



COUNCIL DECISION REQUEST

SUBJECT: Summit and Matterhorn Tank Repair and Maintenance

MEETING DATE: 01-22-15

SUBMITTED BY:  Tanner Henry, Water Div. Mgr.

SUBMITTAL TO AGENDA
APPROVED BY TOWN MANAGER

AMOUNT BUDGETED: \$150,000.00

EXPENDITURE REQUIRED: \$ 234,789.00



EXHIBITS (If Applicable, To Be Attached): Advertisement for Bids and Proposal from Superior Tank Solutions

POSSIBLE MOTION

I move to award the contract for the Summit and Matterhorn Tank Repair and Maintenance to Superior Tank Solutions, Inc. for a total bid price of \$234,789.00 and authorize the Manager to sign all necessary contract documents in substantial conformance with the attached.

SUMMARY OF THE BASIS FOR POSSIBLE MOTION:

The existing water storage tanks within the Town require routine inspection, maintenance and repairs. As part of that process, our inspections have shown that the Summit and Matterhorn Tanks are in need of repair and maintenance. This work will include sandblasting, repairs with new interior and exterior protective surface coatings. As a cost and time savings measure, the Water Department requested costs for optional items such as new manways, ladders, and flanged connection ports. These items are not essential but would significantly improve operations regarding safety, future maintenance, and future infrastructure development.

Maintenance of these tanks must be done during Spring or Fall seasons when water demands are low and temperatures are moderate. Therefore, the Request for Proposals (RFP) was written to spread out the activities for opportune timing with the associated costs over the next three fiscal years. Funding for the future fiscal years will be included in the appropriate budget.

An Advertisement for Bids was published beginning December 5, 2014 and bids were received on January 5, 2015. We received two proposals for this work. A summary of the proposal bids is as follows:

<u>Contractor</u>	<u>Base Bid</u>	<u>Optional</u>	<u>Total Bid</u>
Superior Tank Solutions, Inc.	\$219,189.00	\$15,600.00	\$234,789.00
MMI Tank and Industrial Services, Inc.	\$678,400.00	\$22,645.00	\$701,045.00

Staff recommends that this project be awarded to Superior Tank Solutions, Inc. with the optional items included for a total bid price of \$234,789.00.

JAN 22 2015 I.1*



COUNCIL DECISION REQUEST

PROS: This will extend the service life of our tanks and improve water quality for our customers

CONS: None

FUNDING:

Acct: 661-5-5451-02 ⁷⁴⁰⁴	Budget: 150,000	Available: 120,990	Expense: 74,072. ²⁰¹⁴⁻¹⁵	Remaining: 46,918
Acct:	Budget:	Available:	Expense:	Remaining:
Acct:	Budget:	Available:	Expense:	Remaining:

FM: Hope A Cubb Date: 1-14-15

**SUMMIT AND MATTERHORN TANK REPAIR AND MAINTENANCE
CONTRACT BETWEEN
SUPERIOR TANK SOLUTIONS, INC.
AND THE TOWN OF PAYSON**

1. **Parties.** The parties to this Contract are Superior Tank Solutions, Inc., a California Corporation authorized to do business in Arizona, (“Contractor”) and the Town of Payson, an Arizona municipal corporation, (“Town”) (collectively, the “Parties”). The Town and the Contractor agree as follows:

2. **Scope of Services**
 - 2.1 See Attached Exhibit A – Scope of Services – Summit Tank
 - 2.2 See Attached Exhibit B – Scope of Services – Matterhorn Tank
 - 2.3 The term "Contract Documents" means and includes the following when prepared in conjunction with this Contract:
 - A. Advertisement for bids or proposals;
 - B. Request for Proposals;
 - C. Bid;
 - D. Bid bond;
 - E. Contract;
 - F. General conditions;
 - G. Supplemental general conditions;
 - H. Payment bond;
 - I. Performance bond;
 - J. Notice of award;
 - K. Notice to proceed;
 - L. Specifications;
 - M. Special provisions;
 - N. Proposal;
 - 2.4 The Contractor represents that it has visited the site or otherwise familiarized itself with the conditions necessary to complete the Project.
 - 2.5 The Contractor represents that: (a) it is validly existing and in good standing under the laws of Arizona (b) it is appropriately licensed by the Arizona State Registrar of Contractors to perform this work, and (c) it is authorized to perform the work contemplated by the Contract Documents in the Town of Payson, County of Gila, State of Arizona.
 - 2.6 The Contractor shall initiate, maintain and supervise all safety precautions and programs in connection with the Project; and shall provide all reasonable

