

## STAFF REPORT

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**Date:** April 23, 2025

**To:** Mayor and City Council

**Through:** Jackie Bryant, City Manager

**Subject:** Staff Report (For Possible Action): Award of Contract to KG Walters Construction Co., Inc. for the UNR-Mira Loma Reclaim Meter Rehabilitation and Cathodic Protection Addition Project in the amount not to exceed \$2,203,000. (Sewer Fund)

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

**Department:** Utility Services

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### Summary:

The City of Reno (Reno) owns and manages a portion of the reclaimed water system supplied by the Truckee Meadows Water Reclamation Facility (TMWRF) that serves the University of Nevada, Reno Agriculture Area, Rosewood Nature Study Area, and Reno's Mira Loma Park. It is Reno's responsibility to maintain the treated effluent reuse infrastructure that delivers reclaimed water to its customers. Portions of the piping network and metering facilities are in disrepair, are vulnerable to corrosion, are difficult to maintain, and without rehabilitation and cathodic protection improvements, the metering facilities and piping will continue to degrade. KG Walters Construction Co. Inc. submitted the best bid in accordance with Nevada Revised Statutes (NRS) Chapter 338. Staff recommends awarding the contract to KG Walters for a total not to exceed \$2,203,000, which includes the base bid and project contingency (Sewer Fund).

**Table 1 – Consent Review**

Consent Review	Yes	No
1. Is this item an annual or standard item that comes before Council for regular approval?		X
2. Is this item an agreement required based on an item previously approved by Council?	X	
3. Is this item included in the current budget approved and adopted by Council?	X	
<b>Other Considerations</b>		
What percent of the total City budget does this item represent?	0.23%	

**Alignment with Strategic Plan:**

Infrastructure, Climate Change, and Environmental Sustainability  
Arts, Parks, and Historical Resources  
Fiscal Sustainability

**Previous Council Action:**

December 7, 2022 – Council approved a Consulting Agreement for Engineering Design Services with SB Engineering for the City of Reno UNR-Mira Loma Reuse System Improvements Project in an amount not to exceed \$223,415 (Sewer Fund).

**Background:**

The Reno reclaimed water system, built in multiple phases from 2001 to 2007, consists of approximately 5 miles of large-diameter pressurized pipe and metering facilities. The piping and metering facilities are not protected from corrosion, and some of the infrastructure is in disrepair. Located on the eastern end of the Truckee Meadows, the system faces variable groundwater levels that accelerate corrosion. Fortunately, the system is designed to receive cathodic protection, which will help safeguard the pipeline from further corrosion.

The metering facilities are currently unreliable and require frequent repairs to maintain service for Reno's customers. Reno is responsible for maintaining these facilities and reporting water volumes used for irrigation to the Nevada Division of Environmental Protection (NDEP) as part of Reno's discharge permit.

The consulting agreement for engineering services during construction for the UNR-Mira Loma Reclaim Meter Rehabilitation and Cathodic Protection Addition Project is on today's agenda for Council consideration.

**Discussion:**

This project includes the repair and replacement of equipment within existing metering vaults for the reclaimed water system, the installation of a new metering facility at the Rosewood Nature Study area, addition of electric services and metering for three sites on the reclaimed water system, and corrosion mitigation of the pipeline by the addition of cathodic protection systems.

Staff conducted a public bid for this project, advertised on March 4 to April 1, 2025. Reno received two bids, which were opened on April 1, 2025. KG Walters submitted the best bid of \$2,203,000. Staff evaluated KG Walters' bid, and it met the criteria under NRS Chapter 338. KG Walters is a General Contractor licensed in Nevada, and they have previously completed several projects for Reno that included similar work.

<b>Table 2 – Bid Summary</b>			
UNR-Mira Loma Reclaim Meter Rehab and Cathodic Protection Addition	Engineer's Estimate	KG Walters	Resource Development Company (dba Farr Construction Corporation)
Base Bid	\$2,000,000	\$2,003,000	\$2,392,155

Staff recommends award to KG Walters for an amount not to exceed \$2,203,000, which includes a contingency allowance of \$200,000 for unforeseen conditions encountered during construction (Sewer Fund).

<b>Table 3 – Recommended Bid Award</b>	
Base Bid	\$2,003,000
Contingency	\$200,000
<b>Bid Award</b>	<b>\$2,203,000</b>

The consequences of not awarding this bid today will result in the costly repair and replacement of metering equipment, continued unreliability due to inadequate electrical infrastructure for the metering equipment, potential discharge permit violations, and continued corrosion of the pipeline without mitigation, which will increase the risk of failure of the large diameter reclaimed water pipeline.

### **Financial Implications:**

The UNR-Mira Loma Reclaim Meter Rehabilitation and Cathodic Protection Addition Project is included in the approved FY25 CIP as approved by Reno City Council through the budget process.

### **Legal Implications:**

This Contract was competitively bid in accordance with NRS Chapter 338. NRS 338.147 provides that local government shall award a contract for public work, for which the estimated cost exceeds \$250,000, to the contractor who submits the best bid pursuant to the requirements of the chapter.

### **Recommendation:**

Staff recommends Council award of Contract to KG Walters for the UNR-Mira Loma Reclaim Meter Rehabilitation and Cathodic Protection Addition Project in an amount not to exceed \$2,203,000 (Sewer Fund), and authorize the Mayor to sign.

### **Proposed Motion:**

I move to approve the staff recommendation.

**Attachments:**

- Area & Vicinity Map for UNR-Mira Loma Reuse Improvements
- UNR-Mira Loma Reclaim Improvements Construction Contract - KGW