

STAFF REPORT

Date: March 22, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Award of Contract to Spanish Springs Construction for the 2023 Talus Street and Sewer Rehabilitation Project in the amount of \$11,521,000. (Street Fund and Sewer Fund) [Ward 4]

From: Jonathan Smith, Senior Civil Engineer

Department: Public Works

Summary:

Council confirmed the Talus Neighborhood Streets for reconstruction in July 2020, which allows the design team time to coordinate with property owners and private utility companies and for the completion of the design and bidding process. The 2023 Talus Street and Sewer Rehabilitation Project consists of eight neighborhood streets. The project is located in the Northwest Reno area west of North Virginia Street and north of North McCarran Blvd. Staff held a neighborhood meeting on February 9, 2023 and presented the project to the Reno Access Advisory Committee on November 29, 2022 and the Neighborhood Advisory Board on January 26, 2023.

This item is a contract for the rehabilitation of the 2023 Talus Street and Sewer Rehabilitation Project. Two bids were received and opened on February 16, 2023. Spanish Springs Construction submitted the best bid pursuant to the requirements established in Nevada Revised Statute (NRS) Chapter 338. The project scope of work primarily consists of removing and replacing pavement, curb and gutter, sidewalks, driveways, pedestrian ramps, removal and replacement of sanitary sewer, storm drain upgrades, and other miscellaneous work associated with reconstructing eight (8) neighborhood streets and the replacement of sanitary sewer main in four (4) of the streets that are being reconstructed.

This project is included in the City's Capital Improvement Plan (CIP) budget for FY 22/23. The work is scheduled to begin this Spring and completed by Fall 2023. Staff recommends award of the bid to Spanish Springs Construction in the amount not to exceed \$11,521,000.

Alignment with Strategic Plan:

- Infrastructure, Climate Change, and Environmental Sustainability – repairing infrastructure to improve street condition and pedestrian connectivity as well as improve sewer condition and capacity.

Previous Council Action:

April 27, 2022 – Council approved the Consultant Agreement with Farr West Engineering for design services for the 2023 Talus Neighborhood Street and Sewer Rehabilitation Project in the amount not to exceed \$698,078 (Sewer & Street Fund).

July 29, 2020 – Council confirmed the streets proposed for the 2022 and 2023 Neighborhood Street Rehabilitation Program.

Background:

The Neighborhood Street Program, adopted by Council in 1997, is a program for street rehabilitation and preventative maintenance for the City's neighborhood streets. The City currently has an inventory of approximately 543 centerline miles of neighborhood streets to maintain, with the streets separated into three areas; Northwest-Stead-Verdi, Northeast-Southeast, and Southwest. Each year a new area is selected, rotating in a clockwise rotation, e.g., 2022 Southwest, 2023 Northwest-Stead-Verdi, and 2024 Northeast-Southeast.

Every three years, a visual survey is performed on all neighborhood streets, and data is collected about the type, severity, and quantity of the pavement distresses. This information is put into a computer program that calculates a pavement condition index (PCI). The index ranges from 100 for pavements in excellent condition to zero for failing pavement. All the streets with a Pavement Condition Index (PCI) below 55 are evaluated. Then, a number of streets in close proximity with the same general condition are grouped together and a construction cost for street rehabilitation and sewer main rehabilitation (if needed) is determined. Finally, coordination with all the utilities (gas, water, sewer, cable/fiber) occurs to determine the optimum schedule for the rehabilitation of streets in the neighborhood. The streets' grouping to be rehabilitated results in cost-saving measures, including better bid prices and fewer disruptions to the residents. A final recommendation is then made to Council based on the funding available.

Discussion:

