that may or may not have been maintained by the Owner prior to entering into this Agreement, Owner shall be responsible for costs or expenses that may result from damage to property or personal injury caused by reason of the Owner's failure to maintain its assets or deterioration of Owner's assets in relation to any work conducted prior to the work performed under this Agreement.
7. Once delivered to the job site, ownership of the ice slurry is transferred to the Owner. All ice delivered to and removed from the water main, along with the wastes generated from the resulting process shall be the sole property of the Owner. Owner shall dictate the specific disposal procedures to be employed during the process.



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City of Clinton OK / Various

Schedule of Work

Date	Op No.	Insertion Point	Discharge Point	Disposal Method	Length (FT)	Pipe Dia.(in)	Pipe Material	Ice Quantity (Gals)	Delivery Rig
Day1	Knox	7th	11th	TBC	1450	4	DI	237	10T
Day1	Modelle	6th	11th	TBC	1800	4	DI	294	10T
Day1	Broadway	6th	11th	TBC	1800	4	DI	294	10T
Day1	Court	4th	7th	TBC	1000	4	DI	163	10T
Day1	Avant	4th	11th	TBC	2500	4 & 10	DI	652	10T
Day1	11th	Avant	Knox	TBC	2100	2 & 4	DI	240	10T
Day1	10th	Avant	Modelle	TBC	1700	4	DI	277	10T
Day1	9th	Avant	Knox	TBC	2000	4	DI	326	10T
Day2	8th	Avant	Knox	TBC	2000	4	DI	326	10T
Day2	7th	Avant	Knox	TBC	2000	4	DI	326	10T
Day2	6th-5th	Avant	Avant	TBC	3300	4	DI	538	10T
Day2	4th-Terrace 3rd-Glen	Avant	5th	TBC	1700	4	DI	277	10T
Day2	Smith	Avant	Glen Smith	TBC	1900	4 & 6	DI	512	10T
Day2	Lincoln Add 01	E. Hayes	Terrace	TBC	1850	4	DI	302	10T
Day2	E. Locust	2nd	Glen Smith	TBC	500	4	DI	100	10T
Day2	E. Court	2nd	Glen Smith	TBC	600	4	DI	60	10T
Day2	Kelley	Hyd	Hyd	TBC	800	6	DI	235	10T
Day3	Phillips	Park Ave	Gholston	TBC	2900	4	DI	500	10T
Day3	Golf Course	E. Hayes	Golf Course	TBC	5000	6	DI	1500	10T
Day3	Area H	Golf Course	I-40 Bypass	TBC	3100	6	DI	1000	10T



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City of Clinton OK / Various

Responsibility		Ice Making Procedure
Owner	1.	The ice delivery unit and ice making unit shall be staged in a suitable level area, preferably a fenced area at a water treatment plant or other facility. The facility needs access to potable water, preferably a hydrant but also a water spigot will work.
USCI	2.	The hoses and fittings connecting the ice maker and delivery unit shall be disinfected and connected. This connection makes a closed loop system between the ice maker and delivery unit. The only place for contaminants to enter the system are through the tank hatch which shall be closed except for visual inspection by the operator.
USCI	3.	Approximately 2,700 gallons of potable water shall be added to the delivery tank, along with approximately 1250lbs of NSF-60 Certified Sodium Chloride.
USCI	4.	If requested by the Owner, the Chlorine residual in the brine solution may be increased to 10ppm. The chlorine residual shall be tested, and then the appropriate amount of NSF-60 Certified Sodium hypochlorite shall be added to the brine solution. The solution shall be retested to confirm the chlorine residual.
USCI	5.	The PLC controlling the ice making process shall be started and allowed to run overnight. USCI shall monitor the procedure overnight via periodic visits or remote monitoring.
USCI	6.	After completion of the ice making process, the delivery pump shall be started and a small amount of ice shall be tested to determine the ice fraction. If the ice fraction is below the project's requirement, the ice making process shall continue.
USCI	7.	If the ice fraction is in accordance with the project's requirement, then the ice maker shall be shut off and disconnected. The ice contained in the delivery unit shall be delivered to the job site.