protection to prevent damage, injury or loss to: (a) employees on the Project and other persons who may be affected; (b) the Project, raw materials, and equipment to be incorporated therein; and (c) other property at the site or adjacent thereto, including, but not limited to trees, shrubs, walks, pavements, lawns, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

3. Effective Date and Term.

This Contract shall be effective on the date of the last signature of the Parties and shall terminate on December 31, 2017.

4. Compensation and Payment.

The Contractor agrees to perform as described herein for the sum of Two Hundred Thirty Four Thousand, Seven Hundred Eighty Nine Dollars and NO/100 (\$234,789.00). Payment shall be based upon work completed and in accordance with the Payment Schedule in attached Exhibit C.

5. Insurance. Contractor shall provide and maintain the minimum insurance coverage as follows:

- 5.1 Workers Compensation Insurance to cover obligations imposed by Federal and State Statutes having jurisdiction of its employees engaged in the performance of the Services, and Employer's Liability insurance with a minimum limit of ONE HUNDRED THOUSAND DOLLARS (\$100,000).
- 5.2 Comprehensive General Liability insurance with a minimum combined single limit of ONE MILLION DOLLARS (\$1,000,000) for each occurrence. The policy shall include coverage for bodily injury liability, property damage liability, personal injury liability (including coverage for contractual and employee acts), and blanket contractual. The policy shall contain a severability of interests provision.
- 5.3 Comprehensive Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than FIVE HUNDRED THOUSAND DOLLARS (\$500,000) for each occurrence with respect to Contractor's vehicles.
- 5.4 The policies required by Sections 5.2 and 5.3 shall be endorsed to include Town, its officers and employees as additional insureds, and shall stipulate that the insurance afforded for Town, its officers and employees shall be primary insurance and that any insurance carried by Town, its officers or employees shall be excess and not contributory insurance.
- 5.5 Contractor and its insurers providing the required coverages shall waive all rights of subrogation against Town and its officers, employees, and agents.

- 5.6 Prior to commencing Services, Contractor shall furnish Town with Certificates of Insurance as evidence that policies providing the required coverages, conditions, and limits are in full force and effect. Such certificates shall provide that not less than thirty days advance notice of cancellation, termination, or alteration shall be sent directly to Town's representative as identified in Paragraph 15.2.
- 5.7 Town reserves the right to request and receive certified copies of any or all of the above insurance policies and/or endorsements.

6. **Indemnity.**

- 6.1 To the fullest extent permitted by law, Contractor, its successors and assigns shall indemnify and hold harmless PAYSON, its officers and employees from and against all liabilities, damages, losses and costs (including reasonable attorney fees and court costs) to the extent caused by the negligence, recklessness or intentional wrongful conduct of Contractor or other persons employed or used by the Contractor in the performance of this Agreement. Contractor's duty to indemnify and hold harmless PAYSON, its officers and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting there from, caused by Contractor's negligence, recklessness or intentional wrongful conduct in the performance of this Agreement and the negligence, recklessness or intentional wrongful conduct of any person by Contractor or used by Contractor in the performance of this Agreement.
- 6.2 Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.
7. **Modification.** This Contract may only be amended or modified by a written instrument executed by the Town and the Contractor.
8. **Termination.** In case of a breach of any provision in this Contract by Contractor, the Town may terminate this Contract, in whole or in part, by written notice to Contractor. Such termination will not limit or waive any other remedies available to the Town.
9. **Taxes.** Contractor shall have exclusive liability for and shall pay all taxes and fees imposed in connection with any part of the Services. Contractor shall hold the Town harmless for these taxes and fees.
10. **Laws and Regulations.** Contractor and its employees shall comply with all applicable laws, ordinances, statutes, rules and regulations, of the United States, State of Arizona, and local governments, including but not limited to those relating to wages, hours,

discrimination, and safety (including OSHA).

