



CITY COUNCIL WORKSHOP CITY OF BAY CITY

Tuesday, August 11, 2026 at 4:00 PM
COUNCIL CHAMBERS | 1901 5th Street

COUNCIL MEMBERS

Mayor: Robert K. Nelson

Mayor Pro Tem: Blayne Finlay

Council Members: Cory McCray, Jim Folse, Bradley Westmoreland, Susan Reardon

Vision Statement

We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.

AGENDA

THE FOLLOWING ITEM WILL BE ADDRESSED AT THIS OR ANY OTHER MEETING OF THE CITY COUNCIL UPON THE REQUEST OF THE MAYOR, ANY MEMBER(S) OF COUNCIL AND/OR THE CITY ATTORNEY:

ANNOUNCEMENT BY THE MAYOR THAT COUNCIL WILL RETIRE INTO CLOSED SESSION FOR CONSULTATION WITH CITY ATTORNEY ON MATTERS IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE OPEN MEETINGS ACT (TITLE 5, CHAPTER 551, SECTION 551.071(2) OF THE TEXAS GOVERNMENT CODE).

CALL TO ORDER AND CERTIFICATION OF QUORUM

PUBLIC COMMENTS

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

1. **Presentation from Garver LLC on the North Water Treatment Plant revised design, bid, construction management, and application engineering services.**
2. **Contract ~ Discuss, consider, and/or approve contract Work Authorization No. 17 to the standard contract agreement between the City of Bay City, Texas and Garver, LLC for Professional Engineering Services for the Design, Bid, and Construction of the North Water Plant under the Texas Water Development Board funding for Drinking Water SRF Projects.**
3. **Contract ~ Discuss, consider, and/or approve contract Work Authorization No. 18 to the standard contract agreement between the City of Bay City, Texas and Garver, LLC for Application Engineering Services (AES) for the Construction of the North Water Treatment Plant under the Texas Water Development Board Direct Appropriation funding for Drinking Water Projects.**
4. **Contract ~ Discuss, consider and/or approve entering into a 10-year water storage maintenance plan with Maguire Iron, Inc. through The Interlocal Purchasing System (TIPS), for the annual inspection, cleaning, repair, rehabilitation, and maintenance of the City's elevated and ground storage tanks, in an amount not to exceed \$4,479,429 over the 10-year term, and authorize the Mayor to execute all related agreements approved as to form by the City Attorney. Krystal Mason, Assistant Public Works Director**

5. **Budget ~ Discuss the Fiscal Year 2027 Five (5) Year Capital Improvement Plan.**
Scotty Jones, City Manager

ITEMS / COMMENTS FROM THE MAYOR, COUNCIL MEMBERS AND CITY MANAGER

ADJOURNMENT

AGENDA NOTICES:

Attendance By Other Elected or Appointed Officials: It is anticipated that members of other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.

CERTIFICATION OF POSTING

This is to certify that the above notice of a Regular Called Council Meeting was posted on the front window of the City Hall of the City of Bay City, Texas on **August 4, 2026 before 4:00 p.m.** Any questions concerning the above items, please contact the Mayor and City Manager's office at (979) 245-2137.



Bay City North Water Treatment Plant Updates

CITY COUNCIL WORKSHOP

August 11, 2026



**BAY CITY
TEXAS**

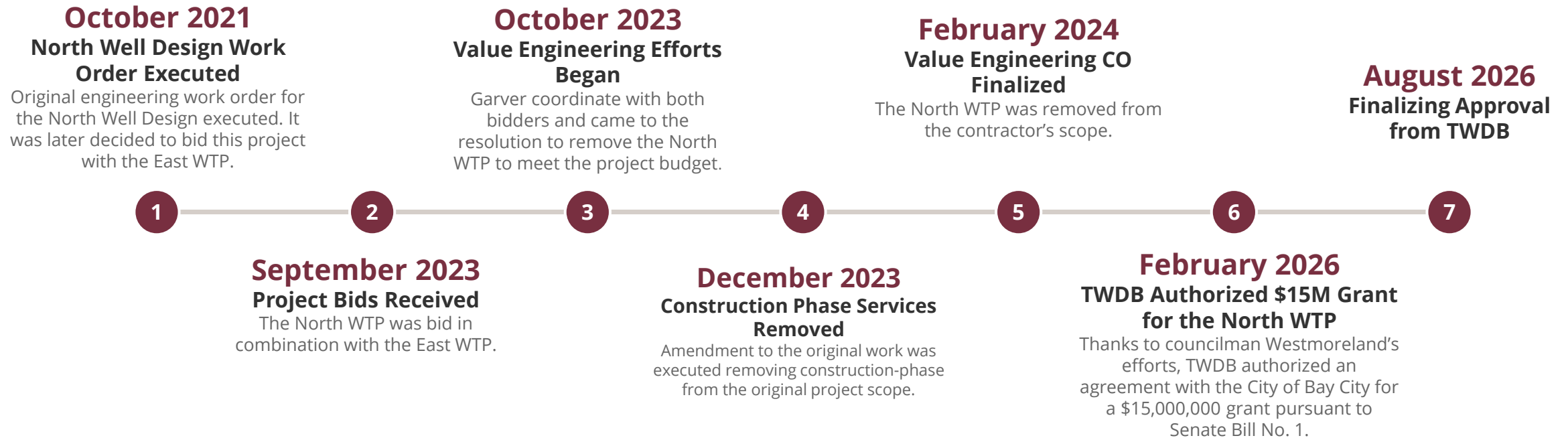
OUR AGENDA

01. Project Update

02. Work Orders

03. Next Steps

Project Timeline: North Water Treatment Plant



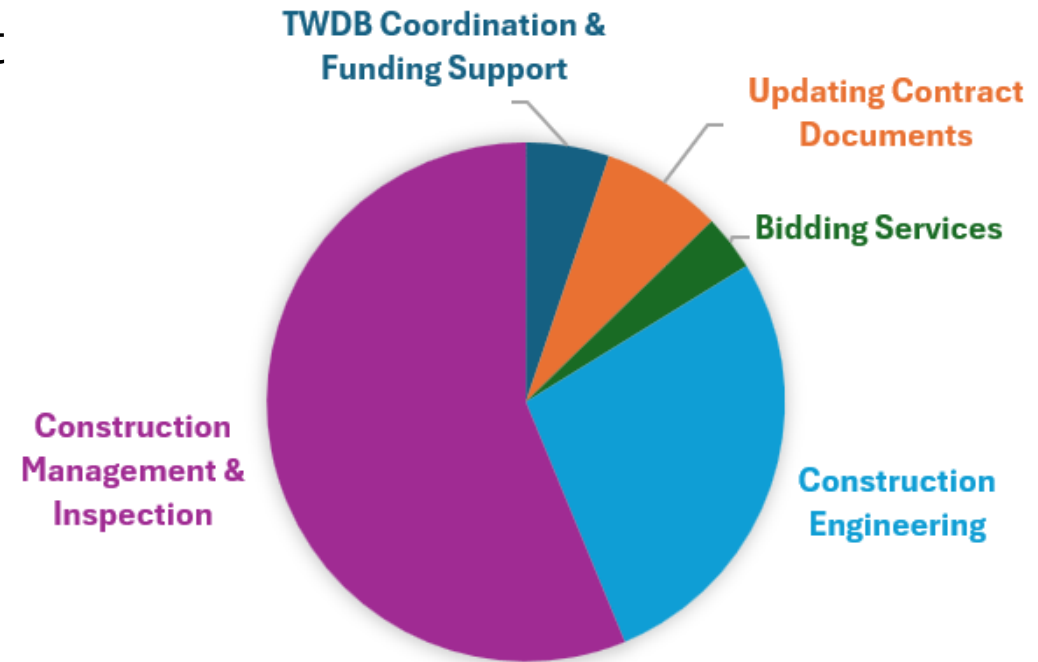
Today, we seek authorization to proceed with design revisions, bidding, and construction services to move forward with the project.

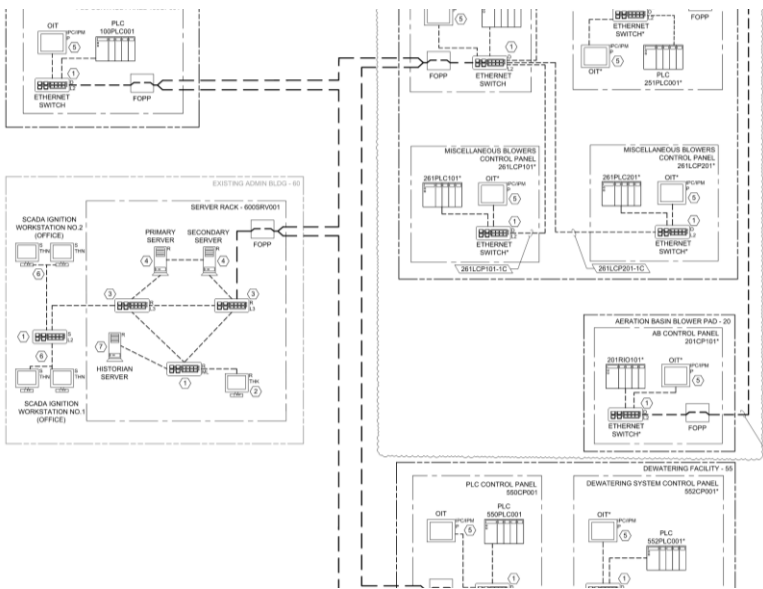


Work Orders

The Construction Work Order provides effort for critical support of the construction activities for the North WTP.

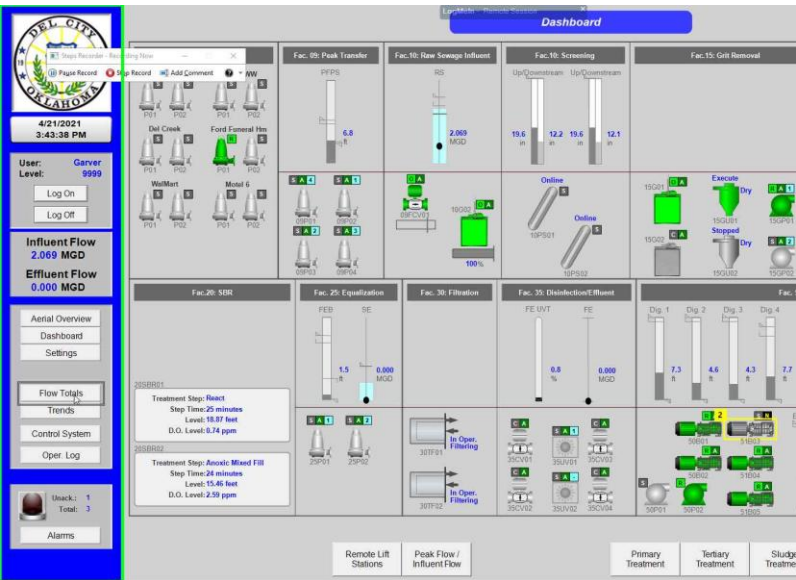
- TWDB Coordination and Funding Support
- Updating the Contract Documents
- Bidding Services
- Engineering during Construction
- Construction Management & Inspection (Time & Material)





Application Services Provider (Programming)

- PLC programming is a necessary component for functionality of Water Plant improvements
- The OIT will enhance operations at each facility
- This is an **extension of construction**, but work will be excluded from the contractor.



We believe Garver's Team provides the best value for these services.

- Garver provides best “handshake” between process design and PLC controls system
- Standardization across WWTP and 3 water plant facilities
- Work includes OIT Screen Development, Programming of PLCs, and Startup support



Next Steps

The legislation allocated a \$15M grant through the TWDB.

Item	Scope	Value
1	Construction - Estimated Construction Contract Value (\$12,915,000) - Work Order 18: ASP Programming Services (\$154,000)	\$13.069M
2	Construction Services - Work Order 17: Design Updates, Bidding, Construction Engineering, Construction Management & Construction Inspection (\$446,000) - TDI Inspection and Materials Testing (\$50,000) - Fiscal Services (\$21,000)	\$0.517M
North Water Treatment Plant Estimated Total		\$13.586M

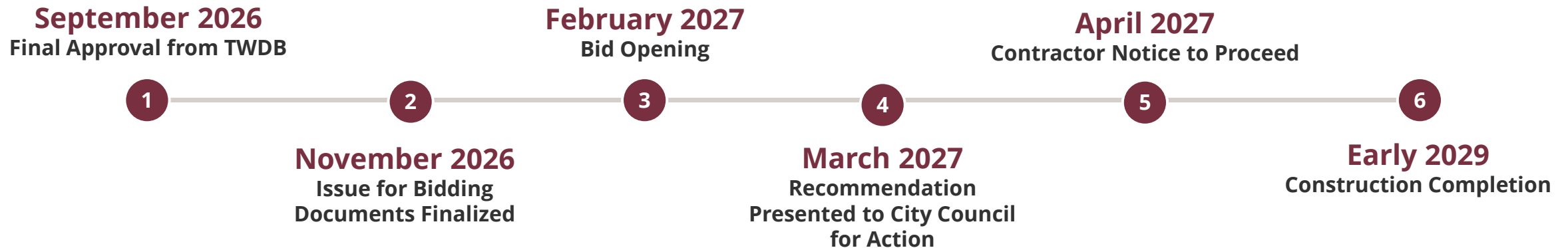
The East WTP construction contract is approximately \$11M. The \$12.9M estimate includes a 4% inflation for 3 years \$12.3M and a 5% contingency totaling the estimated \$12.9M

The legislation allocated a \$15M grant through the TWDB.

Item	Scope	Value
1	Construction - Estimated Construction Contract Value (\$12,915,000) - Work Order 18: ASP Programming Services (\$154,000)	\$13.069M
2	Construction Services - Work Order 17: Design Updates, Bidding, Construction Engineering, Construction Management & Construction Inspection (\$446,000) - TDI Inspection and Materials Testing (\$50,000) - Fiscal Services (\$21,000)	\$0.517M
North Water Treatment Plant Estimated Total		\$13.586M

There is an estimated \$1.414M available in funding available for the waterline trunk main project.

We anticipate the project schedule to progress from final TWDB approval in September 2026 to construction completion in early 2029.





Discussion





**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	8/11/2026	Date Submitted:	7/29/2026
Prepared By:	Herb Blomquist	Presented By <i>(if different)</i>	
Department:	Public Works	Type of Agenda Item:	Regular

ITEM TITLE: Contract- Garver LLC – North Well

AGENDA LANGUAGE:

Discuss, consider, and/or approve contract Work Authorization No. 17 to the standard contract agreement between the City of Bay City, Texas and Garver, LLC for Professional Engineering Services for the Design, Bid, and Construction of the North Water Plant under the Texas Water Development Board funding for Drinking Water SRF Projects.

EXECUTIVE SUMMARY/BACKGROUND

In September 2025, the City of Bay City was awarded \$12,000,000 in funding from the Texas legislature for the construction of the North Water Treatment Plant. A previous TWDB funding allotment provided funding which included planning and design for the new North Water Treatment Plant located adjacent to State Highway 60.

This agenda item is to approve \$446,129.00 in additional work modifications to the existing contract between the City of Bay City and Garver to assist the City with final design documents, bidding, and construction management services for the North Water Plant project. The scope includes project administration, bidding services, evaluation interviews, TWDB coordination, post proposal value engineering services, preparation of a final contract with the selected contractor, and construction management for the construction of the North WTP

STRATEGIC PLAN GOALS ADDRESSED:

	☐		☐		☒		☒		☐		☐
Safety & Community Appearance		Community & Civic Engagement		Infrastructure		Planning & Development		Culture & recreation		Operational Excellence	

FINANCIAL NOTES
• <i>Expenditure Required: \$446,129.00</i> • <i>Amount Budgeted: not budgeted separately</i> • <i>Fund / Account: 68-680-4600</i> • <i>TWDB Direct Appropriation Funding</i>

RECOMMENDATION:

ATTACHMENTS:

Recommendations: Staff recommends approval of Work Authorization No. 17 so the City can move forward to complete the North Water Plant Project.

Attachments: Work Authorization #17
Bidding and Construction Management Scope of Services



EXHIBIT A

WORK ORDER NO. 17

CITY OF BAY CITY

North Water Treatment Plant Bidding Services, Construction Engineering, Management, and Inspection Services Project No. 2500926

This WORK ORDER ("Work Order") is made by and between the **City of Bay City** (hereinafter referred to as "Owner") and **Garver, LLC**, (hereinafter referred to as "Garver") in accordance with the provisions of the MASTER AGREEMENT FOR PROFESSIONAL SERVICES executed on October 27, 2020 (the "Agreement").

Under this Work Order, The City of Bay City ("City") has requested Garver ("Garver") to provide the Bidding, Construction Engineering, Construction Management, and Construction Inspections Services for the construction of the North Water Treatment Plant project. This project was previously designed and bid under Wok Order No. 5. Due to available funding at the time of bidding, this project scope was removed. The scope of services generally includes updating the final design, bidding, construction administration, and construction management.

