

# STAFF REPORT

**To:** Mayor and City Council

Agenda Item: E.3  
Date: 12-14-2011

**Thru:** Andrew Clinger, City Manager

E.3

**Subject : Staff Report (For Possible Action): Approval of Award of contract to Auburn Constructors, Inc. for the Electrical Systems Upgrades 2011 at the Truckee Meadows Water Reclamation Facility in an amount not to exceed \$3,635,300 with Reno's share being \$2,494,906.39 (Sewer Fund).**

**From:** Robert Lee, Sr. Civil Engineer, Public Works

**Summary:** The Truckee Meadows Water Reclamation Facility's (TMWRF) main electrical switchgear and transformers A&B went into service with the plant construction in 1964 and have been in use beyond their normal useful life of 40 years. Improvements to the main electrical switchgear, transformers and controls are necessary to improve electrical reliability and safety. Staff recommends Council award the bid to Auburn Constructors, Inc. as the lowest responsive and responsible bidder in the amount of \$3,635,300. Reno's share of the contract cost is \$2,494,906.39.

**Previous Council Action:**

**May 15, 2010:** Approval of consultant agreement with Camp, Dresser and McKee (CDM) for design of electrical upgrades

**Background:** TMWRF's main electrical switchgear and transformers A&B was placed into service with the plant construction in 1964 and have been in use beyond their normal useful life of 40 years. As these systems are exposed to corrosive environments associated with municipal wastewater treatment, the original switchgear, transformers and Low Voltage Distribution Centers must be replaced with equipment utilizing today's digital technologies.

**Discussion:** A plant-wide study of TMWRF's electrical systems was performed to evaluate safety risks and vulnerability to failure. The study results indicated that a number of components need to be replaced. Currently, due to risks to workers, certain maintenance operations can only be performed with a total system shutdown. CDM was contracted to provide a design for replacement of select components of the aging electrical system. Bids for these electrical system components were received on November 2, 2011. Attachment 1 provides a bid summary table. Auburn Constructors, Inc. was the low responsive bidder with a bid of \$3,635,300.

**Financial Implications:** The City of Reno will administer the construction contract 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 based upon their ownership of TMWRF, which is 68.63% for Reno and 31.37% for Sparks, as shown in Table 1.

Table 1 - Cost Sharing Between Reno and Sparks

Total Cost of Contract	Reno Share	Sparks Share
\$3,635,300.00	\$ 2,494,906.39	\$ 1,140,393.61
Percentages	68.63%	31.37%

The City of Reno sewer fund has two components that fund 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 Systems Upgrades project provides an upgrade 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. Sewer funds are budgeted for this work.

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

Reno Share of Contract Amount	User Fee Share	Connection Fee Share
\$ 2,494,906.39	\$ 1,995,925.11	\$498,981.28
Percentages	80%	20%

**Legal Implications:** The Contract was competitively bid in accordance with NRS 338.143 et.seq., and Auburn Constructors, Inc. is the lowest responsive and responsible bidder.

**Recommendation:** Staff recommends Council award the contract for the TMWRF Electrical Systems Upgrades 2011 in the amount of \$ 3,635,300 to Auburn Constructors, Inc. and authorize the Mayor to sign.

**Proposed Motion:** I move to approve the staff recommendation.

ATTACHMENT 1: BID SUMMARY TABLE

Bid Opening Summary	
TMWRF Electrical Systems Upgrades 2011	
Bidder	Bid Amount
Auburn Constructors, Inc.	\$ 3,635,300.00
Central Sierra Electric Company	\$3,923,000.00

SECTION 070 – CONTRACT

**CONTRACT**

This agreement, made and entered into this 14<sup>TH</sup> day of December, 2011, in Reno, Nevada, by and between the City of Reno, hereinafter called the City, and Auburn Constructors, INC., hereinafter called the Contractor.

