

13. ELEVATED TANK - BOYKINS PAINTING PROPOSAL

There are several serious maintenance issues associated with the 300,000 gallon elevated tank in Boykins that can no longer be deferred.

The most urgent is a small leak that developed this winter in the bottom of the tank bowl that will need to be repaired by welding a 12" x 12" metal plate on the tank. The second issue is associated with painting, both interior and exterior. The tank was placed into service in 1996 (18 years ago) and has not been repainted since. Typically, repainting occurs at 10-year intervals.

Julien sought competitive estimates for the work from three different companies. Copies are attached for your reference.

	<u>Repair Leak</u>	<u>Paint Interior</u>	<u>Paint Exterior</u>	<u>BID</u>
Elite National	✓	✓	✓	\$ 62,250.00
Southern Corrosion	✓	✓	✓	\$ 102,720.00
Pittsburg Tank & Tower	✓	✓	x	\$ 66,500.00

The lowest responsive bid to complete all the work was from Elite National Tank and Tower, LLC for \$62,250.

We are currently holding \$118,311 cash in the Enterprise Fund that is available for this project (see attached sheet from your FY 2013 CAFR). When the Boykins system was initially financed in 1996, FmHA required us to establish a debt service reserve fund and the funds were classified in our audit as "restricted cash." The FmHA note was subsequently refinanced by BB&T in 2007, without a debt service reserve requirement, freeing the cash up for necessary capital projects.

MOTION REQUIRED: If the Board is so inclined, a motion is required authorizing the County Administrator to accept the proposal of Elite National Tank and Tower, LLC for \$62,250 to be paid with cash proceeds from the Enterprise Fund.

Elite National Tank and Tower, LLC.

621 North Fulton Avenue

Evansville, IN 47710

Phone: 270-285-3316

Fax: 812-425-6057

City of Boykins

Julien Johnson

Boykins, VA 23827

757-654-6023

757-653-8562 (Cell)

jjohnson@socoutilities.com

Elite National Tank & Tower, LLC. will furnish all labor, material, equipment and insurance necessary to complete the following service to the following tanks:

300,000 Gallon Elevated Tank

Mobilization to Boykins, VA

MAINTENANCE

- Repair leak by installing a 12"x12" welded patch plate on the tank

Furnish material for the maintenance items as described above

EXTERIOR PAINT

- High Pressure Wash Exterior of the Tank at 3500 psi or greater using a biodegradable solution
- Hand tool clean any rusted or abraded areas
- Spot Prime areas with Industrial Primer that were hand tool cleaned
- Apply a full coat of Industrial Urethane to the exterior of the tank

INTERIOR PAINT

- Sand Blast Interior of Tank to remove severely rusted and abraded areas to an SSPC #10 (Near White Metal) followed by an SSPC #7 (Sweep Blast) to all remaining areas to establish an anchor profile (Commercial Blast)
- Spot Prime bare metal areas with Epoxy Primer
- Stripe Coat seams with Epoxy Primer
- Apply a complete coating Epoxy System to the Interior Tank walls

All of the above to be completed in a substantial and workman like manner for the sum of **Sixty-Two Thousand Two Hundred Fifty Dollars (\$65,250.00)**

The parties approving this contract certify that they are fully authorized to do so, and that all legal requirements have been complied with. You are hereby authorized to furnish all labor, material, equipment, and insurance required to complete the work mentioned in the above proposal, for which the undersigned agrees to pay the amount mentioned in said proposal and according to the terms thereof.

ALL QUOTATIONS SUBJECT TO ACCEPTANCE WITHIN 30 DAYS

Payment Terms: 50% due upon Mobilization with remaining 50% due upon completion

Accepted this _____ day of _____, 20____

By: _____

Title: _____

Respectfully Submitted By:



Gary Dunn, Chief Operations Officer
Elite National Tank & Tower, LLC.

