

STAFF REPORT

Date: May 21, 2025

To: Mayor and City Council

Through: Jackie Bryant, City Manager

Subject: Staff Report (For Possible Action): Award of Contract to Resource Development Company dba Farr Construction Corporation for the Truckee Meadows Water Reclamation Facility Aeration Tank 1A Rehabilitation Project in the amount not to exceed \$4,915,625 with Reno's share being \$3,373,593.44. (Sewer Fund)

From: Matt Smith, Senior Civil Engineer

Department: Utility Services

Summary:

This project involves replacing or rehabilitating the aeration air distribution system that has exceeded its recommended service life, repairing and coating the concrete structure, and upgrading other related components at the Truckee Meadows Water Reclamation Facility (TMWRF). City of Reno (Reno) staff advertised the project for competitive bidding in March and April. Resource Development Company dba Farr Construction Corporation submitted the best bid pursuant NRS Chapter 338. Staff recommends Council award the contract to Resource Development Company dba Farr Construction Corporation in an amount not to exceed \$4,915,625 for the base bid and project contingency (Reno's share being \$3,373,593.44 from the 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 | |
| Other Considerations | | |
| What percent of the total City budget does this item represent? | 0.52% | |

Alignment with Strategic Plan:

Fiscal Sustainability
Infrastructure, Climate Change, and Environmental Sustainability

Previous Council Action:

April 12, 2023 – Council approved a Consulting Agreement for Design Services with Carollo Engineers, Inc. for the TMWRF Aeration Tank 1A Rehabilitation Project.

April 28, 2021 – Council approved a Consulting Agreement for Evaluation and Pre-Design Services with Carollo Engineers, Inc. for the TMWRF Aeration Tank Evaluation and Rehabilitation Project.

Background:

TMWRF, originally built in 1964, is jointly owned by the Cities of Reno and Sparks. The aeration tanks at the Truckee Meadows Water Reclamation Facility (TMWRF) play a critical role in cleaning wastewater. These large concrete structures hold wastewater while air is pumped in through pipes and diffuser membranes. The added oxygen supports specific biological organisms that break down and remove harmful nutrients from the water. Aeration Tank 1A, originally constructed in 1964, now requires significant rehabilitation. The diffuser membranes and air piping—essential for delivering oxygen—have been in service for over 20 years, far exceeding their recommended lifespan of 7 years. Additionally, the reinforced concrete needs repairs and a protective coating due to age and exposure to corrosive materials.

Reno hired Carollo Engineers, Inc. (Carollo) to evaluate the condition of the plant's aeration tanks. Carollo determined all the aeration tanks at TMWRF need improvements and/or rehabilitation with Aeration Tank 1A being the most near-term priority. Aeration Tank 1A is one of the original 1964 aeration tanks and has been in-service since the plant was brought online. The last time Aeration Tank 1A was repaired and improved was during the 2006 TMWRF plant expansion.

Aeration tanks are large concrete structures that utilize piping and diffuser membranes to introduce pressurized air to allow specific biological organisms to treat and remove nutrients from wastewater and are relied upon for secondary wastewater treatment at the Truckee Meadows Water Reclamation Facility (TMWRF). Aeration Tank 1A diffuser membranes must be replaced, and the reinforced concrete must be repaired and coated. The concrete was originally installed in 1964, and the piping and diffuser membranes have been in-service for 20 years - far past the useful service life of 7 years as recommended by the manufacturer.

As part of the TMWRF Capital Improvement Program (CIP), "Risk Ranking" and paired comparison of infrastructure identifies project priorities, condition, and risk of failure. The Fiscal Year 24 ranking process identified aeration tank rehabilitation as priority #9.

Also on today's agenda for Council consideration is the agreement for engineering services during construction with Carollo as a separate but related item.

Discussion:

This project includes replacement of the aeration diffuser grid, process piping, redwood baffle walls, inlet slide gates, concrete repairs to the walls and floor, and installation of a new tank drain.

Staff advertised this project in the Reno Gazette Journal and through the City's bidding portal, PlanetBids. The City allowed thirty-six days for bidding, from March 11th to April 15th. Three contractors submitted bids, which were opened on April 15, 2025. Resource Development Company dba Farr Construction Corporation submitted the best bid of \$4,915,625. Staff evaluated Resource Development Company dba Farr Construction Corporation's bid, and it met the criteria under NRS Chapter 338. Resource Development Company dba Farr Construction Corporation is a General Contractor licensed in Nevada, and they have previously completed several projects for the City that included similar work.

Table 2 – Bid Summary

| TMWRF Aeration Tank 1A Rehabilitation Project | Engineer's Estimate | Resource Development Company dba Farr Construction Corporation | TNT Industrial Contractors, Inc. | KG Walters Construction Co. Inc. |
|--|--------------------------------|---|---|---|
| Base Bid | \$6,315,096 | \$4,915,625 | \$5,725,349 | \$5,877,432 |

Staff recommends award to Resource Development Company dba Farr Construction Corporation for an amount not to exceed \$4,915,625, which includes a contingency allowance of \$400,000 for unforeseen conditions encountered during construction (Reno's share being \$3,373,593.44 from the Sewer Fund).

Table 3 – Recommended Bid Award

| | |
|------------------|--------------------|
| Base Bid | \$4,515,625 |
| Contingency | \$400,000 |
| Bid Award | \$4,915,625 |

The consequences of not awarding this bid today will result in the delay of rehabilitating the highest priority item, and tank at most risk of failure, increasing risk of potential discharge permit violations.

Financial Implications:

The TMWRF Aeration Tank 1A Rehabilitation Project is included in the current fiscal year's 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 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 4 – Cost Sharing Between Reno and Sparks

| Total Cost of Contract | Reno Share | Sparks Share |
|-------------------------------|-----------------------|-----------------------|
| \$4,915,625 | \$3,373,593.44 | \$1,542,031.56 |
| Percentages | 68.63% | 31.37% |

Legal Implications:

This Contract was competitively bid in accordance with NRS Chapter 338.

Recommendation:

Staff recommends Council award of Contract to Resource Development Company dba Farr Construction Corporation for the TMWRF Aeration Tank 1A Rehabilitation Project in an amount not to exceed \$4,915,625, with the City of Reno's portion being \$3,373,593.44 (Sewer Fund), and authorize the Mayor to sign.

Proposed Motion:

I move to approve the staff recommendation.

Attachments:

- Area & Vicinity Map for TMWRF Aeration Tank 1A Rehabilitation Project
- TMWRF Aeration Tank 1A Rehabilitation Project Construction Contract – RDC