

## MEMORANDUM

**To:** Mayor and City Council Members  
Steve Parker, City Manager

**From:** Timothy J. Howe, Director – Water / Wastewater Utilities

**Through:** Rick Cortes, Deputy City Manager

**Subject:** Service / Maintenance Agreement – Seguin Water Storage Tanks / Towers Year 2  
Payment

**Date:** May 3, 2022

On March 2, 2021, Council approved a service / maintenance agreement with Maguire Iron, Inc. to include the annual inspection, ongoing maintenance, and scheduled rehabilitation of the following water storage tanks / towers associated with the Seguin water distribution system.

- Vetter North Tank – 70,000 gallon ground storage tank (GST)
- Vetter Mid Tank – 70,000 gallon GST
- Vetter South Tank – 70,000 gallon GST
- HWY 123 Bypass Tank – 1,000,000 gallon elevated storage tank (EST)
- Lucille St. Tank – 1,000,000 gallon EST
- Ireland Tank – 200,000 gallon EST
- Kingsbury Tank – 500,000 gallon EST
- Ground Water Tank – 3,000,000 gallon GST (Water Plant)
- Surface Water Tank – 2,000,000 gallon GST (Water Plant)

Maguire Iron, Inc. submitted a detailed scope of service through year 2030 including but not limited, periodic tank cleanouts, annual visual inspections to comply with regulatory requirements of the Texas Commission on Environmental Quality, and scheduled interior / exterior renovation. Renovations include complete recoating consistent with recent service to the Lucille St. EST and Ground Water Tank at the Water Plant.

The City of Seguin's Utility Fund budget for FY22 included the year two payment of \$500,000. The annual payments for the duration of the contract are as follows:

- FY 21 - 22 - \$500,000.00
- FY 23 - 30 - \$199,500.00
- **CONTRACT TOTAL (10 years) = \$2,596,000.00**

Funding for this service agreement will continue to be budgeted annually and considered by Council as part of the annual budget approval process. Funding is provided annually by Utility Fund Balance. Staff recommends approval of the second annual payment of \$500,000.00 as detailed above. Staff will be available to answer any questions at the Tuesday, May 3<sup>rd</sup>, 2022 meeting of the Seguin City Council.