SOUTHERN CORROSION INC.
738 THELMA RD
ROANOKE RAPIDS, NC 27870
1-800-828-0876
FAX: 252-535-3215

DATE: January 17, 2014
CUSTOMER: Southampton County, VA
LOCATION: Boykins, VA
PROJECT: 300,000 Gallon Elevated Water Tank

PROPOSAL

1) Repaint Wet Interior Area

- a) Abrasive blast all interior surfaces to bare metal in accordance with SSPC surface preparation method #10, near white grade.
- b) Apply a full prime coat of epoxy that is NSF approved for contact with potable water to all interior wet surfaces at 4 to 5 mils dry film thickness.
- c) Apply a "stripe coat" of epoxy that is NSF approved for contact with potable water to all ladders and weld seams, applied using paint brushes and rollers.
- d) Apply a full finish coat of epoxy that is NSF approved for contact with potable water to all interior wet surfaces at 4 to 5 mils dry film thickness.
- e) Caulk all unwelded roof lap seams using Sikaflex 1a polyurethane caulk.
- f) Test abrasive blast debris for the 8 RCRA heavy metals using the TCLP method.
- g) Dispose of abrasive blast debris in accordance with Federal, State, and Local regulations.
- h) Sterilize tank interior using AWWA Disinfection Method #2, spray method.

2) Inspection report.

3) Repairs

- a) Weld the leak in the tank bowl.

Our lump sum price for completing all work as specified above is:

SIXTY SEVEN THOUSAND SIXTY and 00/100 DOLLARS. (\$67,060.00)

Additional Pricing

The pricing for the following items below is contingent upon acceptance of our proposal for repainting of the 300,000 gallon tank above, and that any additional work accepted below be performed in the same mobilization for repainting the tank above. To select any item, place a check in the underscore next to the desired item number.

___ 1) Repair the water level gauge.....\$969.00

Payment Terms: Net 30 days.

Our prices are firm for 30 days. All workmanship is guaranteed for one(1) year from the date of final invoice. All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from specifications quoted 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 sufficient property insurance. Southern Corrosion Inc. will supply workman's compensation insurance, general liability insurance, builders risk insurance, and pollution liability insurance.

SOUTHERN CORROSION INC.

James A. Skilton, President

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

Name & Title

Date

SOUTHERN CORROSION INC.
738 THELMA RD
ROANOKE RAPIDS, NC 27870
1-800-828-0876
FAX: 252-535-3215

DATE: February 14, 2014

CUSTOMER: Southampton County Service Authority, VA

LOCATION: Boykins, VA

PROJECT: 300,000 Gallon Elevated Water Storage Tank

PROPOSAL

1) Repaint Exterior:

- a) Pressure wash all exterior surfaces using 4,000 psi pressure washers or higher.
- b) Clean all rusted and paint failed areas using scrapers, hand and power wire brushes in accordance with SSPC surface preparation methods #2 & #3, hand and power tool cleaning.
- c) Apply a spot prime coat of an epoxy-mastic primer to all bare metal surfaces applied at 2.5 to 3.5 mils dry film thickness.
- d) Apply one finish coat of polyurethane to all exterior surfaces applied at 2.0 to 3.0 mils dry film thickness.

Our lump sum price for completing all work as specified above is:

THIRTY-FIVE THOUSAND SIX HUNDRED SIXTY and 00/100 DOLLARS
.....(\$35,660.00)

Payment Terms: Net 30 days.

Our prices are firm for 30 days. All workmanship is guaranteed for one(1) year from the date of final invoice. All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from specifications quoted 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 sufficient property insurance. Southern Corrosion Inc. will supply workman's compensation insurance, general liability insurance, builders risk insurance, and pollution liability insurance.

SOUTHERN CORROSION INC.

