

REPORT TO THE BOARD OF MAYOR & ALDERMEN

DATE: September 28, 2026

FROM: John Fox, Public Utilities Director

SUBJECT: Contract Amendment and Renewal for Water Valve Maintenance Services

INTRODUCTION:

The purpose of this agenda item is to request Mayor and Board of Aldermen approval of a contract renewal with Xylem Dewatering Solutions Inc. dba Wachs Water Services for the Town's Annual Water Valve Maintenance Contract.

BACKGROUND:

There are approximately 7,580 water valves in the Town's water distribution system. Based on best practices for maintaining water valves, the American Water Works Association (AWWA) recommends all water valves be exercised once every five (5) years and critical valves be exercised annually to ensure proper function. Although a valve maintenance program is not a regulatory requirement, maintaining a valve maintenance program that follows AWWA best practices has been strongly recommended by the Tennessee Department of Environment and Conservation (TDEC) for operating a municipal water system.

On November 30, 2023, the Annual Water Valve Maintenance Contract was bid and one bid was received. On January 8, 2024, the Mayor and Board of Aldermen approved a twelve (12) month contract with an option to extend the contract for four (4) additional twelve (12) month periods with Xylem Dewatering Solutions Inc. dba Wachs Water Services.

On October 14, 2024, the Mayor and Board of Aldermen approved a contract amendment increasing the contract price per valve from \$61 to \$64 per valve and extended the contract for an additional six (6) month period from January 8, 2025, to June 30, 2025, to allow the contract and work performed to better align with the Town's fiscal year.

DISCUSSION:

On September 8, 2026, Xylem Dewatering Solutions Inc. dba Wachs Water Services (Xylem) requested a 3.8% Consumer Price Index (CPI) adjustment to the valve assessment unit price, increasing the cost from \$64.00 to \$66.43 per valve. The requested adjustment reflects increases in operational costs and is consistent with the CPI adjustment provisions of the contract. The current \$64.00 unit price has remained unchanged since October 14, 2024. Xylem has also recently established a local office in Memphis, which provides additional flexibility for scheduling and response during the Town's valve maintenance program.

The annual scope of work is anticipated to remain consistent with previous years at approximately 1,477 valves. At the proposed rate of \$66.43 per valve, the estimated annual cost for valve assessments would be \$98,118.11, compared to \$94,528.00 at the current rate, representing an estimated annual increase of \$3,590.11.

Xylem has performed satisfactorily under the contract, and staff believes continuation of the valve maintenance program is important to maintaining the reliability and operability of the Town's water distribution system. Staff recommends approval of the 3.8% CPI adjustment and extension of the contract for an additional twelve-month period. This will be the second of four available one-year renewal periods.

BUDGET IMPACT:

The FY27 budget includes \$104,832.00 in account 413-52114-299-01 (Contractual Services) for the inspection and assessment of approximately 1,477 water valves. At the proposed unit price of \$66.43 per valve, the estimated cost for FY27 is \$98,118.11, leaving an estimated balance of \$6,713.89.

Therefore, the proposed contract amendment and renewal are fully funded within the approved FY27 budget and require no additional appropriation. Any remaining funds at the end of the fiscal year will remain in the Utility Fund.

FY 2027

Fund	Dept.	Obj. Code	Description	Approved Line Item Budget	Previous Expenses	Proposed Expense	Balance	Budget Impact
413	52114	299-01	Valve Maintenance	\$104,832.00	\$0.00	\$98,118.11	\$6,713.89	N/A

ATTACHMENTS:

[GS-24-01425 Second Amendment to Contract.pdf](#)

PROPOSED MOTION:

To approve the contract amendment with Xylem Dewatering Solutions Inc. dba Wachs Water Services, increasing the valve assessment unit price from \$64.00 to \$66.43 per valve, and renew the contract for water valve maintenance services for an additional twelve-month period.

Board Action: Motion By _____ Seconded By _____

Vote Total	Hall	Jordan	Robbins	Marshall	Stamps	Fraser
Yes						
No						
Abstain						