11. **Dispute Resolution.**

11.1 This Contract shall be governed and construed in accordance with the laws of the State of Arizona.

11.2 With the written consent of the Parties, any dispute, controversy, claim, or cause of action arising out of or related to this Contract may be settled by submission to binding arbitration in accordance with the rules of the American Arbitration Association and the Arizona Uniform Arbitration Act, A.R.S. § 12-1501, et seq. Judgment upon any award rendered by the arbitrator(s), if filed in Arizona Superior Court, shall be filed in the Superior Court of Gila County, Arizona.

11.3 The venue for any such dispute shall be Gila County, Arizona. Both Parties consent in advance to such venue and jurisdiction and waive any right to object that Gila County is an inconvenient or improper forum.

11.4 Neither Party shall be entitled to recover from the other party any of its attorneys' fees, costs, or expert witness fees incurred in any such dispute, controversy, claim, or cause of action. Each party shall bear its own attorneys' fees without contribution from the other party.

12. **Cancellation (A.R.S. §38-511).** This Contract is subject to the provisions of A.R.S. § 38-511 which provides for cancellation of contracts by the municipality for certain conflicts of interest.

13. **Town Business License.** The Contractor shall obtain a Town business license. If the Contractor is exempt from the Town's business licensing requirements, it shall still provide the Town with the items required under Section 110.03(C)-(D) of the Town Code.

14. **Authorized Presence Requirements/Government Procurement (A.R.S. §41-4401).**

14.1 Contractor and any Subcontractor employed by Contractor warrants their compliance with all Federal immigration laws and regulations that relate to their employees and with Arizona Revised Statutes Section 23-214(A).

14.2 A breach of the warranty under Section 14.1 above shall be deemed a material breach of this Contract and shall be subject to penalties up to and including termination of the Contract.

14.3 The Town retains the legal right to inspect the papers of the Contractor or Subcontractor who works on this Contract to ensure that the Contractor and Subcontractor is complying with Section 14.1.

15. **Other Provisions.**

15.1 **Assignment.** Contractor shall not assign or subcontract the Contract or any part

without the written consent of Town. The Town may withhold its consent for any or no reason. Any attempted assignment or subcontracting in violation of this Paragraph shall render this Contract void and of no effect.

- 15.2 **Notices.** All notices, filings, consents, approvals, and other communications under this Contract shall be made, delivered, or served, to:

Town:
Town of Payson
303 North Beeline Highway
Payson, Arizona 85541
Attention: Town Manager

Contractor:
Superior Tank Solutions, Inc.
9500 Lucas Ranch Road
Rancho Cucamonga, CA 91730
Attention: Matt Tasch

or to such other addresses as either Party may from time to time designate in writing and deliver in a like manner. Communication delivered by certified mail shall be deemed delivered forty-eight (48) hours following deposit in the U.S. mail, postage prepaid. Notices delivered personally shall be deemed delivered upon delivery.

- 15.3 **No Partnership.** Contractor is an independent contractor. This Contract shall not create any employment relationship, partnership, joint venture, or other arrangement between the Parties.
- 15.4 **No Third Party Beneficiaries.** No term or provision of this Contract is intended to be for the benefit of any person or entity not a party, and no other person or entity shall have any right or cause of action hereunder.
- 15.5 **Counterparts.** This Contract may be executed in counterparts.
- 15.6 **No Waiver.** No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the Town of a breach of any of the covenants of this Contract shall be construed as a waiver of any proceeding or succeeding breach of the same or any other covenant or condition of this Contract.
- 15.7 **Non-Appropriation/Non-Receipt.** The Town shall not have any liability for any future payments of money or expenditures, except for those amounts appropriated, authorized, and administratively allocated for this work. The Town shall not have any liability for payments for which it does not have sufficient revenues for such payments.
- 15.8 **Construction of Contract.** This Contract shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of or against the party drafting this Contract. The parties acknowledge that each has had the opportunity to seek legal counsel in the entry of this Contract.
- 15.9 **Further Documentation.** Each Party agrees in good faith to execute such further

documents as may be necessary to carry out the intent of this Contract.