Garver will provide professional services as described herein. Terms not defined herein shall have the meaning assigned to them in the Agreement.

1. SCOPE OF SERVICES

1.1. Refer to APPENDIX A – SCOPE OF SERVICES.

2. PAYMENT

2.1. The lump sum amount to be paid under this Agreement is \$195,224.00. The time and material portion of this Agreement is up to \$250,905.00. The total amount under this Agreement is \$446,129.00. For informational purposes, a breakdown of Garver's estimated costs is included in APPENDIX A – SCOPE OF SERVICES in Section V. – Fee Summary.

3. APPENDICES

3.1. The following Appendices are attached to and made a part of this Work Order:
Appendix A – Scope of Services



This Work Order may be executed in two (2) or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

The effective date of this Work Order shall be the last date written below.

CITY OF BAY CITY

GARVER, LLC

By: _____
Signature

By: _____
Signature

Name: Robert K. Nelson
Printed Name

Name: Randall G. McIntyre
Printed Name

Title: Mayor

Title: Vice President

Date: _____

Date: _____

Attest: _____

Attest: _____

Appendix A

SCOPE OF SERVICES

CITY OF BAY CITY, TEXAS North Water Treatment Plant

Bidding Services, Construction Engineering, Management, and Inspection Services

I. Background

The City of Bay City ("City") has requested Garver ("Garver") to provide the Bidding, Construction Engineering, Construction Management, and Construction Inspections Services for the construction of the North Water Treatment Plant project.

II. Scope of Work

Payment terms for this project will be lump sum for all tasks except for Task V - Construction Management and Inspection. This task will be billed as time and materials with a not to exceed amount listed in the Fee Schedule Section. The following scope of work describes the services to be provided.

A. Task I – TWDB Coordination and Funding Support

1. Provide Texas Water Development Board (TWDB) funding support assistance to execute the Drinking Water State Revolving Fund (DWSRF) projects.
 - a. Provide and respond to coordination with TWDB, bond counsel, financial advisor, and the City.
 - b. Assist the City with completion of forms and documentation associated with funding.
2. Prepare construction phase documentation necessary to obtain reimbursement of funds through the TWDB DWSRF funding series for construction and construction-related engineering services. This is generally anticipated to include compiling monthly pay applications and TWDB forms for AIS and other contract requirements for submittal to the City Finance office for outlay requests. This includes time necessary to prepare outlay reports through the construction period defined below, and is limited to 24 construction outlay reports.
3. Coordinate with TWDB and other relevant agencies (such as financial services) regarding status of construction and matters necessary to establish outlay requests.
4. Participate in project close-out documentation at the conclusion of construction.

B. Task II – Bid-Ready Design Deliverable

1. Revise contract documents including drawings, specification book, and special conditions, to be specific to the North WTP and include water plant preferences and requirements based on East WTP construction. This effort is anticipated to include the following:
 - a. Updating front-end documents.
 - b. Bid item quantities associated with drilling the water well.

Appendix A

- c. Addition of a polyphosphate chemical storage and feed system.
2. Garver to conduct QA/QC of Bid-Ready Construction Package based on Project Management Plan.

C. Task III – Bidding Services

1. Bidding Assistance will include the following efforts:
 - a. Prepare and submit Advertisement for Bids to the City for newspaper publication as directed by the Owner. The owner will submit to the newspaper and will pay advertising costs outside of this contract.
 - b. Post advertisement for bids, construction contract documents, and any associated information to the Owner to be posted by Garver on CivCast for download by prospective bidders.
 - c. Support the contract documents by preparing addenda as appropriate.
 - d. Prepare for and participate in one pre-bid meeting.
 - e. Prepare a pre-bid meeting agenda.
 - f. Participate and lead a construction site tour following the pre-bid meeting by interested pre-bid meeting attendees and other interested parties.
 - g. Attend the bid opening.
 - h. Prepare bid tabulation.
 - i. Summarize and provide analysis for CSP evaluation.
 - j. Conduct and schedule interviews, if desired, for contractors in support of the CSP evaluation.
 - k. Evaluate bids and recommend awards.
 - l. Attend and participate in reporting recommendation of award to Owner Council.
 - m. Prepare construction contracts.
 - n. Prepare conformed documents.

D. Task IV –Construction Engineering Services

1. Issue Notice to Proceed letter to the Contractor.
2. Conduct site visits to the North Water Treatment Plant to resolve any conflicts during construction. Included in this task are site visits for up to 3 engineers necessary for the substantial completion walkthrough, preparation of the punchlist, and final completion walkthrough. Travel and participation is anticipated to occur coincidental with the walkthroughs.
3. Evaluate and respond to a maximum of 60 construction material submittals and shop drawings relevant to the North Water Treatment Plant. Corrections or comments made by Garver on the shop drawings during this review will not relieve Contractor from compliance with requirements of the drawings and specifications. The check will only be for a review of general conformance with the design concept of the project and general compliance with the information given in the contract documents. The Contractor will be responsible for conforming and correlating all quantities and dimensions, selecting fabrication processes and techniques of construction, coordinating his work with that of all other trades, and

Appendix A

performing his work in a safe and satisfactory manner. Garver's review shall not constitute approval of safety precautions or constitute approval of construction means, methods, techniques, sequences, procedures, or assembly of various components. When certification of performance characteristics of materials, systems or equipment is required by the Contract Documents, either directly or implied for a complete and workable system, Garver shall be entitled to rely upon such submittal or implied certification to establish that the materials, systems or equipment will meet the performance criteria required by the Contract Documents.

4. Issue up to ten instructions to the Contractor on behalf of the Owner and issue necessary clarifications (respond to RFIs) regarding the construction contract documents related to the North Water Treatment Plant.
5. When authorized by the Owner, prepare up to two (2) change orders for changes in the work for the North Water Treatment Plant from that originally provided for in the construction contract documents. If redesign or substantial engineering or surveying is required in the preparation of these change order documents, the Owner will pay Garver an additional fee to be agreed upon by the Owner and Garver.
6. Prepare and finalize Record Drawings for the North Water Treatment Plant to display all changes made during construction based on Contractor redlines .

E. Task V – Construction Management and Inspection Services (Time and Materials)

1. Attend an additional forty bi-weekly progress/coordination meetings related to the North Water Treatment Plant with the City/Contractor.
2. Review the up to 18 Contractor's progress payment requests for North Water Treatment Plant based on the actual quantities of contract items completed, accepted, and will make a recommendation to the Owner regarding payment. Garver's recommendation for payment shall not be a representation that Garver has made exhaustive or continuous inspections to (1) check the quality or exact quantities of the Work; (2) to review billings from Subcontractors and material suppliers to substantiate the Contractor's right to payment; or (3) to ascertain how the Contractor has used money previously paid to the Contractor.
3. Participate in one substantial completion project inspection, prepare punch list, review final project closing documents, and submit final pay request for the North Water Treatment Plant.
4. Construction inspection services will be provided by Garver's Resident Project Representative based on a 540 calendar day construction duration for two hours per work day.
 - A. Attend meetings with Owner, Engineer and Contractor, such as progress meetings, job conferences and other project-related meetings.
 - B. Serve as the liaison with Contractor, working principally through Contractor's superintendent. Report to the Engineer when clarifications and interpretations of the Contract Documents are needed and transmit to Contractor clarifications and interpretations as issued by Engineer.
 - C. Serve as the City's liaison with Contractor when Contractor's operation affects the City's on-site operations. Obtain from Owner additional details or information when required for proper execution of the work.
 - D. Conduct on-site observations of the Work in progress. Advise the Owner if the Work is, in general, proceeding in accordance with the Contract Documents.

Appendix A

- E. Notify the Owner whenever Work is believed to be unsatisfactory, faulty, defective, not in conformance with the Contract Documents, damaged, or not meeting the requirements of any inspection, test or approval required to be made; and advise the Contractor of Work that CM believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection, or approval. Proper documentation of Non-Conformance Reports (NCR) will be distributed to all related parties and saved within the construction management software. A log of NCR's shall be maintained to illustrate the legacy of the initiation of the issue to proper completion.
- F. Maintain for use at the job site orderly files for correspondence, reports of job conferences, Shop Drawings and Samples, Contract Documents including all Addenda, Work Directive Changes, Change Orders, Field Orders, additional Drawings issued after the execution of the Contract, clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents. Inspect Contractor's record drawings adequately reflect the work including Addenda, Work Directive Changes, Change Orders, Field Orders, additional Drawings issued after the execution of the Contract, clarifications and interpretations of the Contract Documents.
- G. Keep a daily log recording Contractor's hour on the job site, weather conditions, equipment on site where applicable, data relative to questions about Work Directive Changes, Change Orders or changed conditions, list of job site visitors, daily activities, decisions, observations in general, and specific observations in more detail, as in the case of the observing test procedures.
- H. Notify Owner in advance of scheduled major tests, inspections, or start of important phases of the Work. Coordinate with Owner's operations staff.
- I. Notify Owner immediately upon the observation or notification of any accident.
- J. Review and recommend approval of payment requests by:
 - i. Reviewing and approving the Contractor's estimate of the amount of work completed to date.
 - ii. Reviewing the Contractor's estimate of stored materials delivered to the job site but not incorporated in the Work completed to date. Ensure invoice for materials is attached.
 - iii. Ensure receipt in next month's pay application of paid invoice for stored materials approved in previous month's application for payment.
- K. During the Work, review certificates, maintenance and operation manuals and other data required to be assembled and furnished by the Contractor that are applicable to the items installed and are in accordance with the Contract Documents.
- L. Recommend issuance of Certificate of Substantial Completion by Engineer. Attach a list of observed items (punch list) requiring completion or correction.
- M. Attend final inspection in the company of Engineer, Owner, and Contractor and prepare a final list of items to be completed or corrected
- N. Ensure that all items on the final list have been completed or corrected and make recommendations to the Engineer to issue the Certificate of Final Completion for Owner's signature.
- O. Shall not exceed limitations of Inspector authority as set forth in the Agreement or the Contract Documents.
- P. Ensure that the Contractor maintains a set of working as-built drawings for use in final record drawings.
- Q. Limitations of Authority of Inspector:
 - i. Shall not authorize any deviation from the Contract Documents or substitution of

Appendix A

materials or equipment, unless authorized by Owner.

- ii. Shall not undertake any of the responsibilities of Contractor, subcontractors or Contractor's superintendent.
- iii. Shall not advise on, issue directions relative to or assume control over any aspect of the means, methods, techniques, sequences or procedures of construction unless such advice or directions are specifically required by the Contract Documents.
- iv. Shall not advise on, issue directions regarding, or assume control over safety precautions and programs in connection with the Work.
- v. Shall not authorize Owner to occupy the Project in whole or in part.
- vi. Shall not participate in specialized field or laboratory tests or inspections conducted by others except as specifically authorized by Owner.

The proposed fee for Construction Phase Services is based on a construction duration of **540 calendar-days**. If the construction time extends beyond the time established, and the Owner wants Garver to continue the applicable Construction Phase Services, the Owner will pay Garver an additional fee agreed to by the Owner and Garver.

In performing construction phase services, Garver will endeavor to protect the Owner against defects and deficiencies in the work of the Contractor(s); but Garver cannot guarantee the performance of the Contractor(s), nor be responsible for the actual supervision of construction operations or for the safety measures that the Contractor(s) takes or should take. However, if at any time during construction Garver observes that the Contractor's work does not comply with the construction contract documents, Garver will notify the Contractor of such non-compliance and instruct him to correct the deficiency and/or stop work, as appropriate for the situation. Garver will also record the observance, the discussion, and the actions taken. If the Contractor continues without satisfactory corrective action, Garver will notify the Owner immediately, so that appropriate action under the Owner's contract with the Contractor can be taken.

III. Extra Work

The following items are not included under this agreement and will be considered as extra work:

1. Site Topographic Survey;
2. Subsurface Utility Engineering Survey;
3. Geotechnical Investigation;
4. Storm Water Pollution Prevention Plan (SWPPP);
5. Design of any utilities relocation.
6. Construction materials testing.
7. Services after construction, such as warranty follow-up, operations support, etc.
8. SCADA design or programming services of any kind.
9. Arc flash or other power system studies.
10. Redesign for the Owner's convenience or due to changed conditions after previous alternate direction and/or approval.
11. Submittals or deliverables in addition to those listed herein.
12. Construction inspections longer than the indicated 540 day construction duration.

Appendix A

IV. Schedule

Garver shall begin work under this Agreement within ten (10) calendar days of a Notice to Proceed and shall complete the work in accordance with the schedule below:

Phase Description	Calendar Days
Bid-Ready Design Deliverable	45 days from Notice to Proceed
First Advertisement	14 days from Issue for Bid-Ready Design Deliverable
Bid Opening	45 days from First Advertisement
Construction Notice to Proceed	14 days from Bid Opening

V. Fee Summary

Task	Fees
Task 1 - TWDB Coordination and Funding	\$23,220
Task 2 - Bid-Ready Design Deliverable	\$33,596
Task 3 - Bidding Services	\$15,554
Task 4 - Construction Engineering Services	\$122,854
Task 5 - Construction Management & Inspection Services	\$250,905
Total All Services:	\$446,129



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	8/11/2026	Date Submitted:	7/29/2026
Prepared By:	Herb Blomquist	Presented By <i>(if different)</i>	
Department:	Public Works	Type of Agenda Item:	Regular

ITEM TITLE: Contract- Garver- Programming North Well

AGENDA LANGUAGE:

Discuss, consider, and/or approve contract Work Authorization No. 18 to the standard contract agreement between the City of Bay City, Texas and Garver, LLC for Application Engineering Services (AES) for the Construction of the North Water Treatment Plant under the Texas Water Development Board Direct Appropriation funding for Drinking Water Projects.

EXECUTIVE SUMMARY/BACKGROUND

In September 2025, the City of Bay City was awarded \$12,000,000 in funding from the Texas legislature for the construction of the North Water Treatment Plant. A previous TWDB funding allotment provided funding which included planning and design for the new North Water Treatment Plant located adjacent to State Highway 60.

This agenda item is to approve \$153,481.00 in additional work between the City of Bay City and Garver to assist the City with the Application Engineering Services (AES), commonly called programming services, for the construction of the North Water Treatment. These services were originally excluded from the construction contract with LEM Construction in favor of city standardization across multiple water and wastewater facilities as provided by Garver. Work generally will include the development of the programmable logic controller (PLC) program and human-machine interface (HMI) functions of the SCADA system and are necessary for the full automated functionality of the facility.

FINANCIAL IMPLICATIONS:

- Programming Services: \$153,481.00

IMPACT ON COMMUNITY SUSTAINABILITY: The implementation of this project at the North Water Plant will provide for standardization across multiple water and wastewater facilities of system programming and monitoring (SCADA) equipment ensuring system redundancy and full automated functionality of all rehabilitated water system facilities, thereby enhancing safety and overall quality of life for the Bay City residents.

STRATEGIC PLAN GOALS ADDRESSED:											
											
Safety & Community Appearance	☐	Community & Civic Engagement	☐	Infrastructure	☒	Planning & Development	☒	Culture & recreation	☐	Operational Excellence	☐

FINANCIAL NOTES
• <i>Expenditure Required: \$153,481.00</i> • <i>Amount Budgeted: not budgeted separately</i> • <i>Fund / Account: 68-680-4600</i> • <i>TWDB Direct Appropriation Funding</i>

RECOMMENDATION:

ATTACHMENTS:

Recommendations: Staff recommends approval of Work Authorization No. 18 so the City can move forward with all items necessary to complete the North Water Plant Project.

Attachments: Work Authorization #18
Application Engineering Scope of Services

EXHIBIT A

WORK ORDER NO. 18

CITY OF BAY CITY

Bay City North Water Treatment Plant Programming Services Project No. 2600802

This WORK ORDER ("Work Order") is made by and between the **City of Bay City** (hereinafter referred to as "Owner") and **Garver, LLC**, (hereinafter referred to as "Garver") in accordance with the provisions of the MASTER AGREEMENT FOR PROFESSIONAL SERVICES executed on October 27, 2020 (the "Agreement").

Under this Work Order, the Owner intends to make the following services for **Bay City North Water Treatment Plant Programming Services**.

Generally, the scope of services generally includes programming of a new water supply and storage facility called the North Water Treatment Plant.

Garver will provide professional services as described herein. Terms not defined herein shall have the meaning assigned to them in the Agreement.

1. SCOPE OF SERVICES

- 1.1. Refer to APPENDIX A – SCOPE OF SERVICES.

2. PAYMENT

- 2.1. The lump sum amount to be paid under this Agreement is \$153,481.00. For informational purposes, a breakdown of Garver's estimated costs is included in APPENDIX A – SCOPE OF SERVICES – 6.0 FEE SUMMARY.

