



County of Los Alamos

Los Alamos, NM 87544
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Council Meeting Staff Report

July 17, 2019

Agenda No.:	6.B
Indexes (Council Goals):	* 2019 Council Goal - Investing in Infrastructure
Presenters:	Jack Richardson
Legislative File:	AGR0621-19

Title

Approval of Services Agreement No. AGR19-49 with KLM Engineering, Inc. in the amount of \$69,950.00, plus Applicable Gross Receipts Tax, for the Purpose of 2019 Water Tank Coating & Cathodic Protection Inspection

Recommended Action

I move that the Board of Public Utilities approve Services Agreement No. AGR19-49 with KLM Engineering Inc. in the amount of \$69,950.00 and a contingency in the amount of \$15,000.00, for a total of \$84,950.00, plus applicable gross receipts tax, for the purpose of Water Tank Coating and Cathodic Protection Inspection.

Staff Recommendation

Staff recommends that the Board approve as presented.

Body

The short term (10-year) and long range (20-year) CIP program for Water Production includes the repainting of 8 existing water storage tanks. In addition, three new storage tanks are proposed to be added to the system over this same planning period. It is felt that having a professional team complete a coating inspection of all Water Production storage tanks, other than those that have been repainted within the past 10 years, will provide the sound scientific data necessary to properly prioritize the individual storage tank repainting projects within the CIP program.

The inspection program proposed within this agreement includes a structural inspection to verify if our existing storage tanks meet current codes for safety. It also includes gathering a small sample of the existing interior coating system to test for lead based paint. Knowing this information will allow us to better develop more accurate priority and budget estimates for the CIP program for each individual tank project.

16 of our existing storage tanks have cathodic protection equipment. This agreement also includes the inspection of each of our cathodic protection systems by a certified cathodic protection system tester. The final report will include any deficiencies that will allow us to develop recommendations for correction to bring each tank's cathodic protection system up to standard operating performance.

Knowing this information will allow us to better determine the cost effectiveness of using cathodic protection systems on future storage tanks.

Alternatives

The alternative to approval of this agreement is for staff to undertake this inspection in house. Considering what would be required for in house staff training, equipment and materials completing the necessary inspections using in house staff would not be less expensive than the average cost per tank using this agreement of \$3,497.50 per tank. Further, in house staff would probably have to drain each tank in order to complete the interior inspections and this would probably lead to adverse water service disruptions to our customers.

Fiscal and Staff Impact

Funds to cover this agreement are budgeted in the FY 2020 O&M budget for Water Production.

[Attachments](#)

A - AGR19-49 KLM Engineering