


HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

December 2, 2011

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator 
Russell Truell, Assistant City Administrator / CFO
Mark Hilty, Water Management Director
Brian Wilcox, Purchasing Manager

SUBJECT: Consideration of contract award to Pittsburg Tank & Tower Maintenance Co., Inc. of Henderson, Kentucky in the total amount of \$14,600.00 for water storage tank inspection services for the Water Distribution Division of the Water Management Department (\$25,000.00 budgeted in 421-82560-52102 for fiscal year 2012; Contract No. 2011-0189)

Purpose

The purpose of this procurement is to obtain water storage tank inspection services for the Water Distribution Division of the Water Management Department. These services are required by the State of Tennessee Department of Environment and Conservation (TDEC) to be performed by an independent qualified inspector at least once every five years. The City's seven water storage tanks were last inspected in March of 2007.

Background

As the proposed fee for the required services is less than the City's \$25,000 threshold for sealed submittals pursuant to public notice, the Water Management Department invited seven (7) firms to submit quotes for the required services. The Department recommends the City accept the quote from Pittsburg Tank & Tower Maintenance Co., Inc. of Henderson, Kentucky for water storage tank inspection services, including corrective recommendations and cost estimates. (Historically, repair issues have been minor and performed by department employees. Any repairs beyond the capabilities of the Water Management Department would go through a competitive process. If emergency repairs are reported and department employees cannot perform these repairs, then the inspection company will not be permitted to perform those repairs.) The Purchasing Manager concurs with this recommendation.

Financial Impact

The Pittsburg Tank proposal is in the total amount of \$14,600 for the required services. The Water Management Department's Water Distribution Division budget for fiscal year 2012 allocates \$25,000 out of the Water Fund for the purchase of water storage tank inspection services. The proposal amount for the proposal from Pittsburg Tank is \$10,400.00 (41.6%) under budget.

Options

Other proposals were obtained. Of the three (3) proposals received, the Pittsburg Tank proposal is the least expensive one that includes corrective recommendations and cost estimates.

Recommendation

Staff recommends that the City accept the proposal from Pittsburg Tank & Tower Maintenance Co., Inc. of Henderson, Kentucky for water storage tank inspection services, including corrective recommendations and cost estimates, in the amount of \$14,600.00. Purchasing Manager Brian Wilcox is of the opinion that the staff recommendation appears to be made in a fair and impartial manner based upon the proposals received.

Pittsburg Tank & Tower Maintenance Co., Inc.®

PAINT•REPAIR•DISMANTLE•INSPECT



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

<http://www.watertank.com>

Email: sales@watertank.com

December 6, 2011

Revision 1

Mr. Rick McPeak
Assistant Director
City of Franklin Water Management Dept.
P.O. Box 487
Franklin, TN 37064-0487
615-794-4554
615-790-1340 Fax
rickm@franklintn.gov

RE: CoF Contract No. 2011-0189

Rick,

We are pleased to provide you with a revised quotation to inspect seven (7) water storage tanks.

Our in-service tank inspections are performed by a Remotely Controlled Submersible Robot which allows you to view, live, the inspection of your tank and to speak directly with our trained inspector. In addition to the live feed, the Remotely Controlled Submersible Robot eliminates the need for lockout/ tag-out procedures, OSHA Confined Space or Commercial Diving Regulations, and water contamination associated with a diver.

This cost effective inspection covers the structural, sanitary, safety and coating condition of your tank. Our inspection is all inclusive with a detailed written report of findings with photographs, DVD of inspection, corrective recommendations and cost estimates.

Pittsburg has been serving the nation's tank needs for more than eighty 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: Dan Fout
Sales
Phone 270-826-9000 ext 210
FAX 270-869-9411
E-mail: dfout@pttmco.com

Please visit our web site at www.watertank.com

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Revision 1

Page 1 of 2

TO: City of Franklin Water Management Dept.
P.O. Box 487
Franklin, TN 37064-0487
EMAIL: rickm@franklintn.gov

ATTN: Mr. Rick McPeak
Assistant Director
PHONE: 615-794-4554
FAX: 615-790-1340

RE: CoF Contract No. 2011-0189

We propose to furnish all labor, materials, equipment and insurance necessary to perform an exterior visual inspection and interior in-service inspection of the tanks listed below.