3. APPENDICES

- 3.1. The following Appendices are attached to and made a part of this Work Order:
Appendix A – Scope of Services

This Work Order may be executed in two (2) or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

The effective date of this Work Order shall be the last date written below.

CITY OF BAY CITY

GARVER, LLC

By: _____
Signature

By: _____
Signature

Name: Robert K. Nelson
Printed Name

Name: Randall G. McIntyre
Printed Name

Title: Mayor

Title: Vice President

Date: _____

Date: _____

Attest: _____

Attest: _____

APPENDIX A

SCOPE OF SERVICES

CITY OF BAY CITY, TEXAS North Water Treatment Plant Programming Services

1.0 Project Overview

This scope of services includes application engineering services to support improvements at the City of Bay City North Water Treatment Plant. The project consists of construction of a new municipal water supply well, a new booster pump station, two new ground storage tanks, and chemical system. The associated application engineering will consist primarily of developing, deploying, and commissioning programmable logic controller (PLC) and human-machine interface (HMI) applications to support the plant-wide process control to meet the objectives of the process and instrumentation diagrams (P&IDs) and process control descriptions (PCDs) contained in the Construction Documents.

Application engineering services will be focused on developing and commissioning PLC and HMI applications to support monitoring and control of the process at the Plant PLC panel. The contractor is responsible for providing the required materials and labor to install, configure, and commission the plant control system.

2.0 Scope of Work

During the construction phase Garver will provide Application Engineering services to implement plant-wide process control of the water treatment plant. Services include PLC application development, operator interface terminal (OIT) software configuration, OIT graphic development, and on-site support for startup and commissioning as listed below. Application design and development will be performed at Garver office(s), while startup and commissioning will be performed at the WTP. Specifically, Garver will perform the following tasks.

2.1 Task 1 – Project Management

2.1.1 Project Management Plan

Garver will develop a project management plan (PMP) for internal use by Garver's automation team to facilitate that project goals, scope, and tasks are clearly communicated to the project team throughout software application development and deployment. The PMP will include a schedule, quality control plan, and decision log. The application engineering schedule will be coordinated with the established contractor construction schedule for the project.

Assumptions/Requirements: In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- Owner will provide Garver with the contractor's construction schedule and updates to the schedule.

2.1.2 Kick-off Meeting

Garver will conduct a hybrid (in-person and virtual) kickoff meeting with the Owner at the construction site. The purpose of the kickoff meeting is to introduce key stakeholders and their roles and responsibilities, identify key points of contact, review the project objectives and scope of services, establish procedure protocols, and discuss project execution, schedule and deliverables.

Assumptions/Requirements: In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- Owner will make available knowledgeable Staff with decision-making authority to participate in the kickoff meeting and provide input where appropriate.

Deliverables: The following items will be submitted to the Owner or Owner's designated representative:

- Kickoff Meeting Agenda and Meeting Summary. Deliverables will be provided in electronic (PDF) format only.

2.1.3 Construction Progress Meetings

Garver automation staff will attend up to eight (8) monthly construction progress meetings virtually for the purpose of coordinating application engineering work with the contractor's work schedule.

Assumptions/Requirements: In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- Contractor is responsible for all construction progress meeting activities, including planning and coordination, hosting the meetings virtually, meeting preparation, and drafting and distributing meeting minutes.

2.1.4 PCSI Coordination Workshops

Attend up to two (2) virtual Process Control System Integrator (PCSI) coordination workshops for the purpose of coordinating schedules, sequencing, and identifying problem areas. The following coordination meetings are anticipated:

- Coordination Meeting No. 1 – Post Engineer Review of Submittals (field instruments, hardware, software, and control panel drawings)
- Coordination Meeting No. 2 – Pre-Witnessed Factory Testing

Assumptions/Requirements: In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- Contractor or PCSI is responsible for planning, coordinating, hosting, and conducting workshops including, providing agenda and minutes.

2.2 Task 2 – OIT Application Development

Garver will design and develop graphics for the local OIT on the plant PLC panel in the electrical room. Graphics layout and organization will be based on P&IDs, PCDs, and process mechanical drawings contained in the construction contract documents, as well as owner reviews and comments.

2.2.1 OIT Screen Development

Garver will design and develop graphical screens using Rockwell Automation Studio 5000 View Designer to support monitoring and control of the WTP from the electrical room in the new Booster Pump Station Building. Screens will be developed for situational awareness based on ANSI/ISA standards and alarm management and will include features as identified in the construction documents, specifically the P&IDs and PCDs. Anticipated graphical screens to be developed include:

- Up to two (2) Level 1 Screens
 - Dashboard
 - Overview
- Up to three (3) Level 2 Detailed Process Screens
 - Groundwater Well and Groundwater Storage Tanks
 - Booster Pump Station
 - Chemical (Sodium Hypo) System
- Up to two (2) Settings Screens
- Up to ten (10) Trend Charts
- Up to two (2) Alarms Screens

Assumptions/Requirements: In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- OIT will be Allen-Bradley PanelView 7 or later.

Deliverables:

The following items will be submitted to the Owner or Owner's designated representative:

- Draft list of alarms and events for review by the Owner. The list will include tag name, description, operator response, severity, and priority for alarm or event.
- Draft list of data points that will be logged for local trending for review by the Owner. The list will include tag name, description, engineering units, minimum and maximum values, and trend chart minimum and maximum values.
- Final list of alarms and events for review by the Owner. The list will include tag name, description, operator response, severity, and priority for alarm or event.
- Final list of data points that will be logged for local trending for review by the Owner. The list will include tag name, description, engineering units, minimum and maximum values, trend chart minimum and maximum values, and the estimated data retention time.
- Two (2) copies of the OIT application developed by Garver on portable electronic media device.

2.2.2 SCADA Workshops

- Process monitoring and control will adhere to the standards established under the Bay City East WTP Programming project; therefore, a SCADA workshop is not anticipated within this scope of services.

2.3 Task 3 – PLC Application Development

2.3.1 PLC Application Development

Garver will develop one (1) new programmable logic controller (PLC) application to support monitoring and automatic control strategies set forth in the P&IDs, PCDs, and I/O lists for the plantwide process control system (300PLC001). Garver will also configure the alarm dialer installed inside the PLC panel for remote alarm monitoring.

Assumptions/Requirements: In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- Plantwide process control system PLC will be Allen-Bradley CompactLogix series.

Deliverables: The following items will be submitted to the Owner or Owner's designated representative:

- Two (2) copies of the PLC application developed by Garver on portable electronic media device.

2.4 Task 4 – Startup and Commissioning

2.4.1 SCADA System and Network Software Configuration

Garver will coordinate with the Owner's IT services provider for network configuration requirements for the SCADA system local area network (LAN). Garver will develop a document containing OT network configuration requirements along with an IP address spreadsheet. A copy of the OT network configuration document will be submitted to the Owner for future reference and use.

Garver will configure and commission the following Ethernet equipment that are part of the SCADA system in accordance with the OT network configuration document.

- Enclosure mounted OIT
- Ethernet switch
- Alarm dialer in the PLC panel

Assumptions/Requirements: In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- Contractor is responsible for providing software licenses required for the OIT.

Deliverables: The following items will be submitted to the Owner or Owner's designated representative:

- One (1) electronic copy of the OT Network Configuration document for Owner

2.4.2 Witnessed Factory Test

Garver will provide on-site services at the Process Control System Integrator's facility for up to three (3) 8-hour days to observe the Witnessed Factory Test (WFT) performed by the contractor and to perform a Factory Functional Demonstration Test (FDT) of the Garver-developed PLC and OIT application software. The intent of the Factory FDT is to demonstrate process monitoring and control, alarm notification and management, and local data trending functions and features of Garver-developed PLC and OIT software applications. . WFT documentation is the responsibility of the contractor and will be provided by the contractor. Factory FDT documentation will be provided by Garver.

Assumptions/Requirements: In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- Contractor is responsible for coordinating the WFT and providing support to Garver during the Factory FDT-Application Software test.
- Contractor is responsible for printing test documentation, including Factory FDT-Application Software Test documentation.
- WFT can be completed in three business days.

Deliverables: The following items will be submitted to the Owner or Owner's designated representative:

- Draft Factory FDT-Application Software document for Owner and Contractor review.
- Final Factory FDT-Application Software document.

2.4.3 Operational Readiness Test

Garver will observe up to two (2) onsite, contractor-administered Operational Readiness Tests at the WTP for up to three (3) 8-hour days. Additional site visits will be considered extra work.

2.4.4 Application Commissioning and Site Functional Demonstration Test

Garver will provide onsite services by one (1) Automation Specialist for up to two (2) weeks for integration, startup, and functional testing of the plantwide control system for software applications developed by Garver. While performing functional testing Garver will refine initial PLC and OIT applications for field conditions. Garver will provide documentation for functional testing of the software features for process monitoring and control, alarm notification and management, and local data trending. Anticipated travel days associated with onsite startup and commissioning services are Mondays and Fridays, excluding recognized holidays.

Assumptions/Requirements:

In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- Contractor is responsible for coordinating the Site FDT with all stakeholders.
- Contractor is responsible for providing support to Garver while the Site FDT is being performed.

Deliverables:

The following items will be submitted to the Owner or Owner's designated representative:

- Draft Site FDT-Application Software document for Owner and Contractor review.
- Final Site FDT-Application Software document.

2.4.5 Site Acceptance Test

Garver will provide remote and onsite services as needed to support the 30-day Site Acceptance Test (SAT). Onsite support will be provided by one (1) Automation Specialist for the first five (5) days of the SAT to provide an immediate response to failure events that are attributed to Garver developed software applications. For the remainder of the SAT, Garver will provide remote support as needed.

Assumptions/Requirements:

In developing the scope of services and associated level of effort, Garver has made the assumptions outlined below:

- Contractor is responsible for providing the initial response to problems reported by the Owner or the Owner's designated representative.
- Contractor is responsible for troubleshooting physical systems, including but not limited to control circuits, PLC, OIT, and interconnections.
- Owner will provide remote access to the WTP OT network for application enhancements and troubleshooting. If the site does not have a secure internet connection available, Garver will provide a temporary device that will be installed in the PLC control panel to establish a secure remote connection with the OT network.

Deliverables:

The following items will be submitted to the Owner or Owner's designated representative:

- Garver call roster

2.5 Task 5 – Training

Garver will provide up to four (4) hours of informal training during the first five (5) days of the SAT to the Owner's operations and maintenance staff on the plantwide control system. The purpose of the training will be to familiarize O&M staff with monitoring and control, alarm notification and management, and diagnostic features available with the plantwide control system.

2.6 Task 6 – Post-Commissioning Support

Garver will provide remote or onsite post-commissioning support services on an hourly basis with a not to exceed limit of \$14,000 for up to three (3) months after completion of SAT for enhancing Garver developed applications. Charges for post-commissioning services will be based on the billing classification of the individual(s) providing the support services plus expenses.

3.0 Owner Responsibilities

The scope of services is based upon following responsibilities of the Owner.

- Reliable internet connection at the water treatment plant. Garver can discuss the options and associated fees with the City's IT department to provide remote access devices if the internet connection was not available during the testing and commissioning period.
- Provide 24-hour access to WTP site during startup and commissioning.
- Contractor has completed the following items as outlined in the construction contract documents, including but not limited to:
 - Software licenses are on site and ready for activation.
 - Successful Operational Readiness Test with equipment energized and PLCs ready to receive Garver developed applications.
 - Submitted and approved PLC I/O lists.
- Provide administrator level credentials for the OIT and PLC.

4.0 Extra Work

The following items are not included under this agreement and will be considered as extra work:

- Application software revisions for the Owner's convenience or due to changed conditions after previous alternate direction and/or approval.
- Submittals or deliverables in addition to those listed herein.
- Services after construction beyond those listed herein for post-startup enhancements.
- Procurement, installation, or configuration of PLC hardware.
- Procurement or installation of network or communication hardware.
- Configuration of network or communication beyond those described herein.
- Procurement, installation, configuration or calibration of instrumentation.
- Procurement, installation, or configuration of software beyond those listed herein.
- Upgrades or modifications to PLC and OIT applications beyond those listed herein.
- Technical services for troubleshooting equipment or electrical interconnections.
- Repair services.
- Preparing or revising O&M data.
- Meetings beyond those listed herein.
- Procurement of services.
- Formal training.
- Additional onsite time due to circumstances beyond the control of Garver.

Extra Work will be as directed by the Owner in writing for an additional fee as agreed upon by the Owner and Garver

5.0 Schedule

Garver shall begin work under this Agreement within ten (10) days of a Notice to Proceed (NTP) and shall complete the work in accordance with the schedule below:

Milestone	Calendar Days
Kickoff Meeting	30 days from NTP
Milestones to be coordinated with the established construction schedule	

6.0 Fee Summary

Task	Fees
Task 1 - Project Management	\$16,526
Task 2 – OIT Application Development	\$22,828
Task 3 – PLC Application Development	\$23,400
Task 4 – Startup and Commissioning	\$73,292
Task 5 - Training	\$3,394
Task 6 – Post Commissioning Support (hourly)	\$14,041
Total All Services:	\$153,481



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	8/11/2026	Date Submitted:	08/01/2026
Prepared By:	Krystal Mason	Presented By <i>(if different)</i>	Krystal Mason
Department:	Public Works	Type of Agenda Item:	Regular

ITEM TITLE: Maintenance Contract – Elevated and Ground Storage Tanks

AGENDA LANGUAGE:

Discuss, consider and/or approve entering into a 10-year water storage maintenance plan with Maguire Iron, Inc. through The Interlocal Purchasing System (TIPS), for the annual inspection, cleaning, repair, rehabilitation, and maintenance of the City’s elevated and ground storage tanks, in an amount not to exceed \$4,479,429 over the 10-year term, and authorize the Mayor to execute all related agreements approved as to form by the City Attorney.

EXECUTIVE SUMMARY/BACKGROUND

Staff is requesting authorization to enter a 10-year water storage tank maintenance plan with Maguire Iron, Inc. for the City’s elevated and ground storage water tanks. The proposed plan establishes a proactive, long-term approach to maintaining these critical components of the City’s water distribution system through annual visual inspections, remote-operated vehicle inspections or tank cleanouts, interior and exterior coating renovations, pressure washing, and necessary steel repairs. Planned maintenance helps identify structural, sanitary, safety, security, and coating deficiencies before they develop into more significant and costly problems, while extending the service life of each tank and improving long-term budget predictability. Emergency services, upgraded coating systems, additional power wash services, and required TCEQ inspections are included. In addition, the plan covers two re-coatings per tank. The initial renovation and then a second painting at approximately the 10-year mark.

The maintenance schedule covers fiscal years 2026 through 2035. The total scheduled cost over the 10-year term is \$4,479,429, with annual payments ranging from \$262,717 to \$593,443 based on the work scheduled for each year. Year 1 will include the rehabilitation of the 6th & Ave I WTP ground storage tank (to coincide with the WTP Improvements) and the Whitson elevated storage tank. Approval of the plan will provide the City with a defined scope and schedule for inspections, cleaning, repairs, and rehabilitation while supporting regulatory compliance, reliable water service, responsible asset management, and long-term financial planning.

Each tank will have its own contract. This makes it easier to remove tanks in the future, if needed. In addition, this is an evergreen contract and may be cancelled at any time.

STRATEGIC PLAN GOALS ADDRESSED:											
											
Safety & Community Appearance	☐	Community & Civic Engagement	☐	Infrastructure	☒	Planning & Development	☐	Culture & recreation	☐	Operational Excellence	☐

FINANCIAL NOTES
This section should include information such as: • <i>Expenditure Required: \$4,479,429 (over 10 years); FY26: \$414,919; FY27 \$511,061</i> • <i>Amount Budgeted: FY26: \$500,000; FY27: \$520,000</i> • <i>Fund / Account: 61-615--4520</i> • <i>Other financial Notes: This contract can be cancelled at any time.</i>

RECOMMENDATION: Staff recommends approval of the 10-year water storage tank maintenance plan with Maguire Iron, Inc., in accordance with the proposed schedule of services and fees.

