

STAFF REPORT

Date: October 9, 2024

To: Mayor and City Council

Through: Jackie Bryant, Interim City Manager

Subject: Staff Report (For Possible Action): Award of Contract to K7 Construction, Inc. for the construction of the Reno-Stead Water Reclamation Facility Administration and Maintenance Building project in an amount not to exceed \$3,528,347. (Sewer Fund)

From: Nicholas Brothers, Associate Civil Engineer

Department: Utility Services

Summary:

The Reno-Stead Water Reclamation Facility (RSWRF) uses an administration building built in 1989, for maintenance, lab services, storage, and staff. Since its construction, RSWRF has doubled its wastewater treatment capacity, improved treatment processes, and added additional operators. The proposed new maintenance/storage building expansion project would upgrade the facility to meet operational needs, providing dedicated meeting and office space, adding a location for computer servers, expanding maintenance space, and adding additional storage. K7 Construction, Inc. submitted the best bid pursuant to the requirements established in Nevada Revised Statute Chapter 338.147, submitting a bid in an amount not to exceed \$3,528,347, which includes a contingency (Sewer Enterprise Fund). Staff recommends Council award the contract to K7 Construction, Inc.

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?	0.35%	

Alignment with Strategic Plan:

Infrastructure, Climate Change, and Environmental Sustainability

Previous Council Action:

June 8, 2022 - The City Council approved the design agreement with Keller Associates for the Reno-Stead Water Reclamation Facility Admin and Maintenance building project in an amount not to exceed \$202,967. (Sewer Fund)

Background:

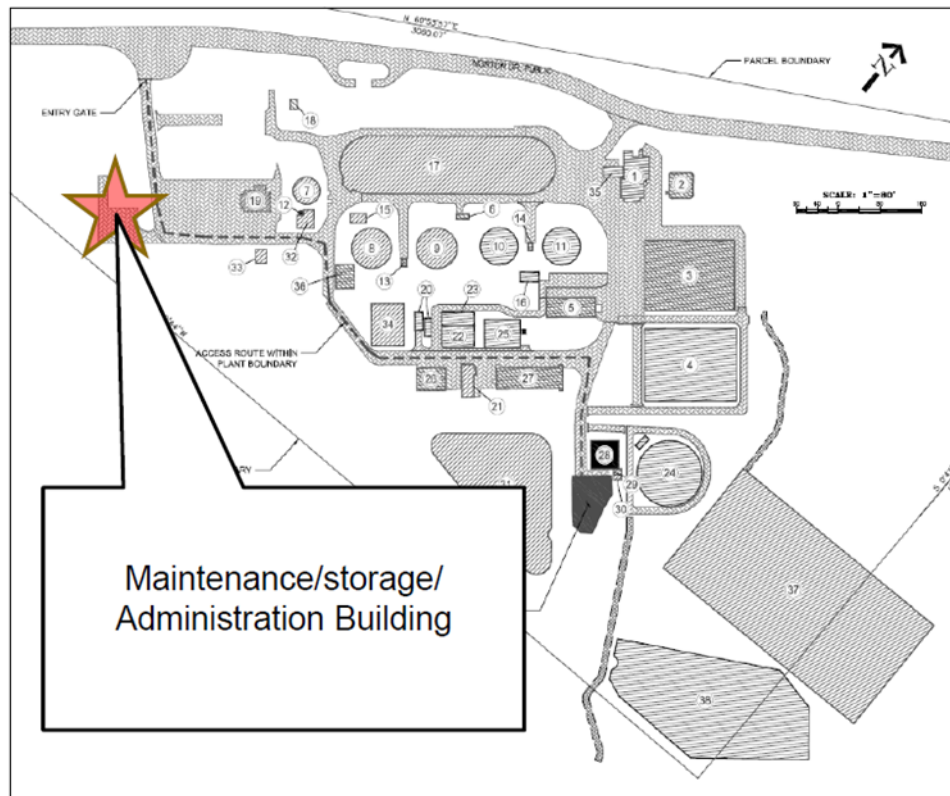
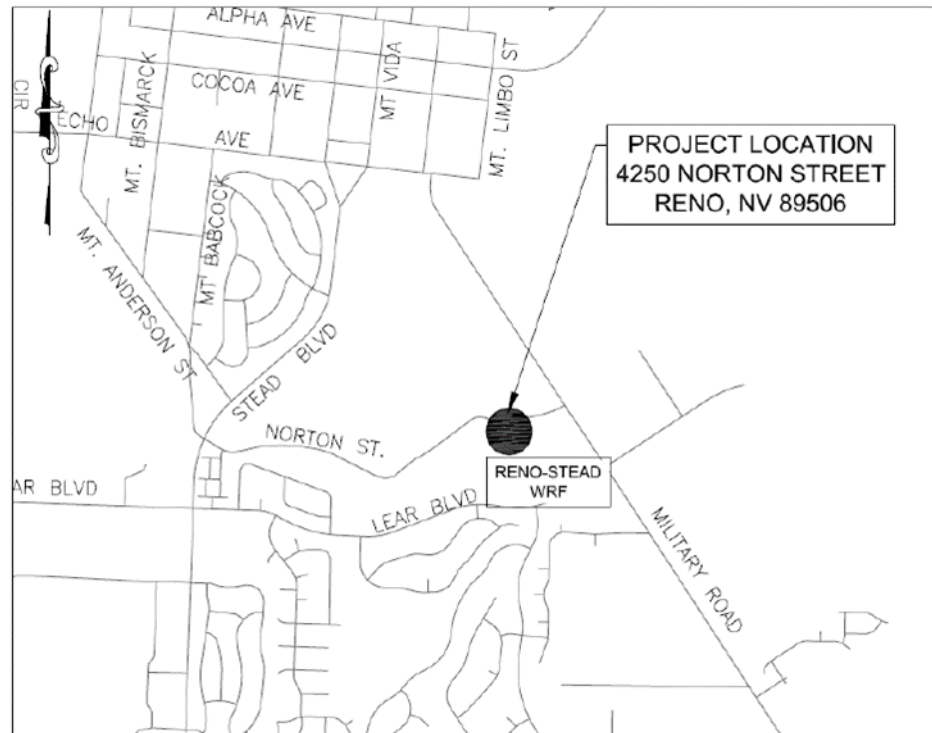
The existing multipurpose RSWRF maintenance/storage/administration building was built in 1989. The building consists of a main room, one office where the computer servers are located, a laboratory, locker room, unisex restroom, a garage and shop area. The single multipurpose room with two computer terminals is used for all 6 staff, acts as the main workstation dedicated to main plant process controls and operations, and serves at the meetings/breaks/lunch area. All walk-in traffic must also check-in through this multipurpose room. Since construction of the Admin Building, the facility has had multiple major expansions adding equipment and staff. Makeshift shipping containers located next to the building hold spare parts which no longer meets operational needs. Additionally, as the City has expanded its service territory into the North Valleys, RSWRF has become a stopover area for City staff to use the restroom, have lunch or take a break. This has increased the demand on the small administration facility.

