

STAFF REPORT

Date: July 24, 2019

To: Mayor and City Council

Thru: Sabra Newby, City Manager

Subject: **C.5. Staff Report (For Possible Action): Approval of Award of Contract to Nelson Electric Company, Inc. for the Truckee Meadows Water Reclamation Facility (TMWRF) MCC 7, 8 and 9 Replacement Project in an amount not to exceed \$366,300 with the City of Reno's share being \$251,391.69. (Sewer Fund)**

From: Kerri Lanza, Engineering Manager

Summary: Truckee Meadows Water Reclamation Facility (TMWRF) has several Motor Control Centers (MCC) which provide power and control to major pieces of equipment throughout the facility. This project includes the replacement of MCC 7, 8, and 9. Staff recommends Council award Nelson Electric Company, Inc. the Truckee Meadows Water Reclamation Facility (TMWRF) MCC 7, 8, 9, Replacement Project in an amount not to exceed \$366,300 with the City of Reno's share being \$251,391.69 (Sewer Fund).

Previous Council Action:

September 12, 2018 - Council approved agreement with Farr West for engineering design services for MCCs 7, 8, and 9 in the amount of \$79,800 with Reno's share being \$54,766.74.

Background: TMWRF is jointly owned by the Cities of Reno and Sparks. The City of Reno oversees the Capital Improvement Program (CIP) for TMWRF, while the City of Sparks manages the operations. TMWRF was constructed in the 1960s and the majority of the MCCs have been in service since the facility was constructed. Over the years, various expansions and additions have occurred adding additional MCCs to the facility, with the last major expansion occurring in 2006. MCCs provide power and control to major pieces of equipment throughout the facility. Many of the MCCs are approaching the end of their reliable design life and need to be replaced. In addition, the availability of parts and proper servicing is getting more difficult to obtain. Age of some of the equipment also presents a safety concern due to higher potential for arc-flash events.

A condition assessment and risk ranking evaluation of the MCCs at TMWRF was recently completed. MCC 7, 8, and 9 were selected for replacement based on the prioritization

determined by this evaluation.

Discussion: The construction contract includes the demolition and removal of the existing MCC 7, 8, and 9, and other equipment, providing and installing new MCC 7 and 8, temporary power to existing lighting, and power pumps and controls, and other miscellaneous work.

Bids were opened on June 12, 2019. The only responsive and responsible bidder is Nelson Electric Company, Inc. The current CIP budget approved by the TMWRF Joint Coordinating Committee for the construction of this project will support the award of the bid in the amount of \$366,300.

Table 1 presents a summary of the bids received:

Table 1 – Bid Summary

Item	Nelson Electric Company, Inc.	Engineer's Estimate
Bid with Force Account	\$366,300	\$333,000

The consideration of approval of a construction management agreement with Farr West Engineering is a separate but related item on today's Council Agenda.

Financial Implications: The City of Reno will administer the construction contract and will be reimbursed for a portion of the cost 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 will share the cost of this project as follows: 68.63 percent for Reno and 31.37 percent for Sparks, as shown in Table 2. Funding from the City of Reno is budgeted in the Sewer Fund. This project is included in the TMWRF Capital Improvement Plan approved by the Joint Coordinating Committee. TMWRF plans to budget funds to design and implement MCC replacement projects throughout the facility every year as part of its Capital Improvement Plan.

Table 2 – Cost Sharing Between Reno and Sparks

Total Cost of Contract	Reno Share	Sparks Share
\$366,300.00	\$251,391.69	\$114,908.31
Percentages	68.63%	31.37%

Legal Implications: The Contract was competitively bid in accordance with Chapter 338 of the NRS. NRS 338.147 provides that a local government shall award a contract for a public work for which the estimated cost exceeds \$250,000 to the contractor who submits the best bid pursuant to the requirements established in Chapter 338.147.

Recommendation: Staff recommends Council award Nelson Electric Company, Inc. the Truckee Meadows Water Reclamation Facility (TMWRF) MCC 7, 8, 9 Replacement Project in an amount not to exceed \$366,300 with the City of Reno's share being \$251,391.69 (Sewer Fund), and authorize the Mayor to sign the contract.

Proposed Motion: I move to approve staff recommendation.