- 15.10 **Time of Essence.** Time is of the essence in this Contract.
- 15.11 **Time Periods.** Except as expressly provided for herein, the time for performance of any obligation or taking any action under this Contract shall be deemed to expire at 5:00 p.m. (Payson time) on the last day of the applicable time period provided. If the time for the performance of any obligation expires on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding day which is not a Saturday, Sunday or legal holiday.
- 15.12 **Severability.** If any portion of this Contract is found to be invalid, such finding will not affect the validity of the remainder of this Contract.
- 15.13 **Authority.** The Parties represent that each is fully authorized to execute this Contract by the individual(s) executing below.
- 15.14 **Entire Contract.** This Contract contains the entire agreement between the Parties pertaining to the subject matter. All prior or contemporaneous oral or written agreements concerning the subject matter of this Contract shall have no effect.

WHEREFORE, the parties have caused this Contract to be executed by their duly authorized representatives.

Superior Tank Solutions, Inc.
a California Corporation

By _____,
its _____

Dated

TOWN OF PAYSON,
an Arizona municipal corporation

By _____
its Town Manager

Dated

ATTEST:

Silvia Smith, Town Clerk

APPROVAL AS TO FORM

By Suzanne O'Quinn
Attorney

January 13, 2015
Dated

EXHIBIT A
SCOPE OF SERVICES - SUMMIT TANK

Interior Conditions and Work Scope

1. The Tank contains approximately 1” of sediment across the tank floor with localized mounds of sediment approximating 6” in height. Additional miscellaneous items of debris are deposited on the floor. All sediment and debris must be removed from the tank prior to initiation of the interior work scope.
2. Oil deposits are prevalent on the upper shell around the circumference of the tank. These deposits must be thoroughly cleaned and completely removed prior to the initiation of the abrasive blasting operation. All oily residue must be removed from the tank prior to the initiation of the abrasive blasting operation.
3. The interior roof, floor, and the side shell possess an epoxy coating system. Upon completion of oil/grease removal operations, all surfaces will receive an inspection blast to expose the bare steel. The presence of a tightly adherent intact layer of mil scale is likely to exist under the existing coating. The blasting operation must include the removal of all mil scale.
4. All interior roof plates, roof beams, roof support columns and ring girders exhibiting corrosion degradation must be ultrasonically inspected upon completion of the inspection blast to quantify the extent of metal loss. In cases where the metal loss exceeds 25 % or the original thickness of the plate, beam or appurtenance, an Arizona Registered Engineer shall determine the need for repair and the type of repair intended for use. In the event that the plate, beam or appurtenance is replaced with a component of equal size and configuration, Structural Engineering approval is not required.
5. All interior floor surfaces shall be ultrasonically inspected on a 1 square foot grid pattern upon completion of the inspection blast. Since the below grade portion of the reverse side of the steel plates are not accessible, this inspection is intended to quantify the extent of corrosion degradation on both sides of the steel plates. All areas exceeding 50% metal loss shall be more closely inspected to determine and map the size of the deficiency. The installation of seal welded, ¼” steel plates shall be installed over the areas of corrosion degradation.
6. Upon completion of the ultrasonic testing operation and repair procedures, all surfaces shall receive a final blast to achieve an SSPC SP10 “Near White Metal” surface cleanliness with a minimum surface profile of 3.0 mils.
7. The known presence of existing irregular welds, abrasive edges, and weld splatter will require grinding to a smooth surface prior to coating application.
8. All properly blast cleaned surfaces above the high water line shall be coated with an NSF 61 approved multiple coat solvent based epoxy coating system in accordance with

AWWA D.102-11 recommendations. This application shall consist of an initial stripe coat thoroughly applied by brush to all beam edges, bolted connections, weld seams, plate edges or other irregular surface followed by the application of two additional spray applied coats. A minimum thickness of 5 mils per coat shall be achieved. Total system thicknesses shall not be less than 10 mils. All material applications shall be in strict compliance with manufacturer recommendations. A NACE certificated representative shall verify that the surface preparation and coating application operation is in accordance with manufacturer recommendations.