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Responsibility		On-Site Delivery Actions
Owner	1.	Owner shall setup and maintain traffic control procedures in conjunction with the setup procedures listed in Steps 2-3.
USCI	2.	The ice pigging delivery unit shall be parked near the entrance hydrant. <ul style="list-style-type: none"> • Hoses shall be setup from the delivery unit to the hydrant. • The hydrant shall be flushed to clean out the barrel, then shut off • The hydrant fittings shall be disinfected with 250ppm Cl solution • The hoses shall be connected to the hydrant
USCI	3.	Where possible, the extraction point instrumentation unit shall be setup near the extraction hydrant. <ul style="list-style-type: none"> • Hoses shall be setup from the instrumentation unit to the hydrant. • Hoses shall run from the instrumentation unit to the sanitary sewer. • De-chlorination equipment shall be setup where required. • The hydrant shall be flushed to clean out the barrel, then shut off • The hydrant fittings shall be disinfected with 250ppm Cl solution. • The instrumentation unit connected to the hydrant, and the hydrant turned on. • Water quality readings shall be taken. • The unit shall be allowed to flow water.
Owner	4.	In coordination with USCI, the final valves shall be closed to isolate the water main.
USCI	5.	The isolation of the main shall be verified by the instrumentation unit. The extraction hydrant valve shall be closed after main isolation is verified and before the pressure goes below 20psi in the main.
USCI	6.	The entrance hydrant shall be opened and the ice slurry pumped into the water hydrant. <ul style="list-style-type: none"> • Prior to pumping the percent solids of the ice slurry shall be documented. The extraction hydrant valve shall be operated to allow for the displacement of water by the introduction of the ice and maintain the pressure above 20psi in the main.
USCI	7.	Once the proper amount of ice slurry has been delivered, the entrance hydrant and extraction hydrant valve shall be closed and the pressure is maintained above 20psi in the main.



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Owner	8.	IMMEDIATELY, and in coordination with USCI, the upstream main line valve shall be opened to supply the needed pressure to push the ice pig through the main.
USCI	9.	Once full system pressure, as observed prior to system shutdown, is monitored at the instrumentation unit, the operator shall open the extraction hydrant valve to control the flow of water and monitor the progress of the ice pig.
USCI	10.	Once the pig is monitored to arrive, the flow of water shall be diverted from the de-chlorination equipment to flow to the sanitary sewer specified by the Owner.
USCI	11.	The water quality shall be monitored and flow shall continue until the water quality returns to the initial water quality readings. <ul style="list-style-type: none">• Final chlorine shall be documented.
USCI	12.	The entrance hydrant shall be flushed to remove any ice that remains between the water main and hydrant.
USCI	13.	The entrance and exit locations shall be cleaned up with all materials and equipment removed from the site.
Owner	14.	In coordination with USCI, the downstream main valve shall be opened and returned to full service. The Owner may elect to issue a precautionary boil advisory, and a water quality test taken to confirm there is no bacteriological contamination.



Utility Service Co., Inc.

Water Tank Maintenance Contract

Owner: City of Clinton
Clinton, Oklahoma

Tank Size/Name: 300,000 Gallon Standpipe – West Tank

Location: N 2270 and E 1025

Date Prepared: December 13, 2013

WATER TANK MAINTENANCE CONTRACT

This Contract entered into by and between the **City of Clinton, whose business address is 415 Gary Boulevard, Clinton, Oklahoma 73601** (hereinafter referred to as "the Owner") and Utility Service Co., Inc., whose business address is 1230 Peachtree Street, NE, Suite 1100, 11th Floor – Promenade II Building, Atlanta, GA 30309 (hereinafter referred to as "the Company").

Therefore, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Owner and the Company, the parties agree as follows:

The Owner agrees to engage the Company to provide the professional service needed to maintain its **300,000** gallon water storage tank located at **N 2270 and E 1025, Clinton, Oklahoma 73601** (hereinafter "tank").

1. Company's Responsibilities. This Contract outlines the Company's responsibility for the care and maintenance of the above described water storage tank. Care and maintenance include the following:

- A. The Company will annually inspect and service the tank. The tank and tower will be thoroughly inspected to ensure that the structure is in a sound, watertight condition.
- B. Biennially, beginning with the first washout/inspection, the tank will be completely drained and cleaned to remove all mud, silt, and other accumulations that might be harmful to the tank or its contents. After cleaning is completed, the interior will be thoroughly inspected and disinfected prior to returning the tank to service; however, the Owner is responsible for draining and filling the tank and conducting any required testing of the water. A written report will be mailed to the Owner after each inspection.
- C. The Company shall furnish engineering and inspection services needed to maintain and repair the tank and tower during the term of this Contract. The repairs include: steel parts, expansion joints, water level indicators, sway rod adjustments, and manhole covers/gaskets.