Bay City, TX Maintenance Plan

Schedule B

Tank	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
4th & Ave B GST 750	\$ 5,000	\$ 114,464	\$ 114,464	\$ 114,464	\$ 114,464	\$ 114,464	\$ 34,510	\$ 35,890	\$ 37,326	\$ 38,819
Scheduled Work	Visual Inspection, Steel Repairs	Exterior Renovation, Interior Wet Renovation	Visual Inspection	Visual Inspection	Clean out or ROV Inspection	Visual Inspection	Visual Inspection	Clean out or ROV Inspection	Visual Inspection	Visual Inspection
6th St & Ave I GST 1 MG	\$177,447	\$177,447	\$177,447	\$177,447	\$46,647	\$48,513	\$50,453	\$52,472	\$54,570	\$56,753
Scheduled Work	Exterior Renovation, Interior Wet Renovation, Steel Work	Visual Inspection	Visual Inspection	Clean out or ROV Inspection	Visual Inspection	Visual Inspection	Clean out or ROV Inspection	Visual Inspection	Visual Inspection	Clean out or ROV Inspection
Grace St 500 GST	\$ 5,000	\$ 5,000	\$ 86,332	\$ 86,332	\$ 86,332	\$ 86,332	\$ 86,332	\$ 19,745	\$ 20,535	\$ 21,356
Scheduled Work	Clean out or ROV Inspection	Visual Inspection	Exterior Renovation, Interior Wet Renovation, Steel Work	Visual Inspection	Visual Inspection	Clean out or ROV Inspection	Visual Inspection	Visual Inspection	Clean out or ROV Inspection	Visual Inspection
Katy EST 400	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 123,162	\$ 123,162	\$ 123,162	\$ 123,162	\$ 38,807	\$ 40,359
Scheduled Work	Clean out or ROV Inspection, Steel Work	Visual Inspection	Visual Inspection	Visual Inspection	Exterior Renovation, Interior Wet Renovation, Steel Work	Visual Inspection	Visual Inspection	Clean out or ROV Inspection	Visual Inspection	Visual Inspection / Exterior Pressure Wash

Bay City, TX Maintenance Plan

Schedule B

Tank	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Mockingbird GST 500	\$ 46,645	\$ 46,645	\$ 46,645	\$ 46,645	\$ 46,645	\$ 46,645	\$ 46,645	\$ 27,250	\$ 28,340	\$ 29,473
Scheduled Work	Visual Inspection	Visual Inspection	Visual Inspection	Interior Renovation, Steel Repairs / Clean out	Visual Inspection	Visual Inspection	Exterior Renovation, clean out, Steel Work	Visual Inspection	Visual Inspection	Clean out or ROV Inspection
Riverside GST 25	\$ 15,264	\$ 1,942	\$ 1,942	\$ 2,992	\$ 1,942	\$ 1,942	\$ 2,992	\$ 1,942	\$ 1,942	\$ 2,992
Scheduled Work	Clean out or ROV Inspection / Steel Repairs	Visual Inspection	Visual Inspection	Clean out or ROV Inspection	Visual Inspection	Visual Inspection	Clean out or ROV Inspection	Visual Inspection	Visual Inspection	Clean out or ROV Inspection
Whitson EST 1 MG	\$160,563	\$160,563	\$160,563	\$160,563	\$160,563	\$72,184	\$75,071	\$78,074	\$81,197	\$84,445
Scheduled Work	Exterior Renovation, Dry Interior Renovation, and Steel Repairs	Visual Inspection	Visual Inspection	Interior Renovation	Visual Inspection	Visual Inspection Exterior Pressure Wash	Clean out or ROV Inspection	Visual Inspection	Visual Inspection	Clean out or ROV Inspection
Tank	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Combined Total	\$414,919	\$511,061	\$592,393	\$593,443	\$579,755	\$493,242	\$419,166	\$338,535	\$262,717	\$274,198

This service will be procured through TIPS (The Interlocal Purchasing System) under Maguire's TIPS Vendor Number: 23010401

Bay City, TX Maintenance Plan

Schedule B

Tank	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
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Owner: Bay City, TX - City of

By:

[Redacted]

(Name)

[Redacted]

(Title)

MAGUIRE IRON, INC.

By:

[Redacted]

(Name)

[Redacted]

(Title)

By:

Wayne McQuaid 07/01/2026

(Authorized Agent)

(Date)

Date Accepted: _____



FULL-SERVICE MAINTENANCE PLAN

Bay City, TX – City of

1MMG GST - 6th Street

Bay City, TX

June 30, 2026

FULL-SERVICE MAINTENANCE PLAN CONTRACT

MAGUIREWATER.COM



THIS AGREEMENT is made this 30 day of June, 2026, by and between Bay City, TX - City of, hereinafter referred to in this Agreement as "Owner", and Maguire Iron, Inc. of Sioux Falls, SD, hereinafter referred to in this Agreement as "the Company".

This Agreement along with all incorporated documents referenced herein shall set forth the full terms and conditions agreed to between the parties in reference to the inspection, maintenance, and rehabilitation of the GST/STP/PT – 1000 Water Tower(s) by the Company as outlined in **Schedule A**.

1. SCOPE:

The Owner agrees to employ the Company to maintain its water storage tanks in accordance with this Agreement. This Agreement binds the Company to responsibility for the care and maintenance of the above described water storage tanks. Care and maintenance shall include the following:

- a. **Inspection:** The Company will annually inspect and service the tanks beginning in the year of 2026 as per the schedule with visual inspections and cleanout inspections. If any significant repair or touch up is observed we will schedule a time for the owner to drain the tank to make necessary repairs.
- b. **Drainage:** When a cleanout/inspection is done, the tanks will be completely drained and cleaned to remove and properly dispose of all sediment and other accumulations that might be harmful to the tank or its contents (not including staining). This cleaning will use high-pressure equipment. Any necessary touch up will be done at time of cleaning to extend coating life.
- c. **Disinfection:** After cleaning is completed, the interior will be inspected and disinfected by the Company prior to returning to service. Sampling and testing will be the responsibility of the Owner.
- d. **Painting:** The Company will clean and repaint the interior and/or exterior of the tanks at such time as painting is needed, but at a minimum in accordance with the schedule mutually agreed upon by the Owner and the Company, unless otherwise requested and extended by the Owner in writing. The need for interior painting will be determined by the thickness of the existing liner and its protective condition. The need for exterior painting will be determined by the appearance and protective condition of the existing paint. When painting is needed, all products and procedures will be equal to, or exceed the requirements of the state, the American Water Works Association, and the Steel Structures Painting Council as to surface preparation, coating materials, and disinfections. A lock, provided by the Owner will be installed on the roof hatch of the tanks to prevent any unauthorized entry to the water tanks. The keys to the tank will be retained by the Owner.
- e. **Emergency:** The Company will provide emergency services, when needed, to perform all repairs covered under this contract. Reasonable travel time must be



allowed for the repair unit to reach the tank site. The Company will furnish temporary use of relief valves, if needed, to install in the water system so the Owner can pump direct to maintain water pressure while the tank is being serviced. The owner has the option to purchase relief valves for long-term use.

- f. **Exclusions:** This Agreement does NOT include the cost for and/or liability on the part of the Company for: (1) containment of the tanks at any time during the term of the Agreement; (2) disposal of any hazardous waste materials; (3) resolution of operational problems or structural damage due to cold weather, acts of terrorism or other "Acts of God"; (4) repair of structural damage due to antenna installations or other attachments for which the tank was not originally designed; (5) riser pipes that are smaller than 36 inches in diameter; (6) insulation, frost jackets, and fill lines; (7) negligent or intentional acts of Owner's employees, invitees, agents, or contractors or subcontractor or any person or entity under Owner's control; (8) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (9) damages, whether foreseen or unforeseen, caused by the Owner's use of pressure relief valves and site conditions; (10) repairs to the foundation of the tank; (11) payment of prevailing wages at any time throughout the duration of this agreement; (12) negligent acts of Owner's employees, agents or contractors in the operation of the water system.

2. INSURANCE:

The Company will furnish current certificates of insurance coverage to the Owner at the time any work is performed. Owner and Company insurers shall waive subrogation.

3. TERM:

This agreement shall be for one year and automatically renews annually on the contract execution date or the Owner's budget year defined as: Jan 1 through: Dec 31. The Owner shall have the right to continue this contract for an indefinite period of time providing the annual fee is paid in accordance with the terms of payment. This agreement is subject to termination by the Owner upon written notice of intent to terminate which must be received by the Company ninety (90) days prior to the effective date of termination. Notice of Termination is to be delivered by certified mail to Maguire Iron Inc. PO Box 1446 Sioux Falls, SD 57101, and signed by the Mayor, City Manager or authorized agent. The owner will be responsible to the Company for the cost (at current market rates) of any work that has been performed prior to termination. Any disputes arising out of such termination are subject to the remedies section hereinafter set out.

4. COST/PAYMENT TERM:

The cost of the program is detailed in the **attached Schedule A**. Each year thereafter, the annual fee will be adjusted to reflect the current cost of service. The adjustments will be limited to a five percent annual increase. **Payment Options:** ☐ quarterly, ☐ semi-annually, or ☒ annual payments are due the first business day of selected payment period. Net 30 days from acceptance and invoicing, plus applicable sales, use, excise, transfer or similar taxes required



by law. A service charge of 1.5% per month (18% per annum) will be charged on past due accounts.

5. TANK MODIFICATION:

The Company's fees are based upon the existing structure and components of the tanks. *Any modifications to the tanks, including but not limited to antenna installations, shall be approved by the Company, prior to installation or modification and may result in an increase to the annual fee.*

6. CHANGES IN LAW:

The Owner agrees that future mandated environmental, health, safety, or labor requirements as well as changes in site conditions at the tank site which cause an increase in the cost of tank maintenance will be just cause for modification of Section 4 of this Agreement. Modification of this Agreement will reasonably reflect the increased cost of the service with a newly negotiated annual fee.

7. ASSIGNMENT:

The Owner may not assign or otherwise transfer all or any of its interest under this Agreement without the prior written consent of the Company. If the Company agrees to the assignment, the Owner shall remain responsible under this Agreement, until its assignee assumes in full and in writing all of the obligations of the Owner under this Agreement.

8. INDEMNIFICATION:

THE COMPANY AGREES TO INDEMNIFY THE OWNER AND HOLD THE OWNER HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ANY ACT, OMISSION, OF THE COMPANY OR ITS SUBCONTRACTORS, AGENTS, OR EMPLOYEES. THE OWNER AGREES TO INDEMNIFY THE COMPANY AND HOLD THE COMPANY HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ACT OR OMISSION OF THE OWNER OR ITS CONTRACTORS, AGENTS, OR EMPLOYEES. THE INDEMNIFICATION PROVIDED IN THIS PARAGRAPH DOES NOT AFFECT THE COMPANY'S LIMITATIONS OF LIABILITY SET FORTH IN OTHER PARAGRAPHS OF THIS AGREEMENT.

9. REMEDIES

Company or Owner shall in no event be liable for consequential, incidental or punitive damages whatsoever. In the event of a dispute involving this Agreement or arising out of this Agreement, the parties agree that binding arbitration shall be the sole and exclusive method for resolving such dispute. Arbitration shall take place in South Dakota before a single arbitrator with a background in the construction industry within 90 days of a claim for arbitration filed by either party. If the parties cannot agree on an arbitrator, the arbitrator shall be chosen by the presiding Federal District Court Judge of the Federal District Court where the Project is located. The arbitrator shall render his or her decision within 120 days of the arbitration. Such arbitrator's decision shall be enforceable by judgment in any court. Costs of arbitration shall be divided equally. The arbitrator may in his or her discretion award attorney's fees. The laws of the State



of South Dakota shall govern and interpret this Agreement without regard to conflict of law principles or the location of the execution or performance of this Agreement.

10. MISCELLANEOUS:

No modifications, amendments, or alterations of this Agreement may be made except in writing signed by all the parties to this Agreement. No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof. The parties expressly warrant that the individuals who sign below are authorized to bind them without further action.

11. ENTIRE AGREEMENT:

This Agreement constitute the entire agreement of the parties and supersedes all prior communications, understandings, and agreement relating to the subject matter hereof, whether oral or written.

12. SEVERABILITY:

If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

13. VISUAL INSPECTION DISCLAIMER

This Contract is based upon a visual inspection of the Tank. The Owner and the Company hereby acknowledge and agree that a visual inspection is intended to assess the condition of the Tank for all patent defects. If latent defects are identified once the tank has been drained for repairs, the Owner agrees and acknowledges that the Company shall not be responsible to repair the latent defects unless the Owner and the Company renegotiate the annual fees. The definition of a "latent defect" shall be any defect of the Tank which is not easily discovered (e.g., corrosion of the floor plates, damage to the roof of the tank which is not clearly visible during the visual inspection, etc.).

Owner: Bay City, TX - City of

MAGUIRE IRON, INC.

By:

[Redacted Signature]

(Name)

[Redacted Signature]

(Title)

By:

[Redacted Signature]

(Name)

[Redacted Signature]

(Title)

By:

Wayne McQuaid

(Authorized Agent)

06/30/2026

(Date)

Date Accepted: _____

Upon acceptance, please provide two (2) signatures and date the agreement.



WITNESSETH:

Contractor agrees to make the following repairs and improvements on the Owner's water supply tank, and to furnish the necessary equipment, labor, material, as well as Workmen's Compensation Insurance and Contractor's Liability Insurance, and to do the work hereinafter stated in a good and workmanlike manner.

Exterior Renovation with Class 3A Containment

- Contractor will abrasive blast clean the complete exterior (100%) to an SSPC - SP No. 6 "Commercial Blast". After abrasive blast cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
- Contractor will apply one (1) prime coat of zinc to the complete exterior (100%) shall be applied to manufacturer's recommended film thickness (2.5 - 3.5 mils DFT).
- Contractor will apply one (1) intermediate coat of epoxy to the complete exterior (100%) shall be applied to the manufacturer's recommendations (3.0 - 5.0 mils DFT).
- Contractor will apply one (1) finish coat of urethane to the complete exterior (100%) shall be applied to the manufacturer's recommendations (2.0 - 5.0 mils DFT).

Interior Wet Renovation

- Contractor will abrasive blast clean the complete interior (100%) to an SSPC - SP No. 10 "Near White Metal". After abrasive blast cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
- Contractor will apply one (1) prime coat of NSF-61 approved zinc rich primer to the complete interior (100%) shall be applied to manufacturer's recommended film thickness (2.5 - 3.5 mils DFT).
- Contractor will apply one (1) additional coat of NSF-61 approved epoxy to be applied by brush and roller to all edges, weld seams and sharp angles.
- Contractor will apply one (1) finish coat of NSF-61 approved epoxy to the complete interior (100%) shall be applied to the manufacturer's recommendations (10.0 - 14.0 mils DFT).

Disinfection Method

- Contractor will disinfect the interior of the tank as per AWWA Standard C652-02, Chlorine Method #3 prior to the owner filling the tank.
- Water samples and testing is the responsibility of the owner.

Roof Access

- Contractor will remove existing roof manway and install new 30 inch square manway.

Frost Proof Vent

- Contractor will remove existing vent and furnish and install a new state compliant 30 inch fail safe steel vent.



Misc Steel Repair - Replace corroded steel

- Remove the 6' diameter of bad steel around the vent and replace it with a new 6' section of steel before the new vent is installed

Misc Steel Repair - Repair misc steel

- Patch holes in the roof that are outside of the new 6' diameter plate that is being fixed.
Repair a few holes in the floor of the tank that may occur after blasting

Misc Steel Repair - Ladder Cage

- The existing ladder cage that is located on the exterior side wall will be removed

Anti Climb

- Contractor will install an anti-climb device on the exterior ladder approximately 15 ft above grade.

Safety Climb

- Contractor will provide and install new exterior galvanized safety climb system meeting current ANSI and OSHA standards.

6' Handrails on either side of ladder (12' total) - Flats

- Contractor will fabricate, and install 6' of handrail 42" high OSHA compliant on either side of the ladder using 2" angle iron.

Visual Inspection

- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tower.
- Contractor will work up a report of the findings during the Inspection of the city's water tower and send a detailed report that will include current condition, and future recommendations as applicable. Inspection to cover, Coatings, Sanitary, Security, Safety and Structural conditions.



Cleanout

- Contractor will furnish tools, labor, and materials as well as necessary insurance to perform the work in a good and workmanlike manner.
- Contractor will furnish a pressure relief valve / blow off valve for use by the Owner if needed at no charge.
- Contractor will wash out heavy sediment once the tank is emptied by the owner.
- Contractor will power wash the bottom 6' of the interior wet area of the tank after heavy sediment has been removed from the tank. Some staining may remain.
- Contract is based on up to one half-day of crew onsite. Projects over one-half day will be charged at \$675/hour. Additional days required will be charged at \$5400/day.
- Should any emergency repair or renovation be necessary, cost and details to be submitted. No extra work will be done without the owner's authorization.
- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tank.

Contract Notes

- This service will be procured through TIPS (The Interlocal Purchasing System) under Maguire's TIPS Vendor Number: 23010402



Schedule A: Cost Schedule

Bay City, TX - City of GST/STP/PT 1000		
Year	Service	Annual Spend
Year: 1	Paint - Exterior Paint - Interior Wet Steelwork Repairs	\$177,447.45
Year: 2	Visual Inspection	\$177,447.45
Year: 3	Visual Inspection	\$177,447.45
Year: 4	Clean Out / ROV	\$177,447.45
Year: 5	Visual Inspection	\$46,647.04
Year: 6	Visual Inspection	\$48,512.92
Year: 7	Clean Out / ROV	\$50,453.44
Year: 8	Visual Inspection	\$52,471.58
Year: 9	Visual Inspection	\$54,570.44
Year: 10	Clean Out / ROV	\$56,753.26



FULL-SERVICE MAINTENANCE PLAN



Bay City, TX – City of

750MG GST - 4th St & Ave B

Bay City, TX

June 30, 2026

FULL-SERVICE MAINTENANCE PLAN CONTRACT

MAGUIREWATER.COM



THIS AGREEMENT is made this 30 day of June, 2026, by and between Bay City, TX - City of, hereinafter referred to in this Agreement as "Owner", and Maguire Iron, Inc. of Sioux Falls, SD, hereinafter referred to in this Agreement as "the Company".