- a. Sherwin Williams 646PW or equal shall be used for this application
9. All properly blast cleaned surfaces below the high water line shall be coated with an NSF 61 approved 100% solids ELASTOMERIC POLYURETHANE coating system in accordance with AWWA D.102-11 recommendations. A minimum thickness of 25 mils shall be achieved. All material applications shall be in strict compliance with manufacturer recommendations. A NACE certificated representative shall verify that the surface preparation and coating application operation is in accordance with manufacturer recommendations.
 - a. Sherwin Williams Sherflex S
 10. High voltage holiday detection testing shall be employed in accordance with AWWA D.102 and NACE SPO 188. Voltage settings shall be in accordance with material manufacturer written recommendations. All defects shall be repaired and re-inspected prior to approval. A NACE certificated representative shall verify that the surface preparation and coating application operation is in accordance with manufacturer recommendations.
 11. All spent abrasives, waste material and debris shall be contained, handled, temporarily stored and transported off-site and disposed in accordance with all regulatory requirements. Leachate test shall be performed on representative samples of the waste material prior to leaving the site. The leachate testing results shall be forwarded directly to the Town. Upon receipt and authorization by the Town, the Firm shall properly dispose of waste materials.
 12. Upon completion of the interior coating's cure period, all interior surfaces shall be initially washed-down to remove all residual dirt and debris from the tank. This dirt and water residue shall be removed from the tank and disposed in accordance with Town requirements followed by the initiation of the tank disinfection process. The disinfection shall be performed in accordance with AWWA C.652 "Spray Method #2" recommendations.
 13. Upon completion of the disinfection process, all access points shall be sealed and new gaskets installed as necessary. The sealing of the tank shall be done in the presence of the Town and to the satisfaction of the Town.

Exterior Coating Work Scope:

1. All newly installed exterior components or areas damaged during welding procedures shall be pressure washed using fresh water at 3,500 psi minimum. All areas of coating delamination (either present prior to the pressure wash or resulting from the pressure wash) shall be chased back to intact coatings. ASTM D.3359 Option "A" testing will be performed. Readings under "3A" will constitute an adhesive/cohesive compromise requiring removal of the poorly adherent coatings.
2. All intercoat edges shall be smoothly feathered prior to over coating. All areas of exposed bare steel shall be power tool cleaned in accordance with SSPC SP 3. Transition areas from bare steel to intact coating shall be smoothly feathered.
3. Newly installed components and accessories shall receive a SSPC SP6 "Commercial Blast" surface cleanliness with a minimum surface profile of 2 mils.
4. Upon completion of proper surface preparation, one coat of a solvent based epoxy shall be applied to all bare steel areas achieving a thickness range of 3-5 mils.
 - a. Sherwin Williams 646 or equal shall be used for this application
5. One full coat of solvent based polyurethane shall be applied to all properly prepared surfaces. The polyurethane shall be applied to a thickness range of 2-4 mils.
 - a. Sherwin Williams Hi-Solids Polyurethane or approved equal shall be used for this application
 - b. The Town shall pre-approve the color selection
6. A NACE certificated representative shall verify that the surface preparation and coating application operation is in accordance with manufacturer recommendations.
7. Application shall be accomplished by brush, roller or spray application. Overspray targets shall be utilized to verify that overspray damage does not occur. All damage that does occur shall be immediately repaired to the satisfaction of the Town.
8. The presence of lead within the existing coatings requires strict compliance with regulatory standards. The 29 CFR 1926.62 requirements for worker protection are mandatory. The 40 CFR's related to environmental protection must also be strictly complied with as they relate to the generation, handling, onsite storage, manifesting, transportation and eventual disposal of the hazardous wastes that will be generated on this project. The Firm's disposal of this waste material shall be approved and verified by the Town.