D. The Company will clean and repaint the interior and/or exterior of the tank at such time as complete repainting is needed. The need for interior painting is to be determined by the thickness of the existing liner and its protective condition. When interior repainting is needed, procedures as outlined in A.W.W.A.-D102 specifications for cleaning and coating of potable water tanks will be followed. Only material approved for use in potable water tanks will be used on any interior surface area. The need for exterior painting is to be determined by the appearance and protective condition of the existing paint. At the time the exterior requires repainting, the Company agrees to paint the tank with the same color paint and to select a coating system which best suits the site conditions, environment, and general location of the tank. When painting is needed, all products and procedures will be equal to, or exceed the requirements of the **Oklahoma Department of Environmental Quality**, the American Water Works Association, and the Society for Protective Coatings as to surface preparation and coating materials.

E. A lock will be installed on the roof hatch of the tank.

F. The Company will provide emergency services, when needed, to perform all repairs covered under this Contract. Reasonable travel time must be allowed for the repair unit to reach the tank site.

G. The Company will furnish pressure relief valves, if requested by the Owner, so that the Owner can install the valves in its water system while the tank is being serviced.

H. The Company will furnish current certificates of insurance coverage to the Owner.

I. Mixing System Installation and Service.

1. The Company shall install an active mixing system in the Tank.
2. The particular unit that will be installed in the Tank is a NSF Approved PAX active mixing system along with its component parts.
3. The Company will annually inspect and service the active mixing system. The active mixing system will be thoroughly inspected to ensure that the active mixing system is good working condition.
4. The Company shall furnish engineering and inspection services needed to maintain and repair the active mixing system during the term of this Contract.

2. Contract Price/Annual Fees. The tank shall receive an **exterior renovation, interior bio film removal washout, interior touch up, mixing system installation, and repairs** prior to the end of Contract Year 1, **but no sooner than July 21, 2014**. The tank shall receive an **interior renovation** prior to the end of Contract Year 5. The annual fee for Contract Year 1 shall be **\$12,000.00**. The annual fees for Contract Years 2, 3, 4, and 5 shall be **\$31,147.00** per Contract Year. The annual fee for Contract Year 6 and each subsequent annual fee shall be **\$11,858.00** per Contract Year; however, in Contract Year 9 and each third anniversary thereafter, the annual fee shall be adjusted to reflect the current cost of service. The adjustment of the annual fee shall be limited to a maximum of 5% per annum. All applicable taxes are the responsibility of the Owner and are in addition to the stated costs and fees in this Contract. A "Contract Year" shall be defined as each consecutive 12-month period following the first day of the month in which the Contract is executed by the Owner and each subsequent 12-month period thereafter during the time the Contract is in effect. For example, if a contract was signed by an Owner on April 17, 2012, Contract Year 1 for that contract would be April 1, 2012 to March 31, 2013, and Contract Year 2 for that contract would be April 1, 2013 to March 31, 2014 and so on.

3. Payment Terms. The annual fee for Contract Year 1, plus all applicable taxes, shall be due and payable **upon completion of exterior renovation**. **Each subsequent annual fee, plus all applicable taxes, shall be due and payable on July 1, of each Contract Year thereafter. Beginning in Contract Year 2, the annual fee can be paid either monthly, quarterly, semiannually, or annually. Owner shall circle the preferred billing frequency. If the Owner does not choose a preferred billing frequency, the Owner will be billed quarterly.** Furthermore, if the Owner elects to terminate this Contract prior to remitting the first five (5) annual fees, then the balance for work completed shall be due and payable within thirty (30) days of the Company's receipt of the Owner's Notice to Terminate.

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The parties agree that the Company's annual fees are based on the Owner's representation that the work to be performed under this Contract is not subject to prevailing wage requirements. The Owner agrees to notify the Company immediately, if the Company's work is (or will become) subject to prevailing wage requirements, so that the Company may submit revised amounts for annual fees.

This Contract contains a contingency provision whereby the municipality or district is not obligated to make any payments, in any year, in an amount exceeding the income and revenue provided for such year.

6. Excluded Items: This Contract does NOT include the cost for and/or liability on the part of the Company for: (1) containment of the tank at any time during the term of the Contract; (2) disposal of any hazardous waste materials; (3) resolution of operational problems or structural damage due to cold weather; (4) repair of structural damage due to antenna installations or other attachments for which the tank was not originally designed; (5) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (6) negligent acts of Owner's employees, agents or contractors; (7) damages, whether foreseen or unforeseen, caused by the Owner's use of pressure relief valves; (8) repairs to the foundation of the tank; (9) any latent defects of the tank or its components (i.e., corrosion from the underside of the floor plates); (10) other conditions which are beyond the Owner's and Company's control, including, but not limited to: acts of God and acts of terrorism. Acts of terrorism include, but are not limited to, any damage to the tank or tank site which results from unauthorized entry of any kind to the tank site or tank.