Discussion:

To position RSWRF for current and future demands of the facility, recommended improvements included modifications to the existing administration building and construction of a new maintenance/storage building. The administration building modification provides a dedicated computer server room with temperature and ventilation controls, a new office with designated meeting space, and optimized for storage and operation control room. The server room will also mitigate server noise impact in the single office space, currently used by the Facility Supervisor.

The new maintenance/storage building will provide additional storage for replacement items, increase the shop area for the repair of larger equipment (such as mixers and pumps), and provide for the indoor storage of vehicles and utility trailers.

Vicinity Map



Concurrent with this item for award of contract to K7 Construction Inc. is an agreement with Keller and Associates for construction administration and inspection services.

Staff conducted a public bid for this project, and opened three (3) bids on September 10, 2024. K7 Construction, Inc. submitted the best bid pursuant to the requirements established in Nevada Revised Statute Chapter 338.147. Table 1 presents a summary of the bids.

Table 1. Summary of Bids

Bidder	Bid
K7 Construction, Inc	\$3,178,347
KG Walters Constnution Co. Inc.	\$4,063,000
Builders United LLC	\$4,688,999.99

Staff recommends award of the contract to K7 Construction, Inc. in an amount not to exceed \$3,528,347, which includes a \$350,000 contingency for unforeseen items encountered during construction.

Financial Implications:

Funding is available from the Sewer Fund for this contract and budgeted in the FY 2025 Capital Improvement Plan.

Legal Implications: Legal review completed for compliance with City procedures and Nevada law. K7 Construction submitted the best bid pursuant to NRS 338.147. K7 holds the proper license and contract requirements to complete this project.

Recommendation:

Staff recommends Council award the contract for the construction of the Reno-Stead Water Reclamation Facility Admin and Maintenance Building project to K7 Construction, Inc., in an amount not to exceed \$3,528,347. (Sewer Enterprise Fund)

Proposed Motion:

I move to approve staff recommendation.

Attachments:

K7 Construction Inc_Construction_Contract