

STAFF REPORT

Date: August 27, 2014

To: Mayor and City Council

Thru: Andrew Clinger, City Manager

Subject: **Staff Report (For Possible Action): Approval of an Award of Contract to K.G. Walters Construction Co., Inc. for construction of the Truckee Meadows Water Reclamation Facility (TMWRF) Nitrification Recirculation Pump Station MCC & Pump Replacement Project for the base bid in the amount not to exceed \$381,006.00, with the City of Reno's portion being \$261,484.42 (Sewer Enterprise Fund).**

From: David Kershaw, Associate Civil Engineer

Summary: Staff recommends Council approve the award of contract to K.G. Walters Construction Co., Inc. for construction of the Truckee Meadows Water Reclamation Facility (TMWRF) Nitrification Recirculation Pump Station MCC & Pump Replacement Project for the Base Bid in an amount not to exceed \$381,006.00 and authorize the Mayor to sign.

Background:

The Truckee Meadows Water Reclamation Facility (TMWRF) is jointly owned by the Cities of Reno and Sparks. The City of Reno oversees the Capital Improvement Program for TMWRF, while the City of Sparks manages operations.

The TMWRF Nitrification Tower Recirculation Pump Station consists of a wetwell containing two submersible pumps and associated electrical gear. This facility is a critical component to the continuous and reliable operation of the Nitrification Towers that allows the facility to discharge effluent to the river that meets regulatory discharge requirements. The existing facilities at the pump station have reached the end of their useful and reliable service life. As part of the TMWRF capital improvement program, these facilities need to be replaced proactively, to ensure reliable facility operation and compliance with regulatory discharge requirements.

Discussion:

The proposed construction project consists of providing replacement pumps, new motor control cabinets, new variable frequency drives for the pumps, control wiring, electrical feeder wiring, and appurtenances. Only one bid was submitted, and the bid was opened on June 25, 2014. The lowest responsive and responsible bidder is K.G. Walters Construction Co., Inc. in the amount of \$381,006.00 for the Base Bid. The engineer's opinion of probable cost for the project base bid is \$315,006.00. Per review of the bid results with the design engineer, the difference in bid amount and the engineer's estimate could be caused by the requirement to perform the installation of the work during the weekend to minimize impact to treatment processes at the plant, the nature of the project that includes procurement of large mechanical equipment and installation along with

the majority of labor associated with electrical equipment installation. This mix of improvements could have made it less attractive to electrical contractors to be the prime contractor and resulted in a mechanical contractor bidding it as the prime while the majority of the labor is associated with electrical work. Staff has reviewed the bid results and does not believe the additional costs with modifying this project and rebidding would significantly change the final result. The Staff recommended award of the base bid only and does not recommend awarding the Additive Alternate A Bid item due to budgetary constraints.

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 Enterprise Fund. This project is included in the TMWRF FY2014 Capital Improvement Plan that was approved by the TMWRF Joint Coordinating Committee (JCC).

Table 1 - Cost Sharing Between Reno and Sparks

Total Cost of Agreement	Reno Share	Sparks Share
\$381,006.00	\$261,484.42	\$119,521.58
Percentages	68.63%	31.37%

Legal Implications: The contract was let pursuant to Chapter 338 of the Nevada Revised Statutes (NRS), and K.G. Walters Construction Co., Inc. response meets the legal requirements of Chapter 338 of the NRS.

Recommendation: Staff recommends Council approve the award of contract to K.G. Walters Construction Co., Inc. for construction of the Truckee Meadows Water Reclamation Facility (TMWRF) Nitrification Recirculation Pump Station MCC & Pump Replacement Project for the Base Bid in an amount not to exceed \$381,006.00 (Reno’s share being \$261,484.42 from the Sewer Enterprise Fund) and authorize the Mayor to sign.

Proposed Motion: I move to approve staff recommendation.

Attachments:

- None