7. Termination. The Owner shall have the right to continue this Contract for an indefinite period of time providing payment of the annual fees is in accordance with the terms herein. This Contract is subject to termination by the Owner only if written notice of intent to terminate is received by the Company ninety (90) days prior to the first day of the upcoming Contract Year. Notice of Termination is to be delivered by registered mail to Utility Service Co., Inc., Attention: Customer Service, P O Box 1350, Perry, Georgia 31069.

8. Assignment. The Owner may not assign or otherwise transfer all or any of its interest under this Contract without the prior written consent of the Company. If the Company agrees to the assignment, the Owner shall remain responsible under this Contract, until its assignee assumes in full and in writing all of the obligations of the Owner under this Contract.

9. Indemnification. THE COMPANY AGREES TO INDEMNIFY THE OWNER AND HOLD THE OWNER HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY BY REASON OF ANY ACT, OMISSION, OR REPRESENTATION OF THE COMPANY OR ITS SUBCONTRACTORS, AGENTS, OR EMPLOYEES.

10. Assignment of Receivables. The Company reserves the right to assign any outstanding receivables from this Contract to its Bank or other Lending Institutions as collateral for any loans or lines of credit, provided that Owner's obligations to make payment shall not be altered by any assignment.

11. Miscellaneous Items. No modifications, amendments, or alterations of this Contract may be made except in writing signed by all the parties to this Contract. No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof. The parties expressly warrant that the individuals who sign below are authorized to bind them.

12. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior communications, understandings, and agreement relating to the subject matter hereof, whether oral or written.

13. Visual Inspection Disclaimer. This Contract is based upon a visual inspection of the Tank. The Owner and the Company hereby acknowledge and agree that a visual inspection is intended to assess the condition of the Tank for all patent defects. If latent defects are identified once the tank has been drained for repairs, the Owner agrees and acknowledges that the Company shall not be responsible to repair the latent defects unless the Owner and the Company negotiate compensation for such work. The definition of a "latent defect" shall be any defect of the Tank which is not easily discovered (e.g., corrosion of the floor plates, damage to the roof of the tank which is not clearly visible during the visual inspection, etc.).

This Contract signed this _____ day of _____, _____.

OWNER:

COMPANY:

City of Clinton

Utility Service Co., Inc.

By: _____

By: _____

Title: _____

Title: _____

Print Name: _____

Print Name: _____

Witness: _____

Witness: _____

Seal:

Seal:



Utility Service Co., Inc.

Water Tank Maintenance Contract

Owner: City of Clinton
Clinton, Oklahoma

Tank Size/Name: 300,000 Gallon Elevated – Industrial Tank

Location: S 13th and C and A Road

Date Prepared: December 13, 2013



WATER TANK MAINTENANCE CONTRACT

This Contract entered into by and between the **City of Clinton, whose business address is 415 Gary Boulevard, Clinton, Oklahoma 73601** (hereinafter referred to as "the Owner") and Utility Service Co., Inc., whose business address is 1230 Peachtree Street, NE, Suite 1100, 11th Floor – Promenade II Building, Atlanta, GA 30309 (hereinafter referred to as "the Company").

Therefore, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Owner and the Company, the parties agree as follows:

The Owner agrees to engage the Company to provide the professional service needed to maintain its **300,000** gallon water storage tank located at **S 13th and C and A Road, Clinton, Oklahoma 73601** (hereinafter "tank").

1. Company's Responsibilities. This Contract outlines the Company's responsibility for the care and maintenance of the above described water storage tank. Care and maintenance include the following:

- A. The Company will annually inspect and service the tank. The tank and tower will be thoroughly inspected to ensure that the structure is in a sound, watertight condition.
- B. Biennially, beginning with the first washout/inspection, the tank will be completely drained and cleaned to remove all mud, silt, and other accumulations that might be harmful to the tank or its contents. After cleaning is completed, the interior will be thoroughly inspected and disinfected prior to returning the tank to service; however, the Owner is responsible for draining and filling the tank and conducting any required testing of the water. A written report will be mailed to the Owner after each inspection.
- C. The Company shall furnish engineering and inspection services needed to maintain and repair the tank and tower during the term of this Contract. The repairs include: steel parts, expansion joints, water level indicators, sway rod adjustments, and manhole covers/gaskets.

