

STAFF REPORT

Date: June 5, 2019

To: Mayor and City Council

Thru: Sabra Newby, City Manager

Subject: **Staff Report (For Possible Action): Approval of an Award of Contract to Farr Construction Corporation dba Resource Development Company for the Truckee Meadows Water Reclamation Facility (TMWRF) Digester 2 Cover Rehabilitation Project in an amount not to exceed \$1,155,300 with the City of Reno's share being \$792,882.39 (Sewer Enterprise Fund).**

From: Kerri Lanza, Engineering Manager

Summary: This project consists of the removal and replacement of sludge sample pipes, cleaning and coating of the interior of the digester cover, removal and reinstallation/replacement of the concrete ballast blocks, lead abatement, removal and replacement of the polyurethane foam insulation on the exterior of the cover, and installation of a new elastomeric digester seal. Staff recommends Council to award Contract to Farr Construction Corporation dba Resource Development Company for the Truckee Meadows Water Reclamation Facility (TMWRF) Digester 2 Cover Rehabilitation Project in an amount not to exceed \$1,155,300 with the City of Reno's share being \$792,882.39 (Sewer Enterprise Fund).

Previous Council Action:

March 14, 2018 - Council approved a contract between Olcese Construction Co., Inc. and the Cities of Reno and Sparks for the removal and disposal of all liquids and solids in the TMWRF Digester 2, and provide interior lighting and scaffolding to allow for structural condition assessment and inspection of the digester roof.

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 digesters at TMWRF help to stabilize the solids generated at the facility which helps with dewatering and disposal of the material. This process also produces methane gas that is used to heat the digestion process, heat the facility, and generate up to one-third of the electrical power to operate the facility.

Three of the digesters were constructed in the mid 1960's and require rehabilitation to maintain reliable service. Two of the digesters built in the 1960's have already gone through a rehabilitation process with Digester 2 being the oldest digester requiring rehabilitation maintenance.

Discussion: The first task completed for the rehabilitation of Digester 2 was to remove it from service, and have it cleaned for internal inspection. Internal inspection results were used for a formal design for rehabilitation of the digester. This contract provides for the rehabilitation construction work of the digester.

Bids were opened on May 13, 2019. The lowest responsive and responsible bidder is Farr Construction Corporation dba Resource Development Company. 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 \$1,155,300.

Table 1 presents a summary of the bids received:

Table 1 – Bid Summary

Item	Farr Construction Corporation dba Resource Development Company	Record Steel And Construction Inc., dba R S C I
Base Bid	\$1,155,300	\$1,457,510

The consideration of approval for an agreement with Brown and Caldwell for construction management services for this project will also be considered by Council on June 5, 2019, as a separate, but related item.

Financial Implications: The City of Reno will administer the 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 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 Capital Improvement Plan that was approved by the Joint Coordinating Committee.

Table 1 - Cost Sharing Between Reno and Sparks

Total Cost of Contract	Reno Share	Sparks Share
\$1,155,300	\$792,882.39	\$362,417.61
Percentages	68.63%	31.37%

Legal Implications: The Contract was competitively bid in accordance with Chapter 338 of the NRS.

Recommendation: Staff recommends Council to award Contract to Farr Construction Corporation dba Resource Development Company for the Truckee Meadows Water Reclamation Facility (TMWRF)) Digester 2 Cover Rehabilitation Project in an amount not to exceed \$1,155,300 with the City of Reno's share being \$792,882.39 (Sewer Enterprise Fund), and authorize the Mayor to sign.

Proposed Motion: I move to approve staff recommendation.