

Memorandum

REPORT TO: City Commission

FROM: Griffin Nielsen, Project Engineer
Shawn Kohtz, Utilities Director

SUBJECT: Authorize the City Manager to sign Amendment 4 to the Professional Services Agreement with Advanced Engineering and Environmental Services, LLC, for Phase I Rehabilitation Improvements to the City's Sourdough Water Storage Tank

MEETING DATE: March 24, 2026

AGENDA ITEM TYPE: Agreement - Vendor/Contract

RECOMMENDATION: Authorize the City Manager to sign Amendment 4 to the Professional Services Agreement with Advanced Engineering and Environmental Services, LLC, for Phase I Rehabilitation Improvements to the City's Sourdough Water Storage Tank.

STRATEGIC PLAN: 4.3 Strategic Infrastructure Choices: Prioritize long-term investment and maintenance for existing and new infrastructure.

BACKGROUND: The City is nearing completion the Phase I Rehabilitation Improvements for the existing Sourdough water tank located at the intersection of Sourdough Road and Goldenstein Lane. The Sourdough tank provides 4 million gallons of treated water storage and was originally constructed in 1955. The project includes replacement of the internal access ladder in the tank, overflow piping, drain line valve, and detailed condition assessment of the tank interior.

The City procured the firm of Advanced Engineering and Environmental Services (AE2S) to provide engineering services for the project. The scope of service of the professional services agreement (PSA) with AE2S includes design, bidding, and construction oversight. Amendment No. 4 modifies the professional service agreement to formally relieve AE2S of completing design scope items removed from the final design at the staff's direction and increases the allowable effort for construction oversight services. The increase is necessary to support construction coordination for unanticipated repairs to the pipeline from the tank.

UNRESOLVED ISSUES: None

ALTERNATIVES: As suggested by the Commission

FISCAL EFFECTS:

Amendment No. 4 reduces the design fee and proportionally increases the construction oversight fee, resulting in a net zero cost change to the project.

Attachments:

[PSA Amendment 4_Sourdough Tank Ph 1 Rehab_AE2S.pdf](#)

Report compiled on: March 5, 2026