Structural Work Scope

1. The known degradation of multiple roof rafters will require the repair and/or replacement of the roof rafters as necessary to re-achieve the original “as built” configuration of the subject tank.
2. The known degradation of most of the rafter connection bolts will require the replacement of these bolts as necessary.
3. The roof to shell interface does not form a sanitary seal. This area is intermittently welded. The known presence of large gaps require full seal welding around the tank at the roof to shell connection point.
4. The known repair of degraded portions of the interior ring girder at rafter interface locations will be required.
5. The known repair of existing roof penetrations will be required.
6. The known repair of degraded portions of the interior rafters at their interface with the dollar plate that rests on top of the roof center column will be required.
7. All of the above noted work will require a review and approval from an Arizona Registered Structural Engineer unless the entire component is being replaced with components of equal size and configuration.
8. Additional steel plate patching will likely be required on side shell and floor surfaces. Although this work is not considered to be a structural repair, the patches must be comprised of A-36 carbon steel that is seal welded into place.
9. All welding must be performed by a certified welder. Certificates shall be available for review and approval by the Town.

Sanitary / Safety/ Security Work Scope:

1. The existing steel grade band is damaged and no longer retaining the gravel fill. The existing grade band must be repaired to function as originally intended or replaced.
2. All heavy mesh screening and fine mesh screening shall be replaced on the center vent. Isolation between the stainless steel vent screen and the vent shroud shall be installed
3. Provide and Install new railing assembly that complies with OSHA 29 CFR 1910.23 Section (e) and AWWA D.100 requirements. This railing shall be a minimum height of 42” and shall be designed to provide a satisfactory aesthetic appearance. Railing shall include posts, mid rails, top rails, and toe boards. The railing and posts shall be constructed of carbon steel. All connection points shall be welded and the railing assembly coated per this specification. The railing shall be 6’ along the tank edge and centered on the roof hatch with 6’ of railing extending inward from each end.

Additional Work Scope

1. Removal and disposal, at the Firm's expense, of the existing mechanical liquid level indicator (LLI) system and installation of a new LLI system with all new cables, gauge board, target, pulleys, and float.
2. Fabrication and installation of a 24" shell man way OSHA 29 CFR 1910 and AWWA D.100 requirements.

Site Issues

1. The site is located in residential areas with homes surrounding the tank access and tank site.
2. Dust collectors and overspray mitigation methods must be utilized to prevent dust, debris, or paint from reaching any of the surrounding residential properties.
3. Access to the tank site is via a steep paved lane, wide enough for one vehicle. There is room for no more than one vehicle at the tank site, which will have to back down the paved lane to exit the site. The lane is used by local residents and may not be blocked for long periods of time.
4. The tank site is fenced and must remain locked. There is room to walk around the tank but not for equipment or vehicles. The Firm must keep their materials, equipment, and vehicles down the street or within the small confines of the tank site.
5. The tank roof has numerous antennas and antenna cables. The Firm must work around these obstructions. Any damage caused to the antennas or cables shall be repaired at the Firm's expense.

EXHIBIT B
SCOPE OF SERVICES - MATTERHORN TANK

Interior Conditions and Work Scope

1. The Tank contains approximately 1” of sediment across the tank floor with localized mounds of sediment approximating 6” in height. Additional miscellaneous items of debris are deposited on the floor. All sediment and debris must be removed from the tank prior to initiation of the interior work scope.
2. Oil deposits are prevalent on the upper shell around the circumference of the tank. These deposits must be thoroughly cleaned and completely removed prior to the initiation of the abrasive blasting operation. All oily residue must be removed from the tank prior to the initiation of the abrasive blasting operation.
3. The interior roof, floor, and the side shell possess an epoxy coating system. Upon completion of oil/grease removal operations, all surfaces will receive an inspection blast to expose the bare steel. The presence of a tightly adherent intact layer of mil scale is likely to exist under the existing coating. The blasting operation must include the removal of all mil scale.
4. All interior roof plates, roof beams, roof support columns and ring girders exhibiting corrosion degradation must be ultrasonically inspected upon completion of the inspection blast to quantify the extent of metal loss. In cases where the metal loss exceeds 25 % or the original thickness of the plate, beam or appurtenance, an Arizona Registered Engineer shall approve the need for repair and the type of repair intended for use. In the event that the plate, beam or appurtenance is replaced with a component of equal size and configuration, Structural Engineering approval is not required.
5. All interior floor surfaces shall be ultrasonically inspected on a 1 square foot grid pattern upon completion of the inspection blast. Since the below grade portion of the reverse side of the steel plates are not accessible, this inspection is intended to quantify the extent of corrosion degradation on both sides of the steel plates. All areas exceeding 50% metal loss shall be more closely inspected to determine and map the size of the deficiency. The installation of seal welded, ¼” steel plates shall be installed over the areas of corrosion degradation.
6. Upon completion of the ultrasonic testing operation and repair procedures, all surfaces shall receive a final blast to achieve an SSPC SP10 “Near White Metal” surface cleanliness with a minimum surface profile of 3.0 mils.
7. The known presence of existing irregular welds, abrasive edges, and weld splatter will require grinding to a smooth surface prior to coating application.
8. All properly blast cleaned surfaces above the high water line shall be coated with an NSF 61 approved multiple coat solvent based epoxy coating system in accordance with