James A. Skilton, President

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

Name & Title

Date

Comparison Only

Pittsburg Tank & Tower Maintenance Co., Inc.®

PAINT•REPAIR•DISMANTLE•INSPECT



TANKS RAISED, LOWERED AND MOVED•NEW AND PREOWNED TANKS

P.O. Box 1849 • Henderson, KY 42419-1849 • TEL. (270) 869-9400 • FAX (270) 827-4417

<http://www.watertank.com>

Email: sales@watertank.com

January 24, 2014

Mr. Julian Johnson
Southampton Co. Public Utilities
17287 Pittman Road
Boykins, VA 23827
757-653-8562
jjohnson@socoutilities.com

Julian,

We are pleased to provide you with a quotation to repair the leak in one (1) 300,000 gallon welded, elevated water tank.

Pittsburg has been serving the nation's tank needs for more than ninety years and our fully equipped and experienced crews specialize in all the services listed above in our letterhead. **We are a veteran owned company.**

We will furnish ten million dollars (\$10,000,000) worth of insurance for our mutual protection.

To accept our proposal, just sign and return one (1) copy to our Henderson, Kentucky office.

Respectfully,
Pittsburg Tank & Tower Maintenance Co., Inc.

Patrick Heltsley
VP of Specialty Projects
270-826-9000 ext 253
270-748-1325 Cell
pheltsley@watertank.com

cc: Tonya Moore
Sales
270-826-9000 ext. 213
tmoore@pttmco.com

Please visit our web site at www.watertank.com

Pittsburg Tank & Tower Maintenance Co., Inc.

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DATE: January 24, 2014

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TO: Southampton Co. Public Utilities
17287 Pittman Road
Boykins, VA 23827

ATTN: Mr. Julian Johnson
PHONE: 757-653-8562
EMAIL: jjohnson@socoutilities.com

In accordance with price, terms and conditions quoted below, we propose to furnish all labor, material, equipment and insurance necessary to complete the following to **one (1) 300,000 gallon welded, elevated water tank:**

SCOPE OF WORK

Weld patch plates on the leak in the bowl of the tank. All welders are certified to the latest ASME Code. This repair will be guaranteed leak free for twelve (12) years.

Sandblast all rusted and abraded areas of the tank wet interior to SSPC #10, near white, brushblast all remaining areas, stripe coating all seams and welds, then applying an epoxy liner to achieve 8 to 10 mils of dry film thickness. This coating requires the tank to be out-of-service for approximately 3 to 4 weeks.

Disinfect the tank according to AWWA Method #2 after recoating.

Repair the liquid level indicator as needed.

After all other repairs:

- This inspection will check for deficiencies.
- Items inspected will include (but not be restricted to) ladders, shell, roof, vent, roof manway, welds, weld seams, shell course, foundation and interior heater pipe.
- The tank will be inspected to ensure compliance with all current OSHA, EPA, AWWA, and NFPA-22&25 requirements.
- All possible sources of contamination, including vent screening and overflow pipe will be reviewed.
- The following tests shall be performed as part of this inspection on the interior and exterior:
 - Ultra-sonic test (metal thickness)
 - Lead check
 - Mill thickness test (coating thickness)
 - Cross hatch test (paint adhesion)
- Our personnel implement a confined entry program procedure in strict conformance with 29 CFR 1910.146 OSHA, which became effective April 14, 1993.
- Not included in this proposal are the handling, removal, and/or disposal of hazardous materials (asbestos, lead, chemicals, fiberglass or any like substance that must be taken to a specific dump/disposal site.
- The below stated price(s) does not include bid or performance bonds.

The above to be completed for the lump sum of.....\$66,500.00

Sixty-six Thousand Five Hundred Dollars and Zero Cents

IN THE EVENT INTERIOR AND/OR EXTERIOR COMPLETE TANK REPAINTING IS NOT INCLUDED IN THIS SCOPE OF WORK, ALL NEW TANK APPURTENANCES FURNISHED AND INSTALLED BY PITTSBURG TANK & TOWER MAINTENANCE CO. INC AS PART OF THIS SCOPE OF WORK SHALL BE FIELD PRIMED AND FINISH COATED TO MATCH EXISTING COATING SYSTEM(S). COLOR TO MATCH AS CLOSE AS POSSIBLE.

