

## STAFF REPORT

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**Date:** August 28, 2013

**To:** Mayor and City Council

**Thru:** Andrew Clinger, City Manager

**Subject:** Staff Report (For Possible Action): Approval of Contract to Invensys Operations Management for the purchase and installation of Distributed Control System Field Bus (FB) Modules and data servers at the Truckee Meadows Water Reclamation Facility (TMWRF) in the amount of \$203,727, with Reno's share being \$139,818 (Sewer Enterprise Fund).

**From:** Dave Kershaw, Associate Civil Engineer

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**Summary:** The approved Truckee Meadows Water Reclamation Facility (TMWRF) FY 2014 Capital Improvements Plan (CIP) provides for continuing improvements to the TMWRF Distributed Control System. The third phase of work is scheduled for Fiscal Year 2014 at a cost of \$203,727 and provides for the purchase and installation of Field Bus Modules and data servers.

**Previous Council Action:**

November 9, 2011 - Approval of an Award of Contract to Invensys Operations Management for the purchase and installation of Distributed Control System Field Bus Modules and Data Servers at TMWRF in the amount of \$150,000 with the City of Reno's share being \$ 102,945 (Sewer Enterprise Fund).

July 11, 2012 - Approval of Award of Contract to Invensys Operations Management for purchase and installation of Distributed Control System Field Bus Modules and data servers for \$150,000.

**Background:** 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 Distributed Control System (DCS) was initially installed in the mid 1980s. The system has been upgraded and modified on a regular basis as information technology (IT) facilities and programming have evolved. TMWRF's DCS has been expanded and developed in concert with plant expansions and modifications. TMWRF IT staff has been directly involved with all aspects of the DCS growth and evolution, and have taken direct responsibility for upkeep of the system. Continuing replacement of the DCS components is recognized as a priority and funding is included in the Capital Improvement Project list approved by the Joint Coordinating Committee.

**Discussion:** Several key components of the DCS are in need of replacement. Specifically, the FB Modules and data servers have limited service lives that should not be exceeded. They cannot be run to failure for the resultant disruption to plant operations would lead to discharge

violations. These components need to be purchased and installed to replace existing components in a timely, structured and proactive process that ensures uninterrupted plant operations. Acceptable components are only available from Invensys Operations Management as they are the manufacturer of the entire system. TMWRF IT staff has the appropriate training and experience with the DCS to identify, specify, purchase and install the replacement components needed to complete this project.

**Financial Implications:** Invensys Operations Management has provided a quote of \$203,727 for components to be installed during Phase III of this project. The City of Reno will administer the purchase and installation of the components 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 Fund.

**Table 1 - Cost Sharing Between Reno and Sparks**

<b>Total Cost of Contract</b>	<b>Reno Share</b>	<b>Sparks Share</b>
\$203,727	\$139,818	\$63,909
<b>Percentages</b>	68.63%	31.37%

**Legal Implications:** NRS 332.115(g) exempts from competitive bidding requirements hardware and associated peripheral equipment and devices for computers.

**Recommendation:** Staff recommends that Council award the contract to Invensys Operations Management pursuant to NRS 332.115(g) in the amount of \$203,727 (Reno’s share being \$139,818 from the Sewer Enterprise Fund) and authorize the Mayor to sign.

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