AWWA D.102-11 recommendations. This application shall consist of an initial stripe coat thoroughly applied by brush to all beam edges, bolted connections, weld seams, plate edges or other irregular surface followed by the application of two additional spray applied coats. A minimum thickness of 5 mils per coat shall be achieved. Total system thicknesses shall not be less than 10 mils. All material applications shall be in strict compliance with manufacturer recommendations. A NACE certificated representative shall verify that the surface preparation and coating application operation is in accordance with manufacturer recommendations.

- a. Sherwin Williams 646PW or equal shall be used for this application
9. All properly blast cleaned surfaces below the high water line shall be coated with an NSF 61 approved 100% solids ELASTOMERIC POLYURETHANE coating system in accordance with AWWA D.102-11 recommendations. A minimum thickness of 25 mils shall be achieved. All material applications shall be in strict compliance with manufacturer recommendations. A NACE certificated representative shall verify that the surface preparation and coating application operation is in accordance with manufacturer recommendations.
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 13. Upon completion of the disinfection process, all access points shall be sealed and new gaskets installed as necessary. The sealing of the tank shall be done in the presence of the Town and to the satisfaction of the Town.

Exterior Coating Work Scope:

1. All newly installed exterior components or areas damaged during welding procedures shall be pressure washed using fresh water at 3,500 psi minimum. All areas of coating delamination (either present prior to the pressure wash or resulting from the pressure wash) shall be chased back to intact coatings. ASTM D.3359 Option "A" testing will be performed. Readings under "3A" will constitute an adhesive/cohesive compromise requiring removal of the poorly adherent coatings.
2. All intercoat edges shall be smoothly feathered prior to over coating. All areas of exposed bare steel shall be power tool cleaned in accordance with SSPC SP 3. Transition areas from bare steel to intact coating shall be smoothly feathered.
3. Newly installed components and accessories shall receive a SSPC SP6 "Commercial Blast" surface cleanliness with a minimum surface profile of 2 mils.
4. Upon completion of proper surface preparation, one coat of a solvent based epoxy shall be applied to all bare steel areas achieving a thickness range of 3-5 mils.
 - a. Sherwin Williams 646 or equal shall be used for this application
5. One full coat of solvent based polyurethane shall be applied to all properly prepared surfaces. The polyurethane shall be applied to a thickness range of 2-4 mils.
 - a. Sherwin Williams Hi-Solids Polyurethane or approved equal shall be used for this application
 - b. The Town shall pre-approve the color selection
6. A NACE certificated representative shall verify that the surface preparation and coating application operation is in accordance with manufacturer recommendations.
7. Application shall be accomplished by brush, roller or spray application. Overspray targets shall be utilized to verify that overspray damage does not occur. All damage that does occur shall be immediately repaired to the satisfaction of the Town.
8. The presence of lead within the existing coatings requires strict compliance with regulatory standards. The 29 CFR 1926.62 requirements for worker protection are mandatory. The 40 CFR's related to environmental protection must also be strictly complied with as they relate to the generation, handling, onsite storage, manifesting, transportation and eventual disposal of the hazardous wastes that will be generated on this project. The Firm's disposal of this waste material shall be approved and verified by the Town.