This Agreement along with all incorporated documents referenced herein shall set forth the full terms and conditions agreed to between the parties in reference to the inspection, maintenance, and rehabilitation of the GST/STP/PT – 750 Water Tower(s) by the Company as outlined in **Schedule A**.

1. SCOPE:

The Owner agrees to employ the Company to maintain its water storage tanks in accordance with this Agreement. This Agreement binds the Company to responsibility for the care and maintenance of the above described water storage tanks. Care and maintenance shall include the following:

- a. **Inspection:** The Company will annually inspect and service the tanks beginning in the year of 2026 as per the schedule with visual inspections and cleanout inspections. If any significant repair or touch up is observed we will schedule a time for the owner to drain the tank to make necessary repairs.
- b. **Drainage:** When a cleanout/inspection is done, the tanks will be completely drained and cleaned to remove and properly dispose of all sediment and other accumulations that might be harmful to the tank or its contents (not including staining). This cleaning will use high-pressure equipment. Any necessary touch up will be done at time of cleaning to extend coating life.
- c. **Disinfection:** After cleaning is completed, the interior will be inspected and disinfected by the Company prior to returning to service. Sampling and testing will be the responsibility of the Owner.
- d. **Painting:** The Company will clean and repaint the interior and/or exterior of the tanks at such time as painting is needed, but at a minimum in accordance with the schedule mutually agreed upon by the Owner and the Company, unless otherwise requested and extended by the Owner in writing. The need for interior painting will be determined by the thickness of the existing liner and its protective condition. The need for exterior painting will be determined by the appearance and protective condition of the existing paint. When painting is needed, all products and procedures will be equal to, or exceed the requirements of the state, the American Water Works Association, and the Steel Structures Painting Council as to surface preparation, coating materials, and disinfections. A lock, provided by the Owner will be installed on the roof hatch of the tanks to prevent any unauthorized entry to the water tanks. The keys to the tank will be retained by the Owner.
- e. **Emergency:** The Company will provide emergency services, when needed, to perform all repairs covered under this contract. Reasonable travel time must be allowed for the repair unit to reach the tank site. The Company will furnish temporary



use of relief valves, if needed, to install in the water system so the Owner can pump direct to maintain water pressure while the tank is being serviced. The owner has the option to purchase relief valves for long-term use.

- f. **Exclusions:** This Agreement does NOT include the cost for and/or liability on the part of the Company for: (1) containment of the tanks at any time during the term of the Agreement; (2) disposal of any hazardous waste materials; (3) resolution of operational problems or structural damage due to cold weather, acts of terrorism or other "Acts of God"; (4) repair of structural damage due to antenna installations or other attachments for which the tank was not originally designed; (5) riser pipes that are smaller than 36 inches in diameter; (6) insulation, frost jackets, and fill lines; (7) negligent or intentional acts of Owner's employees, invitees, agents, or contractors or subcontractor or any person or entity under Owner's control; (8) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (9) damages, whether foreseen or unforeseen, caused by the Owner's use of pressure relief valves and site conditions; (10) repairs to the foundation of the tank; (11) payment of prevailing wages at any time throughout the duration of this agreement; (12) negligent acts of Owner's employees, agents or contractors in the operation of the water system.

2. INSURANCE:

The Company will furnish current certificates of insurance coverage to the Owner at the time any work is performed. Owner and Company insurers shall waive subrogation.

3. TERM:

This agreement shall be for one year and automatically renews annually on the contract execution date or the Owner's budget year defined as: Jan 1 through: Dec 31. The Owner shall have the right to continue this contract for an indefinite period of time providing the annual fee is paid in accordance with the terms of payment. This agreement is subject to termination by the Owner upon written notice of intent to terminate which must be received by the Company ninety (90) days prior to the effective date of termination. Notice of Termination is to be delivered by certified mail to Maguire Iron Inc. PO Box 1446 Sioux Falls, SD 57101, and signed by the Mayor, City Manager or authorized agent. The owner will be responsible to the Company for the cost (at current market rates) of any work that has been performed prior to termination. Any disputes arising out of such termination are subject to the remedies section hereinafter set out.

4. COST/PAYMENT TERM:

The cost of the program is detailed in the **attached Schedule A**. Each year thereafter, the annual fee will be adjusted to reflect the current cost of service. The adjustments will be limited to a five percent annual increase. **Payment Options:** ☐ quarterly, ☐ semi-annually, or ☒ annual payments are due the first business day of selected payment period. Net 30 days from acceptance and invoicing, plus applicable sales, use, excise, transfer or similar taxes required by law. A service charge of 1.5% per month (18% per annum) will be charged on past due accounts.



5. TANK MODIFICATION:

The Company's fees are based upon the existing structure and components of the tanks. *Any modifications to the tanks, including but not limited to antenna installations, shall be approved by the Company, prior to installation or modification and may result in an increase to the annual fee.*

6. CHANGES IN LAW:

The Owner agrees that future mandated environmental, health, safety, or labor requirements as well as changes in site conditions at the tank site which cause an increase in the cost of tank maintenance will be just cause for modification of Section 4 of this Agreement. Modification of this Agreement will reasonably reflect the increased cost of the service with a newly negotiated annual fee.

7. ASSIGNMENT:

The Owner may not assign or otherwise transfer all or any of its interest under this Agreement without the prior written consent of the Company. If the Company agrees to the assignment, the Owner shall remain responsible under this Agreement, until its assignee assumes in full and in writing all of the obligations of the Owner under this Agreement.

8. INDEMNIFICATION:

THE COMPANY AGREES TO INDEMNIFY THE OWNER AND HOLD THE OWNER HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ANY ACT, OMISSION, OF THE COMPANY OR ITS SUBCONTRACTORS, AGENTS, OR EMPLOYEES. THE OWNER AGREES TO INDEMNIFY THE COMPANY AND HOLD THE COMPANY HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ACT OR OMISSION OF THE OWNER OR ITS CONTRACTORS, AGENTS, OR EMPLOYEES. THE INDEMNIFICATION PROVIDED IN THIS PARAGRAPH DOES NOT AFFECT THE COMPANY'S LIMITATIONS OF LIABILITY SET FORTH IN OTHER PARAGRAPHS OF THIS AGREEMENT.

9. REMEDIES

Company or Owner shall in no event be liable for consequential, incidental or punitive damages whatsoever. In the event of a dispute involving this Agreement or arising out of this Agreement, the parties agree that binding arbitration shall be the sole and exclusive method for resolving such dispute. Arbitration shall take place in South Dakota before a single arbitrator with a background in the construction industry within 90 days of a claim for arbitration filed by either party. If the parties cannot agree on an arbitrator, the arbitrator shall be chosen by the presiding Federal District Court Judge of the Federal District Court where the Project is located. The arbitrator shall render his or her decision within 120 days of the arbitration. Such arbitrator's decision shall be enforceable by judgment in any court. Costs of arbitration shall be divided equally. The arbitrator may in his or her discretion award attorney's fees. The laws of the State of South Dakota shall govern and interpret this Agreement without regard to conflict of law principles or the location of the execution or performance of this Agreement.



PO BOX 1446
Sioux Falls, SD 57101
Phone: (605) 334-9749
info@maquirewater.com

No modifications, amendments, or alterations of this Agreement may be made except in writing signed by all the parties to this Agreement. No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof. The parties expressly warrant that the individuals who sign below are authorized to bind them without further action.

This Agreement constitute the entire agreement of the parties and supersedes all prior communications, understandings, and agreement relating to the subject matter hereof, whether oral or written.

If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

This Contract is based upon a visual inspection of the Tank. The Owner and the Company hereby acknowledge and agree that a visual inspection is intended to assess the condition of the Tank for all patent defects. If latent defects are identified once the tank has been drained for repairs, the Owner agrees and acknowledges that the Company shall not be responsible to repair the latent defects unless the Owner and the Company renegotiate the annual fees. The definition of a "latent defect" shall be any defect of the Tank which is not easily discovered (e.g., corrosion of the floor plates, damage to the roof of the tank which is not clearly visible during the visual inspection, etc.).



WITNESSETH:

Contractor agrees to make the following repairs and improvements on the Owner's water supply tank, and to furnish the necessary equipment, labor, material, as well as Workmen's Compensation Insurance and Contractor's Liability Insurance, and to do the work hereinafter stated in a good and workmanlike manner.

Exterior Renovation with Class 3A Containment

- Contractor will abrasive blast clean the complete exterior (100%) to an SSPC - SP No. 6 "Commercial Blast". After abrasive blast cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
- Contractor will apply one (1) prime coat of zinc to the complete exterior (100%) shall be applied to manufacturer's recommended film thickness (2.5 - 3.5 mils DFT).
- Contractor will apply one (1) intermediate coat of epoxy to the complete exterior (100%) shall be applied to the manufacturer's recommendations (3.0 - 5.0 mils DFT).
- Contractor will apply one (1) finish coat of urethane to the complete exterior (100%) shall be applied to the manufacturer's recommendations (2.0 - 5.0 mils DFT).

Interior Wet Renovation

- Contractor will abrasive blast clean the complete interior (100%) to an SSPC - SP No. 10 "Near White Metal". After abrasive blast cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
- Contractor will apply one (1) prime coat of NSF-61 approved zinc rich primer to the complete interior (100%) shall be applied to manufacturer's recommended film thickness (2.5 - 3.5 mils DFT).
- Contractor will apply one (1) additional coat of NSF-61 approved epoxy to be applied by brush and roller to all edges, weld seams and sharp angles.
- Contractor will apply one (1) intermediate coat of NSF-61 approved epoxy to the complete interior (100%) shall be applied to the manufacturer's recommendations (4.0 - 6.0 mils DFT).
- Contractor will apply one (1) finish coat of NSF-61 approved epoxy to the complete interior (100%) shall be applied to the manufacturer's recommendations (4.0 - 6.0 mils DFT).

Disinfection Method

- Contractor will disinfect the interior of the tank as per AWWA Standard C652-02, Chlorine Method #3 prior to the owner filling the tank.
- Water samples and testing is the responsibility of the owner.

Frost Proof Vent

- Contractor agrees to remove the old screen in the vent and replace it with new noncorrosive state compliant vent screen

Roof Access

- Contractor will remove existing roof manway and install new 30 inch square manway.



Misc Steel Repair - Roof Access Gasket Material

Visual Inspection

- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tower.
- Contractor will work up a report of the findings during the Inspection of the city's water tower and send a detailed report that will include current condition, and future recommendations as applicable. Inspection to cover, Coatings, Sanitary, Security, Safety and Structural conditions.

Cleanout

- Contractor will furnish tools, labor, and materials as well as necessary insurance to perform the work in a good and workmanlike manner.
- Contractor will furnish a pressure relief valve / blow off valve for use by the Owner if needed at no charge.
- Contractor will wash out heavy sediment once the tank is emptied by the owner.
- Contractor will power wash the bottom 6' of the interior wet area of the tank after heavy sediment has been removed from the tank. Some staining may remain.
- Contract is based on up to one half-day of crew onsite. Projects over one-half day will be charged at \$675/hour. Additional days required will be charged at \$5400/day.
- Should any emergency repair or renovation be necessary, cost and details to be submitted. No extra work will be done without the owner's authorization.
- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tank.



Schedule A: Cost Schedule

Bay City, TX - City of GST/STP/PT 750		
Year	Service	Annual Spend
Year: 1	Visual Inspection Steelwork Repairs	\$5,000.00
Year: 2	Paint - Exterior Paint - Interior Wet	\$114,464.14
Year: 3	Visual Inspection	\$114,464.14
Year: 4	Visual Inspection	\$114,464.14
Year: 5	Clean Out / ROV	\$114,464.14
Year: 6	Visual Inspection	\$114,464.14
Year: 7	Visual Inspection	\$34,510.83
Year: 8	Clean Out / ROV	\$35,891.26
Year: 9	Visual Inspection	\$37,326.91
Year: 10	Visual Inspection	\$38,819.99



CONTRACT FOR SERVICES

This contract made and entered into this 01 day of July, 2026, by and between Bay City, TX - City of hereinafter called the "Owner" or "Customer" and Maguire Iron, Inc., a South Dakota Corporation with its principal office located in Sioux Falls, South Dakota, hereinafter called the "Contractor" or "Company" for and in consideration of the mutual covenants and promises hereinafter contained.

25MG Bolted GST - Riverside Park

WITNESSETH:

Contractor agrees to make the following repairs and improvements on the Owner's water supply tank, and to furnish the necessary equipment, labor, material, as well as Workmen's Compensation Insurance and Contractor's Liability Insurance, and to do the work hereinafter stated in a good and workmanlike manner.

Disinfection Method

- Contractor will disinfect the interior of the tank as per AWWA Standard C652-02, Chlorine Method #3 prior to the owner filling the tank.
- Water samples and testing is the responsibility of the owner.

Frost Proof Vent

- Contractor will remove existing vent and furnish and install a new state compliant 24 inch fail safe steel vent.

Visual Inspection

- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tower.
- Contractor will work up a report of the findings during the Inspection of the city's water tower and send a detailed report that will include current condition, and future recommendations as applicable. Inspection to cover, Coatings, Sanitary, Security, Safety and Structural conditions.



Cleanout

- Contractor will furnish tools, labor, and materials as well as necessary insurance to perform the work in a good and workmanlike manner.
- Contractor will furnish a pressure relief valve / blow off valve for use by the Owner if needed at no charge.
- Contractor will wash out heavy sediment once the tank is emptied by the owner.
- Contractor will power wash the bottom 6' of the interior wet area of the tank after heavy sediment has been removed from the tank. Some staining may remain.
- Contract is based on up to one half-day of crew onsite. Projects over one-half day will be charged at \$675/hour. Additional days required will be charged at \$5400/day.
- Should any emergency repair or renovation be necessary, cost and details to be submitted. No extra work will be done without the owner's authorization.
- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tank.

Owner will inspect the work as it progresses and upon completion and acceptance by Owner of the above work, the sum of **See Schedule A Below** plus applicable sales, excise, and/or use tax shall become due and payable in full. Contractor may issue a partial invoice for materials, mobilization, and labor for projects exceeding \$50,000.00 prior to the completion of the contracted work.

Terms: Net 30 days from acceptance and invoicing, plus applicable sales, use, excise, transfer or similar taxes required by law. A service charge of 1½% per month (annual rate of 18%) will be charged on past due accounts. During any exterior painting, Owner shall assist in removing any vehicles in the area which might receive paint damage. Contractor will exercise reasonable care and caution to avoid, but will accept no liability for damage to antenna, communication, telemetry and/or electrical system(s) which may be attached to the structure. Removal, repair and/or replacement of the antenna, communication, telemetry and/or electrical system(s) shall be the responsibility of the Owner. Contractor may apply a temporary surcharge to amounts otherwise payable under this Agreement to reflect significant cost increases for materials, supplies, and/or fuel during high inflationary periods. Owner and the authorized agents signing this contract as such agents do hereby expressly warrant that Owner has authority to make and enter into this contract and that it becomes a party hereto pursuant to a lawful resolution duly and regularly adopted by the governing board of said Owner pursuant to the applicable statutes of this State. Customer shall reimburse Company for all travel, meal and entertainment expenses incurred by Company and its employees in connection with Company's performance under the contract. To the extent that any meal or entertainment expenses incurred by Company or its employees are subject to the limitation on deductibility under IRC Section 274(n) (1) and the Regulations thereunder, Customer shall be subject to the limitation and shall reduce its deduction accordingly. **This is included in the contract amount.**

The owner will be responsible to the Company for the cost (at current market rates) of any work that has been performed prior to termination.



PO BOX 1446
Sioux Falls, SD 57101
Phone: (605) 334-9749
info@maguirewater.com

HAZARDOUS MATERIAL DISCLAIMER: *In the event that hazardous materials are on the water tank and this information is not addressed in the specification or made known to Maguire Iron, Inc. prior to the price or bid being supplied by Maguire Iron, Inc., any additional means of hazardous material abatement or disposal costs will be born upon the Owner.*

This constitutes the entire contract. No verbal agreements or additions will be honored. Any amendments or additions hereto must be in writing and executed by the duly authorized agents and officers of the parties hereto.

IN WITNESS WHEREOF, we have set our hands and seals the day and year above written.

