

STAFF REPORT

Date: June 14, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Award of Contract to TNT Industrial Contractors, Inc. for the 2023 Truckee Meadows Water Reclamation Facility Thickened Waste Activated Sludge Improvements Project in an amount not to exceed \$2,761,000 with Reno's share being \$1,894,874.30. (Sewer Fund)

From: Matt Smith, Senior Civil Engineer

Department: Utility Services

Summary:

Due to the corrosive nature of wastewater treatment processes, the Truckee Meadows Water Reclamation Facility's (TMWRF) thickened waste activated sludge (TWAS) pumps, piping, and process-related equipment degrade over time and are in need of replacement. Staff is seeking the award of contract with TNT Industrial Contractors (TNT) to replace obsolete pumps, pipes, thickening equipment, and steel tanks that have been in service since 1978. Additionally, this project will provide temporary bypass allowing the TWAS process to remain in-service while the improvements are being constructed. TNT submitted the best bid pursuant to the requirements established in Nevada Revised Statute (NRS) Chapter 338. Staff recommends contract award to TNT in an amount not to exceed \$2,761,000 for the base bid and project contingency (Reno's share being \$1,894,874.30 from the Sewer Fund).

Alignment with Strategic Plan:

Infrastructure, Climate Change, and Environmental Sustainability

Previous Council Action:

April 28, 2021 – Council approved a Consulting Agreement for Engineering Design Services with HDR Engineering, Inc. for the TMWRF TWAS Short Term Improvements and Predesign Project.

Background:

TMWRF is jointly owned by the Cities of Reno and Sparks, and was originally constructed in 1964. As part of the treatment process, a portion of the solids generated from the wastewater are

returned to the beginning of the secondary treatment process for biological nutrient removal, while the remainder of the solids are wasted, thickened, and conveyed to the digestion and dewatering processes. The thickening process for the wasted solids includes solids separation using Dissolved Air Flotation Thickeners (DAFTs) to float and collect the less dense materials. The thickened solids are collected from the top of the DAFTs and pumped across the facility to the digestion and dewatering process before being hauled to the landfill. The TWAS facility was built in 1978 and the equipment being used is well past its useful life and obsolete. In the past, staff has needed to custom fabricate parts for this equipment since the original manufacturers are no longer in business, leading to increased risk of failure, and increased operational and maintenance costs.

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 (FY) 23 ranking process identified thickened waste activated sludge improvements as priority #5.

Discussion:

This project includes replacement of the DAFTs saturation equipment, DAFT recirculation pumps, approximately 1,000 feet of pressurized TWAS pipe, and improvements to the process drainage infrastructure.

Staff advertised this project on the Reno Gazette Journal and through the City’s bidding portal, PlanetBids. Twenty-eight days were allowed for bidding, from April 19 to May 17, 2023. Three contractors submitted bids, which were received and opened on May 17, 2023. Staff evaluated TNT’s bid, and it met the criteria under NRS Chapter 338. TNT submitted the lowest responsive bid of \$2,761,000. TNT is a General Contractor licensed in Nevada, and they have previously completed several projects for the City that included similar work.

Table 1 – Bid Summary

TMWRF TWAS Improvements Project	Engineer’s Estimate	TNT Industrial Contractors	KG Walters Construction Co. Inc.	Farr Construction Corporation dba Resource Development Company
Base Bid	\$3,238,100	\$2,411,000	\$2,693,000	\$3,291,000

Staff recommends award to TNT for an amount not to exceed \$2,761,000, which includes a contingency allowance of \$350,000 for unforeseen conditions encountered during construction (City of Reno’s share being \$1,894,874.30 from the Sewer Fund).

Table 2 – Recommended Bid Award

Base Bid	\$2,411,000
Contingency	\$350,000
Bid Award	\$2,761,000

The consequences of not awarding this bid today will result in the delay of the DAFT and TWAS tank, pumping, and piping improvements, which will increase the risk of failure, maintain current operational issues, prolong additional costs to repair and replace obsolete equipment, and the process will continue to be a safety hazard.

Financial Implications:

This project is approved in the City Council FY23 CIP and respective TMWRF Joint Coordinating Committee annual budget with available Sewer Funds. The City of Reno will administer the contract 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 3. Costs for the City of Reno are budgeted in the Sewer Fund.

Table 3 – Cost Sharing Between Reno and Sparks

Total Cost of Contract	Reno Share	Sparks Share
\$2,761,000	\$1,894,874.30	\$866,125.70
Percentages	68.63%	31.37%

Legal Implications:

This Contract was competitively bid in accordance with NRS Chapter 338. NRS338.147 provides that local government shall award a contract for public work for which the estimated cost exceed \$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 TNT for the TMWRF TWAS Improvements Project in an amount not to exceed \$2,761,000, with the City of Reno's portion being \$1,894,874.30 (Sewer Fund), and authorize the Mayor to sign.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

- Area & Vicinity Map for TWAS Improvements Project
- 2023 TMWRF TWAS Improvements Project Construction Contract - TNT