

STAFF REPORT

Date: November 8, 2017

To: Mayor and City Council

Thru: Sabra Newby, City Manager

Subject: **Staff Report (For Possible Action): Approval of a Consulting Agreement for Construction Management Services with AECOM Technical Services, Inc. for the Truckee Meadows Water Reclamation Facility (TMWRF) Electrical Substation Rehabilitation Project in an amount not to exceed \$253,765, with the City of Reno's portion being \$174,158.92 (Sewer Fund).**

From: David Kershaw, Associate Civil Engineer

Summary: Construction management services are required for the Truckee Meadows Water Reclamation Facility (TMWRF) Electrical Substation Rehabilitation Project. This scope of work will provide construction management services during project construction that includes construction management, engineering services during construction, inspection, testing and commissioning assistance. Staff recommends Council approval of the consultant agreement with AECOM Technical Services, Inc. (AECOM) for construction management services for the TMWRF Electrical Substation Rehabilitation Project in an amount not to exceed \$253,765, with the City of Reno's portion being \$174,158.92 (Sewer Fund).

Previous Council Action:

May 13, 2015: Council approved a consulting agreement with CDMSmith for engineering services in support of the design of the TMWRF Electrical Substation Rehabilitation Project in the amount of \$139,100 with the City of Reno's portion being \$95,464.33 (Sewer Fund).

October 25, 2017: Council to consider approval of an Award of Contract to Nelson Electric Company, Inc. for the Truckee Meadows Water Reclamation Facility (TMWRF) Substation Rehabilitation Project in an amount not to exceed \$931,200 with the City of Reno's share being \$639,082.56 (Sewer Fund).

Background: The Truckee Meadows Water Reclamation Facility is serviced by two incoming 24.9 kilovolt (kV) sources provided by NV Energy. Each incoming services is connected to a transformer, through a closed switch, that converts the 24.9 kV down to 2,400 volts. The reduced voltage is then sent to the TMWRF's main electrical switch gear for distribution throughout the plant. The current 24.9 kV transformers were installed in 1986 and are reaching the limits of their intended reliable service life. Over the last 5 years, oil tests have found degradation of the transformer oil, indicating the equipment is nearing the end of its useful life. Also, the 2007 Arc Flash study identified these transformers as presenting a dangerous Arc flash hazard. The two primary transformers, the feeders and switches are considered the TMWRF Substation.

The rehabilitation project includes the replacement of the two primary transformers, electrical feeders, switch gear, appurtenance, and a significant level of effort to maintain redundant power supplies to the facility during construction.

Discussion: This consultant agreement will provide construction management services during project construction that includes construction management, engineering services during construction, inspection, testing, commissioning and detailed coordination assistance to maintain redundant power throughout the project. AECOM was selected from the City's approved list of engineering consultants.

Financial Implications: The City of Reno will administer the agreement and will be reimbursed for a portion of the costs by the City of Sparks through the current cost sharing agreement for TMWRF operation and maintenance. The City of Reno and the City of Sparks share the cost of this project as follows: 68.63% for Reno and 31.37% for Sparks, as shown in Table 1. Costs for the City of Reno are budgeted in the Sewer Fund. This project is included in the TMWRF Capital Improvement Plan that was approved by the Joint Coordinating Committee (JCC).

Table 1 - Cost Sharing Between Reno and Sparks

Total Cost of Agreement	Reno Share	Sparks Share
\$253,765	\$174,158.92	\$79,606.08
Percentages	68.63%	31.37%

Legal Implications: The agreement does provide that if any work is subject to prevailing wage per NRS 338.010 – 338.090. Legal review has been completed for compliance with City procedures and Nevada Law.

Recommendation: Staff recommends Council approval of the consultant agreement with AECOM Technical Services, Inc. (AECOM) for construction management services for the TMWRF Electrical Substation Rehabilitation Project in an amount not to exceed \$253,765, with the City of Reno's portion being \$174,158.92 (Sewer Fund), and authorize the Mayor to sign.

Proposed Motion: I move to approve staff recommendation.