The interior in-service inspection will be performed using our Remotely Controlled Submersible Robot and the exterior will be inspected by our personnel trained in OSHA regulations utilizing fall protection equipment.

This inspection will check for deficiencies and meet tank inspection requirements of OSHA, EPA, AWWA and NFPA. All structural, sanitary, safety, security and coating conditions will be reviewed. Items examined will include ladders, shell, roof, vent, manways, welds, seams, foundation, anchors, safety systems, hatch, and external overflow. Any emergency items will be brought to Owner's attention by our inspector.

Owner will receive a detailed written report of findings with photographs, DVD of inspection, corrective recommendations and cost estimates.

The following tests shall be performed during the inspection:

Lead test (to determine lead content) – Interior & Exterior, Mil thickness test (coating thickness) – Exterior only, Cross hatch test (paint adhesion) – Exterior only, Ultra-sonic test of tank shell – Exterior only

- (1) 2,000,000 Gallon 24'x121' Concrete Tank – Columbia Hwy 31
- (1) 2,000,000 Gallon 47'x84' Concrete Tank – Ash Drive
- (1) 2,000,000 Gallon 23'x103' Concrete Tank – Curd Lane
- (1) 1,000,000 Gallon 24'x85' Steel Tank – Carter's Creek
- (1) 1,500,000 Gallon 40'x80' Steel Tank – Grassland
- (1) 500,000 Gallon 24'x60' Steel Tank – Long Lane
- (1) 1,000,000 Gallon 32'x70' Steel Tank – Royal Oaks

Above to be completed for the lump sum of..... \$14,600.00

Fourteen Thousand Six Hundred Dollars and Zero Cents

Pittsburg Tank & Tower Maintenance Co., Inc.®

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Email: sales@watertank.com

DATE: December 6, 2011
Revised Proposal Continued

Page 2 of 2

TERMS: 100% Due Upon Completion

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.

This contract, together with the City of Franklin Standard Procurement Terms and Conditions attached hereto, constitutes the entire agreement between the parties.

ALL QUOTATIONS SUBJECT TO ACCEPTANCE WITHIN 60 DAYS

Accepted: _____, 20____

Respectfully Submitted by:

City of Franklin, TN

PITTSBURG TANK & TOWER MAINTENANCE CO, INC

By: _____

By: Don Johnston

Title: Mayor

Don Johnston, President

Attest:

By: _____

Title: City Administrator

Approved as to form:

By: _____

Title: Staff Attorney

Pittsburg Tank & Tower Maintenance Co., Inc.®

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DISINFECTION PROCEDURE FOR "ROV INSPECTION UNIT"

1. Once our crew arrives on site, a chlorine solution made of $\frac{3}{4}$ water and $\frac{1}{4}$ chlorine bleach is mixed in a plastic spray bottle.
2. The ROV unit is removed from the case and placed on plastic. An inspection crew member, wearing plastic latex gloves, then sprays thoroughly the plastic and all exterior portions of the ROV unit using the chlorine solution.
3. A plastic bag is then also thoroughly sprayed on the outside and inside with the same chlorine solution. The ROV unit is then immediately placed into the plastic bag and the bag is tied secure.
4. The unit remains in the bag until the crew completes the external portion of the tank inspection. When time for the internal inspection, the unit is carried to the top of the tank, removed from the plastic bag and placed in the water.
5. For a video of this procedure, please go to <http://www.watertank.com/services.asp#extwarrant> and scroll to middle of page and click on the "Inspection Video" button.

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

1. Assignment/Subcontracting. Neither party may assign any rights or obligations under these Standard Procurement Terms and Conditions or any Statement of Work without the prior written consent of the other party. These Standard Procurement Terms and Conditions will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Vendor may subcontract any portion of the work only with the prior consent of the City, but such subcontracting will not relieve Vendor of its duties under these Standard Procurement Terms and Conditions.
2. Time of the Essence. The parties agree that TIME IS OF THE ESSENCE with respect to the vendor's performance of all provisions of this procurement.
3. Taxes. As a tax-exempt entity, the City shall not be responsible for sales or use taxes incurred for products or services. Upon request, the City shall supply Vendor with a copy of its Sales and Use Tax Exemption Certificate. Vendor shall bear the burden of providing its suppliers with a copy of the City's tax exemption certificate and shall assume all liability for such taxes, if any, that should be incurred.
4. Notices. Any notice provided pursuant to these Standard Procurement Terms and Conditions, if specified to be in writing, will be in writing and will be deemed given: (a) if by hand delivery, then upon receipt thereof; (b) if mailed, then three (3) days after deposit in the mail where sender is located, postage prepaid, certified mail return receipt requested; (c) if by next day delivery service, then upon such delivery; or (d) if by facsimile transmission or electronic mail, then upon confirmation of receipt. All notices will be addressed to the parties at the addresses set forth below (or set forth in such other document which these Standard Procurement Terms and Conditions may accompany, or such other address as either party may in the future specify in writing to the other):

In the case of the City:

City of Franklin

Attn: Purchasing Manager

Re: City of Franklin Purchasing Office Solicitation No. not_app

109 Third Ave. South

P.O. Box 305

Franklin, TN 37065-0305

FAX: 615/550-0079

E-mail: purchasing@franklintn.gov

In the case of Vendor:

Pittsburg Tank & Tower Maintenance Co., Inc.

President

1 Watertank Place

Henderson, KY 42420

FAX: 270/869-9411

dfout@pttmco.com

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

5. Confidentiality and Proprietary rights. Vendor waives any right to confidentiality of any document, e-mail or file it fails to clearly mark on each page (or section as the case may be) as confidential or proprietary. Proprietary rights do not extend to the data created by the City's users of the System; all rights to that data (including derivative or hidden data such as metadata) shall vest solely in City at the moment of creation and City shall retain exclusive rights, title, and ownership of all data and images created therefrom at the moment of creation and utilization, through and including image creation. City may be required to disclose documents under state or federal law. City shall notify Vendor if a request for documents has been made and shall give Vendor a reasonable opportunity under the circumstances to respond to the request by redacting proprietary or other confidential information. In exchange, Vendor agrees to indemnify, defend, and hold harmless City for any claims by third parties relating thereto or arising out of (i) the City's failure to disclose such documents or information required to be disclosed by law, or (ii) the City's release of documents as a result of City's reliance upon Vendor's representation that materials supplied by Vendor (in full or redacted form) do not contain trade secrets or proprietary information, provided that the City impleads Vendor and Vendor assumes control over that claim.
6. Derivative Works. To the extent that the Agreement contains Vendor's reservation of rights, such definitions and limitations are superseded by the following: "Derivative Work" means a program that is based on or derived from one or more existing programs or components. If the original software is modified to create a new program, a derived work is created. If the original software was designed to accept plug-ins or drivers using a defined mechanism, such a driver or plug-in does not form a derived work. Linking to a library in the way it was designed to be interfaced with, does *not* constitute deriving a work. "Derivative work" is *not* the data that the Licensee inputs, manipulates, modifies or otherwise improves, nor the images resulting therefrom.
7. Arbitration/Mediation. No arbitration shall be required as a condition precedent to filing any legal claim arising out of or relating to the Contract. No arbitration or mediation shall be binding.
8. Waiver. Neither party's failure or delay to exercise any of its rights or powers under these Standard Procurement Terms and Conditions will constitute or be deemed a waiver or forfeiture of those rights or powers. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either (a) a future or continuing waiver of that same right or power, or (b) the waiver of any other right or power.
9. Warranties/Limitation of Liability/Waiver. City reserves all rights afforded to local governments under law for all general and implied warranties. The City does not waive any rights it may have to all remedies provided by law and therefore any attempt by Vendor to limit its liability shall be void and unenforceable.
10. Severability. If any term or provision of these Standard Procurement Terms and Conditions is held to be illegal or unenforceable, the validity or enforceability of the remainder of these Standard Procurement Terms and Conditions will not be affected.

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

11. Precedence. In the event of conflict between the provisions of these Standard Procurement Terms and Conditions and any contract, agreement or other document which these Standard Procurement Terms and Conditions may accompany, the provisions of these Standard Procurement Terms and Conditions will to the extent of such conflict take precedence unless such document expressly states that it is amending these Standard Procurement Terms and Conditions.
12. Indemnification. Vendor agrees to indemnify and hold City harmless from and against legal liability for all judgments, losses, damages, and expenses to the extent such judgments, losses, damages, or expenses are caused by Vendor's negligent act, error or omission in the performance of the services of this agreement. In the event judgments, losses, damages, or expenses are caused by the joint or concurrent negligence of Vendor and City, they shall be borne by each party in proportion to its own negligence. The terms and conditions of this paragraph shall survive completion of this services agreement.
13. Additions/Modifications. If seeking any addition or modification to the Contract, the parties agree to reference the specific paragraph number sought to be changed on any future document or purchase order issued in furtherance of the Contract, however, an omission of the reference to same shall not affect its applicability. In no event shall either party be bound by any terms contained in any purchase order, acknowledgement, or other writings unless: (a) such purchase order, acknowledgement, or other writings specifically refer to the Contract or to the specific clause they are intended to modify; (b) clearly indicate the intention of both parties to override and modify the Contract; and (c) such purchase order, acknowledgement, or other writings are signed, with specific material clauses separately initialed, by authorized representatives of both parties.
14. Applicable Law; Choice of Forum/Venue. These Standard Procurement Terms and Conditions are made under and will be construed in accordance with the laws of the State of Tennessee without giving effect to any state's choice-of-law rules. The choice of forum and venue shall be exclusively in the Courts of Williamson County, TN.
15. Termination. Either party may terminate these Standard Procurement Terms and Conditions, with or without cause, upon thirty (30) days' notice to the other. Upon termination by the vendor, the City shall be entitled to retain ownership of any and all goods and equipment purchased. Upon termination by the City, the vendor shall be entitled to receive any amounts due as a result of goods and equipment already delivered and/or services already rendered; however, the City shall maintain ownership and control of any goods and equipment purchased. Upon termination of services, whether connected or unconnected to goods and equipment, such services shall be rendered until the conclusion of the 30th day as stated in the notice or until a contractual benchmark has been achieved, or as the parties may otherwise agree.

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

16. Breach. Upon deliberate breach of these Standard Procurement Terms and Conditions, or of any contract, agreement or other document which these Standard Procurement Terms and Conditions may accompany, by either party, the non-breaching party shall be entitled to terminate these Standard Procurement Terms and Conditions without notice, with all of the remedies it would have in the event of termination under section 10 (“Severability”) above, and may also have such other remedies as it may be entitled to in law or in equity.
17. Default. If Vendor fails to perform or comply with any provision of these Standard Procurement Terms and Conditions, or of any contract, agreement or other document which these Standard Procurement Terms and Conditions may accompany, then the City (i) may cancel the purchase award and/or the accompanying contract or agreement or purchase order, in whole or in part, without penalty or protest by Vendor; (ii) may consider such failure to perform or comply as a breach of contract; (iii) reserves the right to purchase its requirements from the vendor that submitted the next lowest and best responsive and responsible bid, or the vendor that submitted the next best proposal, if that vendor will still honor that bid or proposal, or to seek new bids or proposals, or to pursue one or more other options available to the City in compliance with its then current purchasing policy; and (iv) may hold the defaulting vendor liable for all damages provided by law, including cost of cover.
18. Entire Agreement. These Standard Procurement Terms and Conditions, including any contract, agreement or other document which these Standard Procurement Terms and Conditions may accompany, constitutes the entire agreement between the parties and supersedes any prior or contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding the subject matter of these Standard Procurement Terms and Conditions. The terms and conditions of these Standard Procurement Terms and Conditions may not be changed except by an amendment expressly referencing these Standard Procurement Terms and Conditions by section number and signed by an authorized representative of each party.
19. Survival. These Standard Procurement Terms and Conditions shall survive the completion of or any termination of any contract, agreement or other document which these Standard Procurement Terms and Conditions may accompany.