Owner: Bay City, TX - City of

By: _____ (Name) _____ (Title)

By: _____ (Name) _____ (Title)

MAGUIRE IRON, INC.

By: Wayne McQuaid 07/01/2026
(Authorized Agent) (Date)

Date Accepted: _____
Upon acceptance, please provide two (2) signatures and date the agreement.



Schedule A: Cost Schedule

Bay City, TX - City of GST/STP/PT 50		
Year	Service	Annual Spend
Year: 1	Steelwork Repairs Clean Out / ROV	\$15,264.00
Year: 2	Visual Inspection	\$1,942.00
Year: 3	Visual Inspection	\$1,942.00
Year: 4	Clean Out / ROV	\$2,992.00
Year: 5	Visual Inspection	\$1,492.00
Year: 6	Visual Inspection	\$1,492.00
Year: 7	Clean Out / ROV	\$2,992.00
Year: 8	Visual Inspection	\$1,942.00
Year: 9	Visual Inspection	\$1,942.00
Year: 10	Clean Out / ROV	\$2,992.00



FULL-SERVICE MAINTENANCE PLAN

Bay City, TX – City of

500MG GST - Grace St

Bay City, TX

June 30, 2026

FULL-SERVICE MAINTENANCE PLAN CONTRACT

MAGUIREWATER.COM



THIS AGREEMENT is made this 30 day of June, 2026, by and between Bay City, TX - City of, hereinafter referred to in this Agreement as "Owner", and Maguire Iron, Inc. of Sioux Falls, SD, hereinafter referred to in this Agreement as "the Company".

This Agreement along with all incorporated documents referenced herein shall set forth the full terms and conditions agreed to between the parties in reference to the inspection, maintenance, and rehabilitation of the GST/STP/PT – 500 Water Tower(s) by the Company as outlined in **Schedule A**.

1. SCOPE:

The Owner agrees to employ the Company to maintain its water storage tanks in accordance with this Agreement. This Agreement binds the Company to responsibility for the care and maintenance of the above described water storage tanks. Care and maintenance shall include the following:

- a. **Inspection:** The Company will annually inspect and service the tanks beginning in the year of 2026 as per the schedule with visual inspections and cleanout inspections. If any significant repair or touch up is observed we will schedule a time for the owner to drain the tank to make necessary repairs.
- b. **Drainage:** When a cleanout/inspection is done, the tanks will be completely drained and cleaned to remove and properly dispose of all sediment and other accumulations that might be harmful to the tank or its contents (not including staining). This cleaning will use high-pressure equipment. Any necessary touch up will be done at time of cleaning to extend coating life.
- c. **Disinfection:** After cleaning is completed, the interior will be inspected and disinfected by the Company prior to returning to service. Sampling and testing will be the responsibility of the Owner.
- d. **Painting:** The Company will clean and repaint the interior and/or exterior of the tanks at such time as painting is needed, but at a minimum in accordance with the schedule mutually agreed upon by the Owner and the Company, unless otherwise requested and extended by the Owner in writing. The need for interior painting will be determined by the thickness of the existing liner and its protective condition. The need for exterior painting will be determined by the appearance and protective condition of the existing paint. When painting is needed, all products and procedures will be equal to, or exceed the requirements of the state, the American Water Works Association, and the Steel Structures Painting Council as to surface preparation, coating materials, and disinfections. A lock, provided by the Owner will be installed on the roof hatch of the tanks to prevent any unauthorized entry to the water tanks. The keys to the tank will be retained by the Owner.
- e. **Emergency:** The Company will provide emergency services, when needed, to perform all repairs covered under this contract. Reasonable travel time must be allowed for the repair unit to reach the tank site. The Company will furnish temporary



use of relief valves, if needed, to install in the water system so the Owner can pump direct to maintain water pressure while the tank is being serviced. The owner has the option to purchase relief valves for long-term use.

- f. **Exclusions:** This Agreement does NOT include the cost for and/or liability on the part of the Company for: (1) containment of the tanks at any time during the term of the Agreement; (2) disposal of any hazardous waste materials; (3) resolution of operational problems or structural damage due to cold weather, acts of terrorism or other "Acts of God"; (4) repair of structural damage due to antenna installations or other attachments for which the tank was not originally designed; (5) riser pipes that are smaller than 36 inches in diameter; (6) insulation, frost jackets, and fill lines; (7) negligent or intentional acts of Owner's employees, invitees, agents, or contractors or subcontractor or any person or entity under Owner's control; (8) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (9) damages, whether foreseen or unforeseen, caused by the Owner's use of pressure relief valves and site conditions; (10) repairs to the foundation of the tank; (11) payment of prevailing wages at any time throughout the duration of this agreement; (12) negligent acts of Owner's employees, agents or contractors in the operation of the water system.

2. INSURANCE:

The Company will furnish current certificates of insurance coverage to the Owner at the time any work is performed. Owner and Company insurers shall waive subrogation.

3. TERM:

This agreement shall be for one year and automatically renews annually on the contract execution date or the Owner's budget year defined as: Jan 1 through: Dec 31. The Owner shall have the right to continue this contract for an indefinite period of time providing the annual fee is paid in accordance with the terms of payment. This agreement is subject to termination by the Owner upon written notice of intent to terminate which must be received by the Company ninety (90) days prior to the effective date of termination. Notice of Termination is to be delivered by certified mail to Maguire Iron Inc. PO Box 1446 Sioux Falls, SD 57101, and signed by the Mayor, City Manager or authorized agent. The owner will be responsible to the Company for the cost (at current market rates) of any work that has been performed prior to termination. Any disputes arising out of such termination are subject to the remedies section hereinafter set out.

4. COST/PAYMENT TERM:

The cost of the program is detailed in the **attached Schedule A**. Each year thereafter, the annual fee will be adjusted to reflect the current cost of service. The adjustments will be limited to a five percent annual increase. **Payment Options:** ☐ quarterly, ☐ semi-annually, or ☒ annual payments are due the first business day of selected payment period. Net 30 days from acceptance and invoicing, plus applicable sales, use, excise, transfer or similar taxes required by law. A service charge of 1.5% per month (18% per annum) will be charged on past due accounts.



5. TANK MODIFICATION:

The Company's fees are based upon the existing structure and components of the tanks. *Any modifications to the tanks, including but not limited to antenna installations, shall be approved by the Company, prior to installation or modification and may result in an increase to the annual fee.*

6. CHANGES IN LAW:

The Owner agrees that future mandated environmental, health, safety, or labor requirements as well as changes in site conditions at the tank site which cause an increase in the cost of tank maintenance will be just cause for modification of Section 4 of this Agreement. Modification of this Agreement will reasonably reflect the increased cost of the service with a newly negotiated annual fee.

7. ASSIGNMENT:

The Owner may not assign or otherwise transfer all or any of its interest under this Agreement without the prior written consent of the Company. If the Company agrees to the assignment, the Owner shall remain responsible under this Agreement, until its assignee assumes in full and in writing all of the obligations of the Owner under this Agreement.

8. INDEMNIFICATION:

THE COMPANY AGREES TO INDEMNIFY THE OWNER AND HOLD THE OWNER HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ANY ACT, OMISSION, OF THE COMPANY OR ITS SUBCONTRACTORS, AGENTS, OR EMPLOYEES. THE OWNER AGREES TO INDEMNIFY THE COMPANY AND HOLD THE COMPANY HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ACT OR OMISSION OF THE OWNER OR ITS CONTRACTORS, AGENTS, OR EMPLOYEES. THE INDEMNIFICATION PROVIDED IN THIS PARAGRAPH DOES NOT AFFECT THE COMPANY'S LIMITATIONS OF LIABILITY SET FORTH IN OTHER PARAGRAPHS OF THIS AGREEMENT.

9. REMEDIES

Company or Owner shall in no event be liable for consequential, incidental or punitive damages whatsoever. In the event of a dispute involving this Agreement or arising out of this Agreement, the parties agree that binding arbitration shall be the sole and exclusive method for resolving such dispute. Arbitration shall take place in South Dakota before a single arbitrator with a background in the construction industry within 90 days of a claim for arbitration filed by either party. If the parties cannot agree on an arbitrator, the arbitrator shall be chosen by the presiding Federal District Court Judge of the Federal District Court where the Project is located. The arbitrator shall render his or her decision within 120 days of the arbitration. Such arbitrator's decision shall be enforceable by judgment in any court. Costs of arbitration shall be divided equally. The arbitrator may in his or her discretion award attorney's fees. The laws of the State of South Dakota shall govern and interpret this Agreement without regard to conflict of law principles or the location of the execution or performance of this Agreement.



PO BOX 1446
Sioux Falls, SD 57101
Phone: (605) 334-9749
info@maquirewater.com

No modifications, amendments, or alterations of this Agreement may be made except in writing signed by all the parties to this Agreement. No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof. The parties expressly warrant that the individuals who sign below are authorized to bind them without further action.

This Agreement constitute the entire agreement of the parties and supersedes all prior communications, understandings, and agreement relating to the subject matter hereof, whether oral or written.

If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

This Contract is based upon a visual inspection of the Tank. The Owner and the Company hereby acknowledge and agree that a visual inspection is intended to assess the condition of the Tank for all patent defects. If latent defects are identified once the tank has been drained for repairs, the Owner agrees and acknowledges that the Company shall not be responsible to repair the latent defects unless the Owner and the Company renegotiate the annual fees. The definition of a "latent defect" shall be any defect of the Tank which is not easily discovered (e.g., corrosion of the floor plates, damage to the roof of the tank which is not clearly visible during the visual inspection, etc.).



WITNESSETH:

Contractor agrees to make the following repairs and improvements on the Owner's water supply tank, and to furnish the necessary equipment, labor, material, as well as Workmen's Compensation Insurance and Contractor's Liability Insurance, and to do the work hereinafter stated in a good and workmanlike manner.

Exterior Renovation with Class 3A Containment

- Contractor will abrasive blast clean the complete exterior (100%) to an SSPC - SP No. 6 "Commercial Blast". After abrasive blast cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
- Contractor will apply one (1) full prime coat of zinc to the complete exterior (100%) shall be applied to manufacturer's recommended film thickness (2.5 - 3.5 mils DFT).
- Contractor will apply one (1) intermediate coat of urethane to the complete exterior (100%) shall be applied to the manufacturer's recommendations (2.5 - 4.0 mils DFT).
- Contractor will apply one (1) finish coat of urethane to the complete exterior (100%) shall be applied to the manufacturer's recommendations (2.5 - 4.0 mils DFT).

Interior Wet Renovation

- Contractor will abrasive blast clean the complete interior (100%) to an SSPC - SP No. 10 "Near White Metal". After abrasive blast cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
- Contractor will apply one (1) prime coat of NSF-61 approved zinc rich primer to the complete interior (100%) shall be applied to manufacturer's recommended film thickness (2.5 - 3.5 mils DFT).
- Contractor will apply one (1) additional coat of NSF-61 approved epoxy to be applied by brush and roller to all edges, weld seams and sharp angles.
- Contractor will apply one (1) finish coat of NSF-61 approved epoxy to the complete interior (100%) shall be applied to the manufacturer's recommendations (10.0 - 14.0 mils DFT).

Disinfection Method

- Contractor will disinfect the interior of the tank as per AWWA Standard C652-02, Chlorine Method #3 prior to the owner filling the tank.
- Water samples and testing is the responsibility of the owner.

Anti Climb

- Contractor will install an anti-climb device on the exterior ladder approximately 15 ft above grade.

Frost Proof Vent

- Contractor will remove existing vent and furnish and install a new state compliant 30 inch fail safe steel vent.



Safety Climb

- Contractor will provide and install new exterior galvanized safety climb system meeting current ANSI and OSHA standards.

Misc Steel Repair - Remove Existing Ladder cage

Visual Inspection

- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tower.
- Contractor will work up a report of the findings during the Inspection of the city's water tower and send a detailed report that will include current condition, and future recommendations as applicable. Inspection to cover, Coatings, Sanitary, Security, Safety and Structural conditions.

Cleanout

- Contractor will furnish tools, labor, and materials as well as necessary insurance to perform the work in a good and workmanlike manner.
- Contractor will furnish a pressure relief valve / blow off valve for use by the Owner if needed at no charge.
- Contractor will wash out heavy sediment once the tank is emptied by the owner.
- Contractor will power wash the bottom 6' of the interior wet area of the tank after heavy sediment has been removed from the tank. Some staining may remain.
- Contract is based on up to one half-day of crew onsite. Projects over one-half day will be charged at \$675/hour. Additional days required will be charged at \$5400/day.
- Should any emergency repair or renovation be necessary, cost and details to be submitted. No extra work will be done without the owner's authorization.
- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tank.



Schedule A: Cost Schedule

Bay City, TX - City of GST/STP/PT 500		
Year	Service	Annual Spend
Year: 1	Clean Out / ROV	\$5,000.00
Year: 2	Visual Inspection	\$5,000.00
Year: 3	Paint - Exterior Paint - Interior Wet Steelwork Repairs	\$86,332.54
Year: 4	Visual Inspection	\$86,332.54
Year: 5	Visual Inspection	\$86,332.54
Year: 6	Clean Out / ROV	\$86,332.54
Year: 7	Visual Inspection	\$86,332.54
Year: 8	Visual Inspection	\$19,745.12
Year: 9	Clean Out / ROV	\$20,534.92
Year: 10	Visual Inspection	\$21,356.32



FULL-SERVICE MAINTENANCE PLAN



Bay City, TX - City of

450MG - Multi-Leg - Katy St.

Bay City, TX

June 30, 2026

FULL-SERVICE MAINTENANCE PLAN CONTRACT

MAGUIREWATER.COM



THIS AGREEMENT is made this 30 day of June, 2026, by and between Bay City, TX - City of, hereinafter referred to in this Agreement as "Owner", and Maguire Iron, Inc. of Sioux Falls, SD, hereinafter referred to in this Agreement as "the Company".

This Agreement along with all incorporated documents referenced herein shall set forth the full terms and conditions agreed to between the parties in reference to the inspection, maintenance, and rehabilitation of the Multi-Leg – 500 Water Tower(s) by the Company as outlined in **Schedule A**.

1. SCOPE:

The Owner agrees to employ the Company to maintain its water storage tanks in accordance with this Agreement. This Agreement binds the Company to responsibility for the care and maintenance of the above described water storage tanks. Care and maintenance shall include the following:

- a. **Inspection:** The Company will annually inspect and service the tanks beginning in the year of 2026 as per the schedule with visual inspections and cleanout inspections. If any significant repair or touch up is observed we will schedule a time for the owner to drain the tank to make necessary repairs.
- b. **Drainage:** When a cleanout/inspection is done, the tanks will be completely drained and cleaned to remove and properly dispose of all sediment and other accumulations that might be harmful to the tank or its contents (not including staining). This cleaning will use high-pressure equipment. Any necessary touch up will be done at time of cleaning to extend coating life.
- c. **Disinfection:** After cleaning is completed, the interior will be inspected and disinfected by the Company prior to returning to service. Sampling and testing will be the responsibility of the Owner.
- d. **Painting:** The Company will clean and repaint the interior and/or exterior of the tanks at such time as painting is needed, but at a minimum in accordance with the schedule mutually agreed upon by the Owner and the Company, unless otherwise requested and extended by the Owner in writing. The need for interior painting will be determined by the thickness of the existing liner and its protective condition. The need for exterior painting will be determined by the appearance and protective condition of the existing paint. When painting is needed, all products and procedures will be equal to, or exceed the requirements of the state, the American Water Works Association, and the Steel Structures Painting Council as to surface preparation, coating materials, and disinfections. A lock, provided by the Owner will be installed on the roof hatch of the tanks to prevent any unauthorized entry to the water tanks. The keys to the tank will be retained by the Owner.
- e. **Emergency:** The Company will provide emergency services, when needed, to perform all repairs covered under this contract. Reasonable travel time must be allowed for the repair unit to reach the tank site. The Company will furnish temporary



use of relief valves, if needed, to install in the water system so the Owner can pump direct to maintain water pressure while the tank is being serviced. The owner has the option to purchase relief valves for long-term use.

- f. **Exclusions:** This Agreement does NOT include the cost for and/or liability on the part of the Company for: (1) containment of the tanks at any time during the term of the Agreement; (2) disposal of any hazardous waste materials; (3) resolution of operational problems or structural damage due to cold weather, acts of terrorism or other "Acts of God"; (4) repair of structural damage due to antenna installations or other attachments for which the tank was not originally designed; (5) riser pipes that are smaller than 36 inches in diameter; (6) insulation, frost jackets, and fill lines; (7) negligent or intentional acts of Owner's employees, invitees, agents, or contractors or subcontractor or any person or entity under Owner's control; (8) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (9) damages, whether foreseen or unforeseen, caused by the Owner's use of pressure relief valves and site conditions; (10) repairs to the foundation of the tank; (11) payment of prevailing wages at any time throughout the duration of this agreement; (12) negligent acts of Owner's employees, agents or contractors in the operation of the water system.

