

STAFF REPORT

Agenda Item:

E.14

To: Mayor and City Council
2012

Date: **08-22-**

Thru: Andrew Clinger, City Manager

Subject:

Staff Report (For Possible Action): Approval of a Consulting Agreement between CDMSmith and the City of Reno and Sparks for Engineering Services in support of Phase II improvements to the Truckee Meadows Water Reclamation Facility's (TMWRF) Electrical Distribution System in the amount of \$455,480.00 with the City of Reno's portion being \$312,595.92 (Sewer Enterprise Funds).

From: Robert Lee, Sr. Civil Engineer

Summary: A study of arc-flash hazards at TMWRF revealed that improvements are needed to provide electrical reliability and to preserve safe working conditions. Design of the first phase of the improvements has been completed by CDMSmith and construction is underway; design of the Phase II improvements must be initiated. Staff recommends Council approval of the Agreement for Consulting Services with CDMSmith for the design of Phase II improvements in the amount of \$455,480.00 and authorize the Mayor to sign the attached Agreement.

Previous Council Action:

May 12, 2010: Council approval of Consulting Agreement with CDMSmith for Phase I of the TMWRF electrical system upgrades.

Background: An arc-flash study of TMWRF electrical system components, determined serious hazards attributable to aging and environmental factors to the 1964-vintage electrical systems. The first phase of electrical system upgrades was designed by CDMSmith and construction by Auburn Construction will be completed in January of 2013. The schedule of capital improvement funding for TMWRF dictated that the electrical upgrades to correct all arc flash hazards at TMWRF be divided into two phases, Phase I and II. Phase I improvements will be completed in January 2013. Design of the Phase II improvements is now warranted.

Discussion: Electrical Upgrades Phase II will entail the design and replacement of the remaining electrical components identified by the arc-flash study. CDMSmith's scope of work includes electrical power system studies enabling the definition of the appropriate electrical design criteria, design standards and selection of the proper equipment for insertion into the plant. Following those initial studies, CDM will prepare specifications accompanied by demolition and design drawings for the planned Phase II improvements. System components with long-lead delivery times may be ordered early in the design

phase of the project to compress the project schedule. Assistance will then be provided to TMWRF during the bidding process and during construction.

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 interlocal agreement for TMWRF operation and maintenance. The City of Reno and the City of Sparks share the cost of this as shown in Table 1.

Table 1 - Cost Sharing Between Reno and Sparks

| Total Cost of Agreement | Reno Share | Sparks Share |
|-------------------------|--------------|--------------|
| \$ 455,480.00 | \$312,595.92 | \$142,884.07 |
| Percentages | 68.63% | 31.37% |

Two components of the City of Reno sewer enterprise fund pay for capital projects for the expansion of treatment plant capacity and the upgrades to existing plant facilities. Projects that require replacement or repair of facilities are funded through the existing user fee fund. Projects for expansion of plant capacity are funded through new user connection fees. The electrical system improvements provide upgrades to the existing plant facilities that will serve both existing and new sewer customers. The allocation of costs between existing users (user fees) and new users (connection fees) for this project is shown in Table 2.

Table 2 – Reno Cost Sharing Between User Fee and Connection Fee Funds

| Reno Share of Contract Amount | User Fee Share | Connection Fee Share |
|-------------------------------|----------------|----------------------|
| \$312,595.92 | \$250,076.74 | \$62,519.18 |
| Percentages | 80% | 20% |

Funds are budgeted and included in Sewer Enterprise Fund for this project. This project is included in the TMWRF FY2013 Capital Improvement Plan that was approved by the Joint Coordinating Committee.

Recommendation: Staff recommends Council approve the Agreement for Consulting Services with CDMSmith for an amount not to exceed \$455,480.00 and authorize the Mayor to execute the attached Agreement.

Proposed Motion: I move to approve the staff recommendation.

ATTACHMENT: AGREEMENT FOR CONSULTING SERVICES

