

# MEMO

To: City Administration & City Council

From: Mark Sollenberger /Water & Wastewater Director

Date: March 22, 2018

Re: Approval Recommendation for Engineering Services Costs.

The City of Craig has contracted engineering services with SGM Inc. for over 4 years with much of their work for the city centered on the water and wastewater departments. During this time, as part of the health department's storage tank inspection regulation of 2016, SGM has been doing structural inspections (1 or 2/year) of the city's potable water storage tanks to make sure they are meeting current structural and sanitary standards. Depending on what is found during these inspections, a tank is put on the water department's ten year budget plan to correct any deficiencies found including any painting that may be required. The Roundbottom Tank's structural repairs and painting project was put in the 2018 O&M budget account #50-65-36222 as a result of this inspection. SGM's engineering costs for design, developing bid specifications, and inspection services for this project is \$42,573.00, with the total project cost estimated at \$625,000.00. It is my intention to do the Roundbottom Tank repair and painting project starting at the end of August so it can be completed before the colder weather sets in, so with this in mind I need to get the ball rolling on the design and bidding process now.

It is my recommendation to allow SGM Inc to start the design, bid specification, and bidding process for this project for the amount listed above (\$42,573.00), which will also include their inspection services during the actual repair and painting project this fall. If you have any questions or concerns, please let me know.