Structural Work Scope

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2. The known degradation of most of the rafter connection bolts will require the replacement of these bolts as necessary.
3. The roof to shell interface does not for a sanitary seal. This area is intermittently welded. The known presence of large gaps require full seal welding around the tank at the roof to shell connection point.
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7. All of the above noted work will require a review and approval from an Arizona Registered Structural Engineer unless the entire component is being replaced with components of equal size and configuration.
8. Additional steel plate patching will likely be required on side shell and floor surfaces. Although this work is not considered to be a structural repair, the patches must be comprised of A-36 carbon steel that is seal welded into place.
9. All welding must be performed by a certified welder. Certificates shall be available for review and approval by the Town.

Sanitary / Safety/ Security Work Scope:

1. Remove the existing roof vent and dispose of at the Firm's expense. Provide and install a new 24" mushroom style roof vent with a #24 non-corrodible mesh screen.

Additional Work Scope

1. Removal and disposal, at the Firm's expense, of the existing mechanical liquid level indicator (LLI) system and installation of a new LLI system with all new cables, gauge board, target, pulleys, and float.
2. Fabrication and installation of a 24" shell man way OSHA 29 CFR 1910 and AWWA D.100 requirements.
3. Remove and replace the old roof railing with new railing assembly that complies with OSHA 29 CFR 1910.23 Section (e) and AWWA D.100 requirements. This railing shall be a minimum height of 42" and shall be designed to provide a satisfactory aesthetic appearance. Railing shall include posts, mid rails, top rails, and toe boards. The railing and posts shall be constructed of carbon steel. All connection points shall be welded and the railing assembly coated per this specification. The railing shall be 6' along the tank edge and centered on the roof hatch with 6' of railing extending inward from each end.

4. Fabrication and installation of an interior ladder per OSHA 29 CFR 1910 and AWWA D.100 requirements.
5. Provide and install a 12" flanged nozzle on the lower shell at the Town's specified location.

Site Issues

1. The site is located in residential areas with homes surrounding the tank access and tank site.
2. Dust collectors and overspray mitigation methods must be utilized to prevent dust, debris, or paint from reaching any of the surrounding residential properties.
3. Access to the tank site is via a steep paved lane, wide enough for one vehicle. There is room for no more than one vehicle at the tank site, which will have to back down the paved lane to exist the site. The lane is used by local residents and may not be blocked for long periods of time.
4. The tank site is fenced and shall remain locked. There is room to around to walk around the tank but not for equipment or vehicles. The Firm must keep their materials, equipment, and vehicles down the street or within the small confines of the tank site.

EXHIBIT C
 PAYMENT SCHEDULE
 SUMMIT AND MATTERHORN TANK REPAIR AND MAINTENANCE

Summit Tank Total Cost of Work	\$129,917.00	
Value of Work Performed on Summit Tank March 1, 2015 to May 31, 2015		\$98,762.75
Payment of 75% within 30 days of work acceptance		\$74,072.06
25% Retention to be held until Final Inspection/Repairs March 1, 2017 to May 31, 2017		\$24,690.69
Final Inspection/Repairs on Summit Tank March 1, 2017 to May 31, 2017		\$31,154.25
Total Payment Due within 30 Days of Final Inspection/Repairs Acceptance		\$55,844.94
Total Paid for Summit Tank		\$129,917.00
Matterhorn Tank Total Cost of Work	\$104,872.00	
Value of Work Performed on Matterhorn Tank September 1, 2015 to November 30, 2015		\$81,229.00
Payment of 75% within 30 days of work acceptance		\$60,921.75
25% Retention to be held until Final Inspection/Repairs September 1, 2017 to November 30, 2017		\$20,307.25
Final Inspection/Repairs on Matterhorn Tank September 1, 2017 to November 30, 2017		\$23,643.00
Total Payment Due within 30 Days of Final Inspection/Repairs Acceptance		\$43,950.25
Total Paid for Matterhorn Tank		\$104,872.00