2. INSURANCE:

The Company will furnish current certificates of insurance coverage to the Owner at the time any work is performed. Owner and Company insurers shall waive subrogation.

3. TERM:

This agreement shall be for one year and automatically renews annually on the contract execution date or the Owner's budget year defined as: Jan 1 through: Dec 31. The Owner shall have the right to continue this contract for an indefinite period of time providing the annual fee is paid in accordance with the terms of payment. This agreement is subject to termination by the Owner upon written notice of intent to terminate which must be received by the Company ninety (90) days prior to the effective date of termination. Notice of Termination is to be delivered by certified mail to Maguire Iron Inc. PO Box 1446 Sioux Falls, SD 57101, and signed by the Mayor, City Manager or authorized agent. The owner will be responsible to the Company for the cost (at current market rates) of any work that has been performed prior to termination. Any disputes arising out of such termination are subject to the remedies section hereinafter set out.

4. COST/PAYMENT TERM:

The cost of the program is detailed in the **attached Schedule A**. Each year thereafter, the annual fee will be adjusted to reflect the current cost of service. The adjustments will be limited to a five percent annual increase. **Payment Options:** ☐ quarterly, ☐ semi-annually, or ☒ annual payments are due the first business day of selected payment period. Net 30 days from acceptance and invoicing, plus applicable sales, use, excise, transfer or similar taxes required by law. A service charge of 1.5% per month (18% per annum) will be charged on past due accounts.



5. TANK MODIFICATION:

The Company's fees are based upon the existing structure and components of the tanks. *Any modifications to the tanks, including but not limited to antenna installations, shall be approved by the Company, prior to installation or modification and may result in an increase to the annual fee.*

6. CHANGES IN LAW:

The Owner agrees that future mandated environmental, health, safety, or labor requirements as well as changes in site conditions at the tank site which cause an increase in the cost of tank maintenance will be just cause for modification of Section 4 of this Agreement. Modification of this Agreement will reasonably reflect the increased cost of the service with a newly negotiated annual fee.

7. ASSIGNMENT:

The Owner may not assign or otherwise transfer all or any of its interest under this Agreement without the prior written consent of the Company. If the Company agrees to the assignment, the Owner shall remain responsible under this Agreement, until its assignee assumes in full and in writing all of the obligations of the Owner under this Agreement.

8. INDEMNIFICATION:

THE COMPANY AGREES TO INDEMNIFY THE OWNER AND HOLD THE OWNER HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ANY ACT, OMISSION, OF THE COMPANY OR ITS SUBCONTRACTORS, AGENTS, OR EMPLOYEES. THE OWNER AGREES TO INDEMNIFY THE COMPANY AND HOLD THE COMPANY HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ACT OR OMISSION OF THE OWNER OR ITS CONTRACTORS, AGENTS, OR EMPLOYEES. THE INDEMNIFICATION PROVIDED IN THIS PARAGRAPH DOES NOT AFFECT THE COMPANY'S LIMITATIONS OF LIABILITY SET FORTH IN OTHER PARAGRAPHS OF THIS AGREEMENT.

9. REMEDIES

Company or Owner shall in no event be liable for consequential, incidental or punitive damages whatsoever. In the event of a dispute involving this Agreement or arising out of this Agreement, the parties agree that binding arbitration shall be the sole and exclusive method for resolving such dispute. Arbitration shall take place in South Dakota before a single arbitrator with a background in the construction industry within 90 days of a claim for arbitration filed by either party. If the parties cannot agree on an arbitrator, the arbitrator shall be chosen by the presiding Federal District Court Judge of the Federal District Court where the Project is located. The arbitrator shall render his or her decision within 120 days of the arbitration. Such arbitrator's decision shall be enforceable by judgment in any court. Costs of arbitration shall be divided equally. The arbitrator may in his or her discretion award attorney's fees. The laws of the State of South Dakota shall govern and interpret this Agreement without regard to conflict of law principles or the location of the execution or performance of this Agreement.



PO BOX 1446
Sioux Falls, SD 57101
Phone: (605) 334-9749
info@maquirewater.com

No modifications, amendments, or alterations of this Agreement may be made except in writing signed by all the parties to this Agreement. No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof. The parties expressly warrant that the individuals who sign below are authorized to bind them without further action.

This Agreement constitute the entire agreement of the parties and supersedes all prior communications, understandings, and agreement relating to the subject matter hereof, whether oral or written.

If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

This Contract is based upon a visual inspection of the Tank. The Owner and the Company hereby acknowledge and agree that a visual inspection is intended to assess the condition of the Tank for all patent defects. If latent defects are identified once the tank has been drained for repairs, the Owner agrees and acknowledges that the Company shall not be responsible to repair the latent defects unless the Owner and the Company renegotiate the annual fees. The definition of a "latent defect" shall be any defect of the Tank which is not easily discovered (e.g., corrosion of the floor plates, damage to the roof of the tank which is not clearly visible during the visual inspection, etc.).



WITNESSETH:

Contractor agrees to make the following repairs and improvements on the Owner's water supply tank, and to furnish the necessary equipment, labor, material, as well as Workmen's Compensation Insurance and Contractor's Liability Insurance, and to do the work hereinafter stated in a good and workmanlike manner.

Exterior Renovation

- Contractor will pressure wash the complete exterior (100%) in accordance with SSPC SP No. 12 "Waterjetting."
- Contractor will SSPC SP No. 2 / 3 Hand tool clean / Power tool clean all rusted areas.
- Contractor will apply one (1) full prime coat of epoxy to the complete exterior (100%) shall be applied to manufacturer's recommended film thickness (2.0 - 4.0 mils DFT).
- Contractor will apply one (1) finish coat of polyurethane to the complete exterior (100%) shall be applied to the manufacturer's recommendations (2.5 - 4.0 mils DFT).

Exterior Pressure Wash

- Contractor will pressure wash all exterior surfaces of the owner's water storage tank to remove dirt and mildew build up.

Interior Wet Renovation

- Contractor will abrasive blast clean the complete interior (100%) to an SSPC - SP No. 10 "Near White Metal". After abrasive blast cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
- Contractor will apply one (1) prime coat of NSF-61 approved zinc rich primer to the complete interior (100%) shall be applied to manufacturer's recommended film thickness (2.5 - 3.5 mils DFT).
- Contractor will apply one (1) additional coat of NSF-61 approved epoxy to be applied by brush and roller to all edges, weld seams and sharp angles.
- Contractor will apply one (1) finish coat of NSF-61 approved epoxy to the complete interior (100%) shall be applied to the manufacturer's recommendations (10.0 - 14.0 mils DFT).

Disinfection Method

- Contractor will disinfect the interior of the tank as per AWWA Standard C652-02, Chlorine Method #3 prior to the owner filling the tank.
- Water samples and testing is the responsibility of the owner.

Frost Proof Vent

- Contractor agrees to remove the old screen in the vent and replace it with new noncorrosive state compliant vent screen

Raise Balcony Handrail and add midrail

- Contractor agrees to raise the existing handrail to OSHA compliant 42" and install a mid rail



Walk-through

- Contractor will install a walk-through with uprights and protective chains at the top of the ladder to access the catwalk.

Misc Steel Repair - Obstruction Light

- Maguire will install a solar obstruction light on the top of the water tank

Visual Inspection

- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tower.
- Contractor will work up a report of the findings during the Inspection of the city's water tower and send a detailed report that will include current condition, and future recommendations as applicable. Inspection to cover, Coatings, Sanitary, Security, Safety and Structural conditions.

Cleanout

- Contractor will furnish tools, labor, and materials as well as necessary insurance to perform the work in a good and workmanlike manner.
- Contractor will furnish a pressure relief valve / blow off valve for use by the Owner if needed at no charge.
- Contractor will wash out heavy sediment once the tank is emptied by the owner.
- Contractor will power wash the bottom 6' of the interior wet area of the tank after heavy sediment has been removed from the tank. Some staining may remain.
- Contract is based on up to one half-day of crew onsite. Projects over one-half day will be charged at \$675/hour. Additional days required will be charged at \$5400/day.
- Should any emergency repair or renovation be necessary, cost and details to be submitted. No extra work will be done without the owner's authorization.
- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tank.



Schedule A: Cost Schedule

Bay City, TX - City of Multi-Leg 500		
Year	Service	Annual Spend
Year: 1	Clean Out / ROV	\$5,000.00
Year: 2	Visual Inspection	\$5,000.00
Year: 3	Visual Inspection	\$5,000.00
Year: 4	Visual Inspection	\$5,000.00
Year: 5	Paint - Exterior Paint - Interior Wet Steelwork Repairs	\$123,162.55
Year: 6	Visual Inspection	\$123,162.55
Year: 7	Visual Inspection	\$123,162.55
Year: 8	Clean Out / ROV	\$123,162.55
Year: 9	Visual Inspection	\$38,807.81
Year: 10	Exterior Pressure Wash Visual Inspection	\$40,360.12



FULL-SERVICE MAINTENANCE PLAN



Bay City, TX – City of

500MG GST - Mockingbird Ln

Bay City, TX

June 30, 2026

FULL-SERVICE MAINTENANCE PLAN CONTRACT

MAGUIREWATER.COM



THIS AGREEMENT is made this 30 day of June, 2026, by and between Bay City, TX - City of, hereinafter referred to in this Agreement as "Owner", and Maguire Iron, Inc. of Sioux Falls, SD, hereinafter referred to in this Agreement as "the Company".

This Agreement along with all incorporated documents referenced herein shall set forth the full terms and conditions agreed to between the parties in reference to the inspection, maintenance, and rehabilitation of the GST/STP/PT – 500 Water Tower(s) by the Company as outlined in **Schedule A**.

1. SCOPE:

The Owner agrees to employ the Company to maintain its water storage tanks in accordance with this Agreement. This Agreement binds the Company to responsibility for the care and maintenance of the above described water storage tanks. Care and maintenance shall include the following:

- a. **Inspection:** The Company will annually inspect and service the tanks beginning in the year of 2026 as per the schedule with visual inspections and cleanout inspections. If any significant repair or touch up is observed we will schedule a time for the owner to drain the tank to make necessary repairs.
- b. **Drainage:** When a cleanout/inspection is done, the tanks will be completely drained and cleaned to remove and properly dispose of all sediment and other accumulations that might be harmful to the tank or its contents (not including staining). This cleaning will use high-pressure equipment. Any necessary touch up will be done at time of cleaning to extend coating life.
- c. **Disinfection:** After cleaning is completed, the interior will be inspected and disinfected by the Company prior to returning to service. Sampling and testing will be the responsibility of the Owner.
- d. **Painting:** The Company will clean and repaint the interior and/or exterior of the tanks at such time as painting is needed, but at a minimum in accordance with the schedule mutually agreed upon by the Owner and the Company, unless otherwise requested and extended by the Owner in writing. The need for interior painting will be determined by the thickness of the existing liner and its protective condition. The need for exterior painting will be determined by the appearance and protective condition of the existing paint. When painting is needed, all products and procedures will be equal to, or exceed the requirements of the state, the American Water Works Association, and the Steel Structures Painting Council as to surface preparation, coating materials, and disinfections. A lock, provided by the Owner will be installed on the roof hatch of the tanks to prevent any unauthorized entry to the water tanks. The keys to the tank will be retained by the Owner.
- e. **Emergency:** The Company will provide emergency services, when needed, to perform all repairs covered under this contract. Reasonable travel time must be allowed for the repair unit to reach the tank site. The Company will furnish temporary



use of relief valves, if needed, to install in the water system so the Owner can pump direct to maintain water pressure while the tank is being serviced. The owner has the option to purchase relief valves for long-term use.

- f. **Exclusions:** This Agreement does NOT include the cost for and/or liability on the part of the Company for: (1) containment of the tanks at any time during the term of the Agreement; (2) disposal of any hazardous waste materials; (3) resolution of operational problems or structural damage due to cold weather, acts of terrorism or other "Acts of God"; (4) repair of structural damage due to antenna installations or other attachments for which the tank was not originally designed; (5) riser pipes that are smaller than 36 inches in diameter; (6) insulation, frost jackets, and fill lines; (7) negligent or intentional acts of Owner's employees, invitees, agents, or contractors or subcontractor or any person or entity under Owner's control; (8) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (9) damages, whether foreseen or unforeseen, caused by the Owner's use of pressure relief valves and site conditions; (10) repairs to the foundation of the tank; (11) payment of prevailing wages at any time throughout the duration of this agreement; (12) negligent acts of Owner's employees, agents or contractors in the operation of the water system.

2. INSURANCE:

The Company will furnish current certificates of insurance coverage to the Owner at the time any work is performed. Owner and Company insurers shall waive subrogation.

3. TERM:

This agreement shall be for one year and automatically renews annually on the contract execution date or the Owner's budget year defined as: Jan 1 through: Dec 31. The Owner shall have the right to continue this contract for an indefinite period of time providing the annual fee is paid in accordance with the terms of payment. This agreement is subject to termination by the Owner upon written notice of intent to terminate which must be received by the Company ninety (90) days prior to the effective date of termination. Notice of Termination is to be delivered by certified mail to Maguire Iron Inc. PO Box 1446 Sioux Falls, SD 57101, and signed by the Mayor, City Manager or authorized agent. The owner will be responsible to the Company for the cost (at current market rates) of any work that has been performed prior to termination. Any disputes arising out of such termination are subject to the remedies section hereinafter set out.

4. COST/PAYMENT TERM:

The cost of the program is detailed in the **attached Schedule A**. Each year thereafter, the annual fee will be adjusted to reflect the current cost of service. The adjustments will be limited to a five percent annual increase. **Payment Options:** ☐ quarterly, ☐ semi-annually, or ☒ annual payments are due the first business day of selected payment period. Net 30 days from acceptance and invoicing, plus applicable sales, use, excise, transfer or similar taxes required by law. A service charge of 1.5% per month (18% per annum) will be charged on past due accounts.



5. TANK MODIFICATION:

The Company's fees are based upon the existing structure and components of the tanks. *Any modifications to the tanks, including but not limited to antenna installations, shall be approved by the Company, prior to installation or modification and may result in an increase to the annual fee.*

6. CHANGES IN LAW:

The Owner agrees that future mandated environmental, health, safety, or labor requirements as well as changes in site conditions at the tank site which cause an increase in the cost of tank maintenance will be just cause for modification of Section 4 of this Agreement. Modification of this Agreement will reasonably reflect the increased cost of the service with a newly negotiated annual fee.

7. ASSIGNMENT:

The Owner may not assign or otherwise transfer all or any of its interest under this Agreement without the prior written consent of the Company. If the Company agrees to the assignment, the Owner shall remain responsible under this Agreement, until its assignee assumes in full and in writing all of the obligations of the Owner under this Agreement.

8. INDEMNIFICATION:

THE COMPANY AGREES TO INDEMNIFY THE OWNER AND HOLD THE OWNER HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ANY ACT, OMISSION, OF THE COMPANY OR ITS SUBCONTRACTORS, AGENTS, OR EMPLOYEES. THE OWNER AGREES TO INDEMNIFY THE COMPANY AND HOLD THE COMPANY HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ACT OR OMISSION OF THE OWNER OR ITS CONTRACTORS, AGENTS, OR EMPLOYEES. THE INDEMNIFICATION PROVIDED IN THIS PARAGRAPH DOES NOT AFFECT THE COMPANY'S LIMITATIONS OF LIABILITY SET FORTH IN OTHER PARAGRAPHS OF THIS AGREEMENT.

9. REMEDIES

Company or Owner shall in no event be liable for consequential, incidental or punitive damages whatsoever. In the event of a dispute involving this Agreement or arising out of this Agreement, the parties agree that binding arbitration shall be the sole and exclusive method for resolving such dispute. Arbitration shall take place in South Dakota before a single arbitrator with a background in the construction industry within 90 days of a claim for arbitration filed by either party. If the parties cannot agree on an arbitrator, the arbitrator shall be chosen by the presiding Federal District Court Judge of the Federal District Court where the Project is located. The arbitrator shall render his or her decision within 120 days of the arbitration. Such arbitrator's decision shall be enforceable by judgment in any court. Costs of arbitration shall be divided equally. The arbitrator may in his or her discretion award attorney's fees. The laws of the State of South Dakota shall govern and interpret this Agreement without regard to conflict of law principles or the location of the execution or performance of this Agreement.



PO BOX 1446
Sioux Falls, SD 57101
Phone: (605) 334-9749
info@maguirewater.com

No modifications, amendments, or alterations of this Agreement may be made except in writing signed by all the parties to this Agreement. No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof. The parties expressly warrant that the individuals who sign below are authorized to bind them without further action.

This Agreement constitute the entire agreement of the parties and supersedes all prior communications, understandings, and agreement relating to the subject matter hereof, whether oral or written.