Witnesseth, that the Contractor agrees with the City, for the consideration and Agreements hereinafter mentioned and contained to be made and performed by the City, and under the conditions expressed in two (2) bonds bearing even date with these presents, approved by the City Attorney and hereunto annexed, that they, the Contractor, shall and will at their own proper cost and expense, do all the work and furnish all the materials, necessary for the substantial construction and completion and to the satisfaction of the City,

**TMWRF ELECTRICAL SYSTEMS UPGRADE 2011  
PROJECT NO. I100050  
CONTRACT NUMBER I100050-1980  
PWP WA-2012-14**

together with incidental items necessary to complete the work in strict conformity, in every part and particular, with the annexed plans, special provisions and technical specifications which are made a part hereof (Contract Documents), and in full compliance with the terms of this agreement.

And the Contractor hereby further agrees to receive and accept the unit prices set forth in the "Schedule of Prices" forms hereto annexed and hereby made a part of this agreement, as full compensation for furnishing all materials and labor, and the doing of all work, to the satisfaction of the City and in the manner and under the conditions hereinafter specified.

The City hereby promises and agrees with the Contractor, to employ, and does hereby employ, the Contractor to provide the materials and to complete all the work according to the terms and conditions herein contained and referred to, for the prices in the Proposal Schedule of Prices Bid Form, and hereby contracts to pay the said Contractor at the time, in the manner, and upon the conditions set forth in the Contract Documents, and the said parties themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.

The Contractor further agrees that no monies payable under this contract shall be assigned by power of attorney, or otherwise, except upon written consent of the City.

The Contractor covenants and agrees to conform to and comply with all requirements contained in Wage, and Equal Opportunity Requirements hereto annexed and hereby made a part of this Agreement. The Contractor further agrees that they shall promptly repair, replace, restore or rebuild, as the City may determine, any finished work in which defects of materials or workmanship may appear or to which damage may occur, because of such defects, during a one-year period subsequent to the date of final acceptance.

It is further expressly agreed, by and between the parties hereto, that should there be any conflict between the Contract Documents and the Proposal of said Contractor, then Contract Documents shall control and nothing herein shall be considered an acceptance of the said terms of said proposal conflicting therewith.

Furthermore, the components of the Contract Documents shall be assigned the following hierarchy, with the items listed in order of decreasing control as follows:

- Executed Change Orders
- Contract
- Addenda
- Special Provisions or Technical Specifications
- General Provisions
- Proposal
- City of Reno Standard Detail Drawings
- Standard Specifications for Public Works Construction

In the event of a conflict between the Specifications and the Drawings, the more restrictive shall prevail.

The Contractor hereby further agrees to receive and accept the Contract Sum of

Three Million Six Hundred Twenty Five Thousand and 300 Dollars

(\$3,625,300.00), as full compensation for furnishing all materials and labor, and the doing of all work, to the satisfaction of the Owner, and in the manner and under the conditions specified in the Contract Documents.

And the said Contractor hereby further agrees that the payment of the final amount due under this Contract shall release the City from any and all claims or liability on account of work performed under this Contract other than such claims, if any, as may be specifically excepted by the Contractor in writing at the time final payment is made.

In witness whereof, the parties to these presents have hereunto set their hands and seals the year and date first above written.

ATTEST:

City of Reno, Nevada

\_\_\_\_\_  
City Clerk, City of Reno

\_\_\_\_\_  
Robert A. Cashell, Sr., Mayor

APPROVED;

Contractor

\_\_\_\_\_  
City of Sparks  
Geno Martini, Mayor

By: \_\_\_\_\_

I hereby certify that I have examined the written contract and find the same to be in accordance with the Reno Municipal Code.

By: \_\_\_\_\_  
Deputy City Attorney

**CONTRACTOR'S ACKNOWLEDGEMENT**

State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 2011, personally appeared before me, a Notary Public in and for said

County and State, \_\_\_\_\_, known to me to be the

\_\_\_\_\_ of \_\_\_\_\_, who  
acknowledged to me that he executed the above instrument.

\_\_\_\_\_  
(Notary Public)

\_\_\_\_\_  
(Stamp/Seal)