

STAFF REPORT

Date: December 10, 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) 2014 Headworks Improvements Project in an amount not to exceed \$5,341,600.00, with the City of Reno's portion being \$3,665,940.08 (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) 2014 Headworks Improvements Project for the Total Project Bid in an amount not to exceed \$5,341,600.00 and authorize the Mayor to sign.

Previous Council Action:

February 8, 2012 Council approved an Agreement with Stantec for evaluation and design services for the Septage Receiving Facility and Headworks Building at the Truckee Meadows Water Reclamation (TMWRF) in the amount of \$377,884, with Reno's share being \$259,242 (Sewer Enterprise Fund).

March 13, 2013 Council accepted staff report regarding the Declaration of the Existence of a local State of Emergency for the Truckee Meadows Water Reclamation Facility (TMWRF) pursuant to Chapter 338 and 332 of the Nevada Revised Statutes.

September 25, 2013 Council approved an Agreement with Stantec for Engineering Services associated with the Truckee Meadows Water Reclamation Facility (TMWRF) Headworks Near-Term Improvement Project in an amount of \$633,702 with Reno's share being \$434,909.68 (Sewer Enterprise Fund).

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 Headworks facility, constructed in 1964, receives raw sewage flows from the entire sewer collection system and pumps it up to the treatment plant.

On February 25, 2013, the City of Reno declared an emergency due to failures occurring in key components of the Headworks operation. Under the emergency declaration, improvements to the Headworks operation were restricted to items that must be immediately repaired to assure continuing operation. The assessment of the need for additional improvements became possible following the establishment of the pump-around. Access to the dry internal spaces of Headworks enabled engineers to assess the condition of the concrete and steel structure and the mechanical and electrical equipment. That assessment identified additional improvements which must be performed in the near-term to assure the sustainable and reliable operation of the Headworks facility.

The previous approved consultant agreement (September 25, 2013), allowed for completion of a design for improvements that address items identified during the assessment.

Discussion: This project includes replacement of the odor and hydrogen sulfide gas control system, mechanical screens replacement, sluice gates replacement, concrete repair, flume replacement, handrail replacement, pump motor access facilities, hydraulic system improvements, electrical improvements, surface coatings, and associated items. Bids were opened on November 12, 2014. The lowest responsive and responsible bidder is K.G. Walters Construction Co., Inc. in the amount of \$5,341,600.00. The consideration of approval for an amended agreement with Stantec Consulting Services, Inc. for construction services for this project will also be considered by Council at a later meeting, as a separate, but related item.

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 FY2015 Capital Improvement Plan that was approved by the Joint Coordinating Committee.

Table 1 - Cost Sharing Between Reno and Sparks

| Total Cost of Agreement | Reno Share | Sparks Share |
|-------------------------|----------------|----------------|
| \$5,341,600.00 | \$3,665,940.08 | \$1,675,659.92 |
| 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) 2014 Headworks Improvements Project for the Total Project Bid in an amount not to exceed \$5,341,600.00 (Reno's share being \$3,665,940.08 from the Sewer Enterprise Fund) and authorize the Mayor to sign.

Proposed Motion: I move to approve the staff recommendation.