If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

This Contract is based upon a visual inspection of the Tank. The Owner and the Company hereby acknowledge and agree that a visual inspection is intended to assess the condition of the Tank for all patent defects. If latent defects are identified once the tank has been drained for repairs, the Owner agrees and acknowledges that the Company shall not be responsible to repair the latent defects unless the Owner and the Company renegotiate the annual fees. The definition of a "latent defect" shall be any defect of the Tank which is not easily discovered (e.g., corrosion of the floor plates, damage to the roof of the tank which is not clearly visible during the visual inspection, etc.).



WITNESSETH:

Contractor agrees to make the following repairs and improvements on the Owner's water supply tank, and to furnish the necessary equipment, labor, material, as well as Workmen's Compensation Insurance and Contractor's Liability Insurance, and to do the work hereinafter stated in a good and workmanlike manner.

Exterior Renovation

- Contractor will pressure wash the complete exterior (100%) in accordance with SSPC SP No. 12.
- Contractor will SSPC SP No. 2 / 3 Hand tool clean / Power tool clean all rusted areas.
- Contractor will apply one (1) spot coat of epoxy to the rusted and abraded areas. Coatings shall be applied to manufacturer's recommended film thickness (2.0 - 4.0 mils DFT).
- Contractor will apply one (1) finish coat of polyurethane to the complete exterior (100%) shall be applied to the manufacturer's recommendations (2.0 - 3.0 mils DFT).

Interior Wet Renovation

- Contractor will abrasive blast clean the complete interior (100%) to an SSPC - SP No. 10 "Near White Metal". After abrasive blast cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
- Contractor will apply one (1) prime coat of NSF-61 approved zinc rich primer to the complete interior (100%) shall be applied to manufacturer's recommended film thickness (2.5 - 3.5 mils DFT).
- Contractor will apply one (1) additional coat of NSF-61 approved epoxy to be applied by brush and roller to all edges, weld seams and sharp angles.
- Contractor will apply one (1) intermediate coat of NSF-61 approved epoxy to the complete interior (100%) shall be applied to the manufacturer's recommendations (4.0 - 6.0 mils DFT).
- Contractor will apply one (1) finish coat of NSF-61 approved epoxy to the complete interior (100%) shall be applied to the manufacturer's recommendations (4.0 - 6.0 mils DFT).

Disinfection Method

- Contractor will disinfect the interior of the tank as per AWWA Standard C652-02, Chlorine Method #3 prior to the owner filling the tank.
- Water samples and testing is the responsibility of the owner.

Anti Climb

- Contractor will install an anti-climb device on the exterior ladder approximately 15 ft above grade.

Safety Climb

- Contractor will provide and install new exterior galvanized safety climb system meeting current ANSI and OSHA standards.



Misc Steel Repair - Remove ladder cage

Visual Inspection

- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tower.
- Contractor will work up a report of the findings during the Inspection of the city's water tower and send a detailed report that will include current condition, and future recommendations as applicable. Inspection to cover, Coatings, Sanitary, Security, Safety and Structural conditions.

Cleanout

- Contractor will furnish tools, labor, and materials as well as necessary insurance to perform the work in a good and workmanlike manner.
- Contractor will furnish a pressure relief valve / blow off valve for use by the Owner if needed at no charge.
- Contractor will wash out heavy sediment once the tank is emptied by the owner.
- Contractor will power wash the bottom 6' of the interior wet area of the tank after heavy sediment has been removed from the tank. Some staining may remain.
- Contract is based on up to one half-day of crew onsite. Projects over one-half day will be charged at \$675/hour. Additional days required will be charged at \$5400/day.
- Should any emergency repair or renovation be necessary, cost and details to be submitted. No extra work will be done without the owner's authorization.
- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tank.



Schedule A: Cost Schedule

Bay City, TX - City of GST/STP/PT 500		
Year	Service	Annual Spend
Year: 1	Visual Inspection	\$46,645.12
Year: 2	Visual Inspection	\$46,645.12
Year: 3	Visual Inspection	\$46,645.12
Year: 4	Paint - Interior Wet Steelwork Repairs	\$46,645.12
Year: 5	Visual Inspection	\$46,645.12
Year: 6	Visual Inspection	\$46,645.12
Year: 7	Paint - Exterior Clean Out / ROV	\$46,645.12
Year: 8	Visual Inspection	\$27,250.32
Year: 9	Visual Inspection	\$28,340.34
Year: 10	Clean Out / ROV	\$29,473.95



FULL-SERVICE MAINTENANCE PLAN



Bay City, TX - City of

1MMG Multi-Leg - Whitson St.

Bay City, TX

June 30, 2026

FULL-SERVICE MAINTENANCE PLAN CONTRACT

MAGUIREWATER.COM



THIS AGREEMENT is made this 30 day of June, 2026, by and between Bay City, TX - City of, hereinafter referred to in this Agreement as "Owner", and Maguire Iron, Inc. of Sioux Falls, SD, hereinafter referred to in this Agreement as "the Company".

This Agreement along with all incorporated documents referenced herein shall set forth the full terms and conditions agreed to between the parties in reference to the inspection, maintenance, and rehabilitation of the Multi-Leg – 1000 Water Tower(s) by the Company as outlined in **Schedule A**.

1. SCOPE:

The Owner agrees to employ the Company to maintain its water storage tanks in accordance with this Agreement. This Agreement binds the Company to responsibility for the care and maintenance of the above described water storage tanks. Care and maintenance shall include the following:

- a. **Inspection:** The Company will annually inspect and service the tanks beginning in the year of 2026 as per the schedule with visual inspections and cleanout inspections. If any significant repair or touch up is observed we will schedule a time for the owner to drain the tank to make necessary repairs.
- b. **Drainage:** When a cleanout/inspection is done, the tanks will be completely drained and cleaned to remove and properly dispose of all sediment and other accumulations that might be harmful to the tank or its contents (not including staining). This cleaning will use high-pressure equipment. Any necessary touch up will be done at time of cleaning to extend coating life.
- c. **Disinfection:** After cleaning is completed, the interior will be inspected and disinfected by the Company prior to returning to service. Sampling and testing will be the responsibility of the Owner.
- d. **Painting:** The Company will clean and repaint the interior and/or exterior of the tanks at such time as painting is needed, but at a minimum in accordance with the schedule mutually agreed upon by the Owner and the Company, unless otherwise requested and extended by the Owner in writing. The need for interior painting will be determined by the thickness of the existing liner and its protective condition. The need for exterior painting will be determined by the appearance and protective condition of the existing paint. When painting is needed, all products and procedures will be equal to, or exceed the requirements of the state, the American Water Works Association, and the Steel Structures Painting Council as to surface preparation, coating materials, and disinfections. A lock, provided by the Owner will be installed on the roof hatch of the tanks to prevent any unauthorized entry to the water tanks. The keys to the tank will be retained by the Owner.
- e. **Emergency:** The Company will provide emergency services, when needed, to perform all repairs covered under this contract. Reasonable travel time must be allowed for the repair unit to reach the tank site. The Company will furnish temporary



use of relief valves, if needed, to install in the water system so the Owner can pump direct to maintain water pressure while the tank is being serviced. The owner has the option to purchase relief valves for long-term use.

- f. **Exclusions:** This Agreement does NOT include the cost for and/or liability on the part of the Company for: (1) containment of the tanks at any time during the term of the Agreement; (2) disposal of any hazardous waste materials; (3) resolution of operational problems or structural damage due to cold weather, acts of terrorism or other "Acts of God"; (4) repair of structural damage due to antenna installations or other attachments for which the tank was not originally designed; (5) riser pipes that are smaller than 36 inches in diameter; (6) insulation, frost jackets, and fill lines; (7) negligent or intentional acts of Owner's employees, invitees, agents, or contractors or subcontractor or any person or entity under Owner's control; (8) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (9) damages, whether foreseen or unforeseen, caused by the Owner's use of pressure relief valves and site conditions; (10) repairs to the foundation of the tank; (11) payment of prevailing wages at any time throughout the duration of this agreement; (12) negligent acts of Owner's employees, agents or contractors in the operation of the water system.

2. INSURANCE:

The Company will furnish current certificates of insurance coverage to the Owner at the time any work is performed. Owner and Company insurers shall waive subrogation.

3. TERM:

This agreement shall be for one year and automatically renews annually on the contract execution date or the Owner's budget year defined as: Jan 1 through: Dec 31. The Owner shall have the right to continue this contract for an indefinite period of time providing the annual fee is paid in accordance with the terms of payment. This agreement is subject to termination by the Owner upon written notice of intent to terminate which must be received by the Company ninety (90) days prior to the effective date of termination. Notice of Termination is to be delivered by certified mail to Maguire Iron Inc. PO Box 1446 Sioux Falls, SD 57101, and signed by the Mayor, City Manager or authorized agent. The owner will be responsible to the Company for the cost (at current market rates) of any work that has been performed prior to termination. Any disputes arising out of such termination are subject to the remedies section hereinafter set out.

4. COST/PAYMENT TERM:

The cost of the program is detailed in the **attached Schedule A**. Each year thereafter, the annual fee will be adjusted to reflect the current cost of service. The adjustments will be limited to a five percent annual increase. **Payment Options:** ☐ quarterly, ☐ semi-annually, or ☒ annual payments are due the first business day of selected payment period. Net 30 days from acceptance and invoicing, plus applicable sales, use, excise, transfer or similar taxes required by law. A service charge of 1.5% per month (18% per annum) will be charged on past due accounts.



5. TANK MODIFICATION:

The Company's fees are based upon the existing structure and components of the tanks. *Any modifications to the tanks, including but not limited to antenna installations, shall be approved by the Company, prior to installation or modification and may result in an increase to the annual fee.*

6. CHANGES IN LAW:

The Owner agrees that future mandated environmental, health, safety, or labor requirements as well as changes in site conditions at the tank site which cause an increase in the cost of tank maintenance will be just cause for modification of Section 4 of this Agreement. Modification of this Agreement will reasonably reflect the increased cost of the service with a newly negotiated annual fee.

7. ASSIGNMENT:

The Owner may not assign or otherwise transfer all or any of its interest under this Agreement without the prior written consent of the Company. If the Company agrees to the assignment, the Owner shall remain responsible under this Agreement, until its assignee assumes in full and in writing all of the obligations of the Owner under this Agreement.

8. INDEMNIFICATION:

THE COMPANY AGREES TO INDEMNIFY THE OWNER AND HOLD THE OWNER HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ANY ACT, OMISSION, OF THE COMPANY OR ITS SUBCONTRACTORS, AGENTS, OR EMPLOYEES. THE OWNER AGREES TO INDEMNIFY THE COMPANY AND HOLD THE COMPANY HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES, LIABILITY, AND EXPENSE IN CONNECTION WITH LOSS OF LIFE, PERSONAL INJURY, AND/OR DAMAGE TO PROPERTY CAUSED BY ACT OR OMISSION OF THE OWNER OR ITS CONTRACTORS, AGENTS, OR EMPLOYEES. THE INDEMNIFICATION PROVIDED IN THIS PARAGRAPH DOES NOT AFFECT THE COMPANY'S LIMITATIONS OF LIABILITY SET FORTH IN OTHER PARAGRAPHS OF THIS AGREEMENT.

9. REMEDIES

Company or Owner shall in no event be liable for consequential, incidental or punitive damages whatsoever. In the event of a dispute involving this Agreement or arising out of this Agreement, the parties agree that binding arbitration shall be the sole and exclusive method for resolving such dispute. Arbitration shall take place in South Dakota before a single arbitrator with a background in the construction industry within 90 days of a claim for arbitration filed by either party. If the parties cannot agree on an arbitrator, the arbitrator shall be chosen by the presiding Federal District Court Judge of the Federal District Court where the Project is located. The arbitrator shall render his or her decision within 120 days of the arbitration. Such arbitrator's decision shall be enforceable by judgment in any court. Costs of arbitration shall be divided equally. The arbitrator may in his or her discretion award attorney's fees. The laws of the State of South Dakota shall govern and interpret this Agreement without regard to conflict of law principles or the location of the execution or performance of this Agreement.



PO BOX 1446
Sioux Falls, SD 57101
Phone: (605) 334-9749
info@maguirewater.com

No modifications, amendments, or alterations of this Agreement may be made except in writing signed by all the parties to this Agreement. No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof. The parties expressly warrant that the individuals who sign below are authorized to bind them without further action.

This Agreement constitute the entire agreement of the parties and supersedes all prior communications, understandings, and agreement relating to the subject matter hereof, whether oral or written.

If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

This Contract is based upon a visual inspection of the Tank. The Owner and the Company hereby acknowledge and agree that a visual inspection is intended to assess the condition of the Tank for all patent defects. If latent defects are identified once the tank has been drained for repairs, the Owner agrees and acknowledges that the Company shall not be responsible to repair the latent defects unless the Owner and the Company renegotiate the annual fees. The definition of a "latent defect" shall be any defect of the Tank which is not easily discovered (e.g., corrosion of the floor plates, damage to the roof of the tank which is not clearly visible during the visual inspection, etc.).



WITNESSETH:

Contractor agrees to make the following repairs and improvements on the Owner's water supply tank, and to furnish the necessary equipment, labor, material, as well as Workmen's Compensation Insurance and Contractor's Liability Insurance, and to do the work hereinafter stated in a good and workmanlike manner.

Exterior Renovation

- Contractor will pressure wash the complete exterior (100%) in accordance with SSPC SP No. 12 "Waterjetting."
- Contractor will SSPC SP No. 2 / 3 Hand tool clean / Power tool clean all rusted areas.
- Contractor will apply one (1) full prime coat of epoxy to the complete exterior (100%) shall be applied to manufacturer's recommended film thickness (2.0 - 4.0 mils DFT).
- Contractor will apply one (1) finish coat of polyurethane to the complete exterior (100%) shall be applied to the manufacturer's recommendations (2.5 - 4.0 mils DFT).

Exterior Pressure Wash

- Contractor will pressure wash all exterior surfaces of the owner's water storage tank to remove dirt and mildew build up.

Interior Wet Renovation

- Contractor will abrasive blast clean the complete interior (100%) to an SSPC - SP No. 10 "Near White Metal". After abrasive blast cleaning, all surfaces shall be cleaned of any dust residue or foreign debris.
- Contractor will apply one (1) prime coat of NSF-61 approved zinc rich primer to the complete interior (100%) shall be applied to manufacturer's recommended film thickness (2.5 - 3.5 mils DFT).
- Contractor will apply one (1) additional coat of NSF-61 approved epoxy to be applied by brush and roller to all edges, weld seams and sharp angles.
- Contractor will apply one (1) finish coat of NSF-61 approved epoxy to the complete interior (100%) shall be applied to the manufacturer's recommendations (10.0 - 14.0 mils DFT).

Disinfection Method

- Contractor will disinfect the interior of the tank as per AWWA Standard C652-02, Chlorine Method #3 prior to the owner filling the tank.
- Water samples and testing is the responsibility of the owner.

Misc Paint - Dry Interior Tube

- The interior dry tube will be power-tool cleaned and spot primed with epoxy and a spot finish of epoxy



Frost Proof Vent

- Contractor agrees to remove the old screen in the vent and replace it with new noncorrosive state compliant vent screen

Visual Inspection

- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tower.
- Contractor will work up a report of the findings during the Inspection of the city's water tower and send a detailed report that will include current condition, and future recommendations as applicable. Inspection to cover, Coatings, Sanitary, Security, Safety and Structural conditions.

Cleanout

- Contractor will furnish tools, labor, and materials as well as necessary insurance to perform the work in a good and workmanlike manner.
- Contractor will furnish a pressure relief valve / blow off valve for use by the Owner if needed at no charge.
- Contractor will wash out heavy sediment once the tank is emptied by the owner.
- Contractor will power wash the bottom 6' of the interior wet area of the tank after heavy sediment has been removed from the tank. Some staining may remain.
- Contract is based on up to one half-day of crew onsite. Projects over one-half day will be charged at \$675/hour. Additional days required will be charged at \$5400/day.
- Should any emergency repair or renovation be necessary, cost and details to be submitted. No extra work will be done without the owner's authorization.
- Contractor will do a complete inspection along with photos of the complete interior and exterior of the water tank.



Schedule A: Cost Schedule

Bay City, TX - City of Multi-Leg 1000		
Year	Service	Annual Spend
Year: 1	Paint - Exterior Steelwork Repairs Paint - Misc Clean Out / ROV	\$160,563.61
Year: 2	Visual Inspection	\$160,563.61
Year: 3	Visual Inspection	\$160,563.61
Year: 4	Paint - Interior Wet	\$160,563.61
Year: 5	Visual Inspection	\$160,563.61
Year: 6	Visual Inspection Exterior Pressure Wash	\$72,184.32
Year: 7	Clean Out / ROV	\$75,071.70
Year: 8	Visual Inspection	\$78,074.56
Year: 9	Visual Inspection	\$81,197.55
Year: 10	Clean Out / ROV	\$84,445.45