

## STAFF REPORT

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**Date:** July 31, 2024

**To:** Mayor and City Council

**Through:** Jackie Bryant, Interim City Manager

**Subject:** Staff Report (For Possible Action): Approval of Consulting Agreement for Engineering Services with CR Engineering for the Truckee Meadows Water Reclamation Facility (TMWRF) Bleach Building Heating, Ventilation, and Air Conditioning (HVAC) Replacement Project in an amount not to exceed \$151,830 with the City of Reno's share being \$104,200.93. (Sewer Fund)

**From:** Matt Smith, Senior Civil Engineer

**Department:** Utility Services

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**Summary:**

The Truckee Meadows Water Reclamation Facility (TMWRF) uses sodium hypochlorite (bleach) to disinfect the treated water. Proper storage and ventilation of bleach is required for safety and prevention of product degradation. This agreement with CR Engineering provides engineering design services for the existing heating, ventilation, and air conditioning (HVAC) system in the bleach building. Services also include upgrading the building to meet the current requirements in the International Energy Conservation Code, and developing the engineering specifications and contract documents for construction. Staff recommends Council approve the agreement for engineering services with CR Engineering in an amount not to exceed \$151,830 with the City of Reno's share being \$104,200.93 from the Sewer Fund.

**Table 1: Consent Review**

<b>Consent Review</b>	<b>Yes</b>	<b>No</b>
1. Is this item an annual or standard item that comes before Council for regular approval?		<b>X</b>
2. Is this item an agreement required based on an item previously approved by Council?	<b>X</b>	
3. Is this item included in the current budget approved and adopted by Council?	<b>X</b>	
<b>Other Considerations</b>		
What percent of the total City budget does this item represent?	<b>0.02%</b>	

**Alignment with Strategic Plan:**

Fiscal Sustainability

Infrastructure, Climate Change, and Environmental Sustainability

**Previous Council Action:**

November 24, 2020 – Council approved an agreement with CR Engineering for the TMWRF Bleach Building HVAC Replacement Project.

**Background:**

TMWRF is jointly owned by the Cities of Reno and Sparks and was originally built in 1964 with several expansions since, and the bleach building was constructed as part of the 1992 expansion project. In 2014, a plant-wide assessment of the existing HVAC systems was conducted to evaluate and provide recommendations on improvements. The bleach building was ranked #11 out of 37 on the priority list due to broken equipment and the need to maintain lower temperatures to avoid degradation of the stored bleach. In 2021, CR Engineering provided full design documents for HVAC upgrades to the bleach building including replacing in kind evaporative cooling equipment; however, the project was placed on hold while TMWRF considered other process improvements that could discontinue the need for bleach. The pre-design for the alternative disinfection process found that bleach would still need to be stored onsite, so the bleach building HVAC project has been brought forward again. Additionally, energy efficiency grants may be available to aid in funding the project. A new HVAC system will provide cooler temperatures in lieu of the existing evaporative cooling unit, which will keep bleach from degrading more quickly. CR Engineering has compiled the scope of work to update their previous design to include new air conditioning equipment, building modifications, and electrical upgrades, which is the subject of the agreement before Council.

**Discussion:**

Based on the 2014 TMWRF HVAC evaluation and available grant funding, staff recommend design services to update the HVAC to including building modifications per the International Energy Conservation Code. This agreement will provide design services that include hazardous material investigation, mechanical and electrical upgrades, structural and architectural improvements, bid-ready documents, and engineering construction cost estimates.

**Financial Implications:**

The Bleach Building HVAC Replacement Project is included in the current fiscal year's Capital Improvement Plan (CIP) as approved by the TMWRF Joint Coordinating Committee (JCC) and the respective City Councils of Reno and Sparks through the budget process. 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 operations and maintenance. The City of Reno and the City of Sparks share the cost of this project with Reno's portion being

68.63%, and 31.37% for Sparks, as shown in Table 2. Costs for the City of Reno are budgeted in the Sewer Fund.

**Table 2: Cost Sharing between Reno and Sparks**

<b>Total Cost of Agreement</b>	<b>Reno Share</b>	<b>Sparks Share</b>
\$151,830	\$104,200.93	\$47,629.07
<b>Percentages</b>	68.63%	31.37%

**Legal Implications:**

The parties are bound by the terms of the agreement as prepared by the Office of the City Attorney.

**Recommendation:**

Staff recommends Council approve the consultant agreement with CR Engineering for engineering services for the TMWRF Bleach Building HVAC Replacement Project in an amount not to exceed \$151,830 with the City of Reno's portion being \$104,200.93 (Sewer Fund), and authorize the Mayor to sign.

**Proposed Motion:**

I move to approve staff recommendation.

**Attachments:**

Area & Vicinity Map for TMWRF Bleach Building HVAC Replacement Project  
Agreement with CR Engineering - TMWRF Bleach Building HVAC Replacement Project