D. The Company will clean and repaint the interior and/or exterior of the tank at such time as complete repainting is needed. The need for interior painting is to be determined by the thickness of the existing liner and its protective condition. When interior repainting is needed, procedures as outlined in A.W.W.A.-D102 specifications for cleaning and coating of potable water tanks will be followed. Only material approved for use in potable water tanks will be used on any interior surface area. The need for exterior painting is to be determined by the appearance and protective condition of the existing paint. At the time the exterior requires repainting, the Company agrees to paint the tank with the same color paint and to select a coating system which best suits the site conditions, environment, and general location of the tank. When painting is needed, all products and procedures will be equal to, or exceed the requirements of the **Oklahoma Department of Environmental Quality**, the American Water Works Association, and the Society for Protective Coatings as to surface preparation and coating materials.

E. A lock will be installed on the roof hatch of the tank.

F. The Company will provide emergency services, when needed, to perform all repairs covered under this Contract. Reasonable travel time must be allowed for the repair unit to reach the tank site.

G. The Company will furnish pressure relief valves, if requested by the Owner, so that the Owner can install the valves in its water system while the tank is being serviced.

H. The Company will furnish current certificates of insurance coverage to the Owner.

I. Chemical Clean Service.

1. During the washout/inspections, the Company will apply an NSF 60 approved chemical cleaning agent to the interior walls and floor surfaces of the Tank to treat mineral build-up and bio-film that form on the interior tank surfaces.

2. **Contract Price/Annual Fees.** The tank shall receive an **exterior touch up, interior touch up and repairs** prior to the end of Contract Year 1, **but no sooner than July 21, 2014**. The first five (5) annual fees shall be **\$18,165.00** per Contract Year. The annual fee for Contract Year 6 and each subsequent annual fee shall be **\$13,053.00** per Contract Year; however, in Contract Year 9 and each third anniversary thereafter, the annual fee shall be adjusted to reflect the current cost of service. The adjustment of the annual fee shall be limited to a maximum of 5% per annum. All applicable taxes are the responsibility of the Owner and are in addition to the stated costs and fees in this Contract. A "Contract Year" shall be defined as each consecutive 12-month period following the first day of the month in which the Contract is executed by the Owner and each subsequent 12-month period thereafter during the time the Contract is in effect. For example, if a contract was signed by an Owner on April 17, 2012, Contract Year 1 for that contract would be April 1, 2012 to March 31, 2013, and Contract Year 2 for that contract would be April 1, 2013 to March 31, 2014 and so on.

3. **Payment Terms.** The annual fee for Contract Year 1, plus all applicable taxes, shall be due and payable **upon completion of exterior and interior touch up**. Each subsequent annual fee, plus all applicable taxes, shall be due and payable on July 1, of each Contract Year thereafter. Beginning in Contract Year 2, the annual fee can be paid either monthly, quarterly, semiannually, or annually. Owner shall circle the preferred billing frequency. If the Owner does not choose a preferred billing frequency, the Owner will be billed quarterly. Furthermore, if the Owner elects to terminate this Contract prior to remitting the first five (5) annual fees, then the balance for work completed shall be due and payable within thirty (30) days of the Company's receipt of the Owner's Notice to Terminate.

4. **Structure of Tank.** The Company is accepting this tank under program based upon its existing structure and components. *Any modifications to the tank, including antenna installations, shall be approved by Utility Service Co., Inc., prior to installation and may warrant an increase in the annual fee.*

5. **Environmental, Health, Safety, or Labor Requirements.** The Owner hereby agrees that future mandated environmental, health, safety, or labor requirements as well as changes in site conditions at the tank site which cause an increase in the cost of tank maintenance will be just cause for modification of this Contract. Said modification of this Contract will reasonably reflect the increased cost of the service with a newly negotiated annual fee. Any requested modifications shall be in writing and shall be submitted to Owner at least ninety (90) days prior to any anniversary date of the Contract.

The parties agree that the Company's annual fees are based on the Owner's representation that the work to be performed under this Contract is not subject to prevailing wage requirements. The Owner agrees to notify the Company immediately, if the Company's work is (or will become) subject to prevailing wage requirements, so that the Company may submit revised amounts for annual fees.

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This Contract signed this _____ day of _____, _____.

OWNER:

COMPANY:

City of Clinton

Utility Service Co., Inc.

By: _____

By: _____

Title: _____

Title: _____

Print Name: _____

Print Name: _____

Witness: _____

Witness: _____

Seal:

Seal: