Memo

To: Lesley Nalley, CEO
From: Jason Charles Temple, PE; Director of Public Utilities
       Linda Mayhood, COO
Date: May 17, 2017
Re: Discussion - Public Utility Proposal for Elevated Tank Rehab Nos. C1 and D1

The Arkansas Department of Health (ADH) requires all public water utilities to inspect their ground and elevated water storage tanks inside and out every five (5) years. As a result of the tank inspections conducted in 2014, several water tanks in the Hot Springs Village water distribution system are on schedule to be rehabbed by cleaning and / or new paint. Plans and specifications for the proposed 2017 tank rehab improvements were approved by ADH.

Water Tank C1 is a steel painted standpipe style tank located off of Peral Way. This project includes the removal of existing paint on the interior and exterior surfaces and the complete repainting of all surfaces. The contractor will also install check valves and a riser pipe for improved mixing and water quality in this tank.

Water Tank D1 (Ball Tank) is a steel painted spheroid style tank located on Mesero Way. This project includes the removal of existing paint on the interior and exterior surfaces and the complete repainting of all surfaces.

This work item is included in the FY 2017 budget as part of the water capital maintenance budget. Bids were solicited from (5) vendors with two responses as listed below:

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Price</th>
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<tbody>
<tr>
<td>Bidder 1</td>
<td>$174,000</td>
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<tr>
<td>Bidder 2</td>
<td>$147,150</td>
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</tbody>
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Eagle Sand Blasting (Bidder 2) has performed very satisfactory work at the water plant’s pipe gallery; therefore, the Public Utility Department is recommending the approval of the bid from Eagle Sand Blasting for $147,150.

Grand Total: $147,150
Total Budget (70961-PU20): $150,000