Pittsburg Tank & Tower Maintenance Co., Inc.®

PAINT•REPAIR•DISMANTLE•INSPECT



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TO: Southampton Co. Public Utilities
17287 Pittman Road
Boykins, VA 23827

ATTN: Mr. Julian Johnson
PHONE: 757-653-8562
EMAIL: jjohnson@socoutilities.com

CONTRACTOR FURTHER AGREES

- If needed a pressure release valve will be furnished during the cleaning and painting operation.
- Handling, removal, and/or disposal of hazardous or contaminated material (e.g. asbestos, lead, chemicals, etc.) requiring special handling or transportation to a specific disposal site are not included in the submitted quotation for work.
- This quote does not provide for the shrouding or containment of blast media and paint.
- If necessary, Customer will be required to clear/move vehicles and equipment a safe distance from the job site to prevent damage and place physical barricades around the perimeter to restrict access.
- Owner understands and agrees any Federal, State, and Municipal taxes imposed on Contractor with respect to the outlined work are additional expenses not included in the contract and further assumes the obligation of paying said additional costs incurred by Contractor.
- This contract is governed by the laws of the Commonwealth of Kentucky and any claims should be filed with the Commonwealth of Kentucky.
- Warning: Do not attach any additional loading to your tank/tower unless structural integrity is known to be sufficient. For analysis call Pittsburg Tank & Tower Maintenance Co., Inc.

QUALITY CONTROL

- All labor will be provided by mechanics skilled in their trade.
- All workmanship is guaranteed for twelve (12) months after completion.
- No paint shall be applied during wet, damp, or inclement weather.
- All paint will be delivered to the job site in original containers with contents identified by the manufacturer.

INSURANCE

Prior to start of work, Owner will be furnished a certificate of insurance covering Workman's Compensation, Occupational Disease, Employer's Liability, and Public Liability.

TERMS

50% With Order; Balance Upon Completion OR Mutually Agreed Payment Terms

MasterCard, Visa and American Express are accepted

The parties approving this contract certify that they are fully authorized to do so, and that all legal requirements have been complied with. You are hereby authorized to furnish all labor, material, equipment and insurance required to complete the work mentioned in the above proposal, for which the undersigned agrees to pay the amount mentioned in said proposal and according to the terms thereof. In the event purchaser fails to abide by the terms and conditions of the contract requiring Pittsburg Tank & Tower Maintenance Co, Inc to collect on amounts due and owing, purchaser agrees to pay all attorney fees and all costs incurred by Pittsburg Tank & Tower Maintenance Co, Inc to secure said payments from purchaser.

ALL QUOTATIONS SUBJECT TO ACCEPTANCE WITHIN 60 DAYS

Accepted: _____, 20____

Respectfully Submitted by:

Southampton Co. Public Utilities

PITTSBURG TANK & TOWER MAINTENANCE CO, INC.

By: _____

By: _____

Title: _____

Don Johnston, President

Please visit our web site at www.watertank.com

County of Southampton, Virginia

Statement of Net Position

Proprietary Funds

At June 30, 2013

**Business-Type
Activities -
Enterprise Fund
Water and Sewer
Fund**

Assets**Current Assets**

Cash	\$	21,600
Restricted cash		118,311
Receivables, net		219,432

Total Current Assets 359,343

Noncurrent Assets

Capital assets, net		39,441,660
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Total Noncurrent Assets 39,441,660

Total Assets \$ 39,801,003

Liabilities**Current Liabilities**

Accounts payable and accrued expenses	\$	47,753
Due to General Fund		739,273
Short-term portion of debt		485,894

Total Current Liabilities 1,272,920

Noncurrent Liabilities

Customer deposits		71,775
Compensated absences		105,723
Long-term debt, net of unamortized discount		34,700,757

Total Noncurrent Liabilities 34,878,255

Total Liabilities 36,151,175

Net Position

Net investment in capital assets	4,255,008
Restricted for construction	118,311
Unrestricted	(723,491)

Total Net Position 3,649,828

Total Liabilities and Net Position \$ 39,801,003

The accompanying notes to financial statements are an integral part of this statement.