Memo

To: David Twiggs, COO/General Manager
From: Jason Charles Temple, PE; Director of Public Utilities
       Linda Mayhood, Asst. General Manager
Date: June 15, 2016
Re: Discussion - Public Utility Proposal for Elevated Tank Rehab Nos. A1 A2 A3

The Arkansas Department of Health (ADH) requires all public water utilities to inspect their ground and elevated water storage tanks inside and outside every five (5) years. As a result of the tank inspections conducted in 2014, several of the 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 2016 tank rehab improvements were approved by ADH.

Water Tank A1 is a steel painted tank located off of Viajero Road. 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.

Tanks A2 & A3 will be drained, inspected, and the interior and exterior surfaces will be high pressure washed. Tank A2 and A3 are glass lined metal tanks and are located off of Alegria Way and Escuadron Lane, respectively.

This work item is included in the FY 2016 budget as part of the water capital maintenance budget. Bids were solicited from six (6) vendors with two responses as listed below:

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Price</th>
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<tbody>
<tr>
<td>Elite National Tank &amp; Tower</td>
<td>$138,000</td>
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<tr>
<td>Leher Painting, Inc.</td>
<td>$158,777</td>
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Elite National Tank & Tower performed last year’s 2015 tank rehab very satisfactory; therefore, the Public Utility Department is recommending the approval of the bid from Elite National Tank & Tower.

Grand Total: $138,000
Total Budget (PW30-70972): $150,000