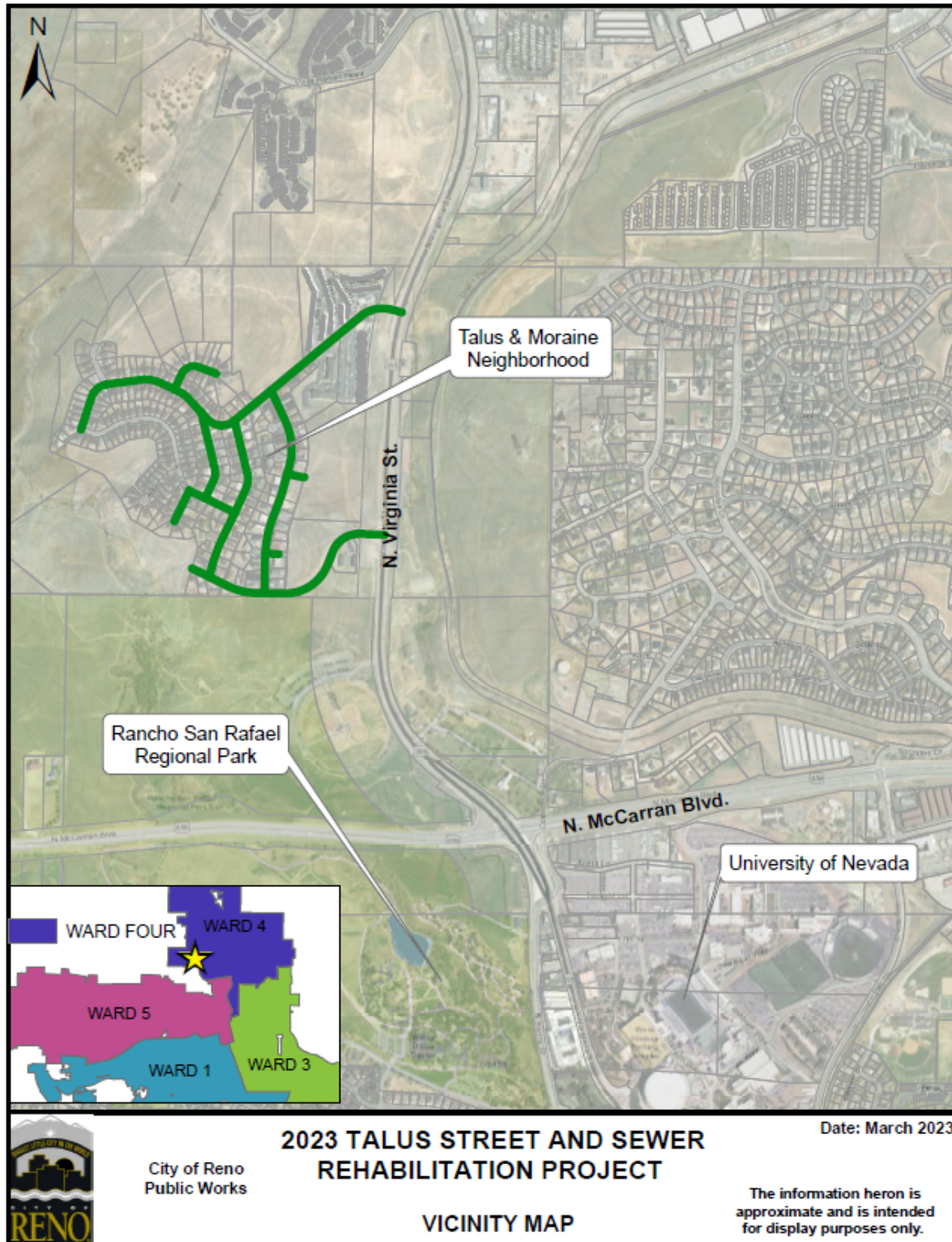
The 2023 Talus Street and Sewer Rehabilitation Project consists of eight neighborhood streets on the Vicinity map shown below. This project is located in the Northwest Reno area west of North Virginia Street and north of North McCarran Blvd.

The Neighborhood Street Program guides the replacement (rehabilitation) of streets for the

City's neighborhood streets. Staff identified the candidates for street rehabilitation and brought them to Council for confirmation several years prior to the actual rehabilitation to allow property owners and other utilities time for replacements or new installations of new mains or service laterals. Council confirmed the 2023 Neighborhood Street Rehabilitation Program, this project is one of three projects. The remaining two projects will be combined and are scheduled for bidding this summer for fall 2023 construction.

This project includes removing and replacing pavement section, curb and gutter, sidewalks, driveways, pedestrian ramps, storm drain improvements, addition of sanitary sewer manholes and mainline, sewer pipe repairs, pavement striping and signage, and other miscellaneous work.

Talus Neighborhood Vicinity Map



This project also includes the replacement of approximately 2,600 feet of 8-inch diameter sewer main, along with installation and repair of manholes, within several of the streets that will be rehabilitated. Sewer work is often included in the Neighborhood Street Projects to replace or rehabilitate aging sewer infrastructure that has reached its service life. This ensures that the

newly paved roadway will not have to be cut to repair a failing sewer main or manhole. The sewer main that will be replaced with this project is shown below on the Talus Sewer Rehabilitation Map.



Staff received and opened two bids for the 2023 Talus Street and Sewer Rehabilitation Project on February 16, 2023. Spanish Springs Construction submitted the best bid pursuant to the requirements established in Nevada Revised Statute (NRS) Chapter 338.

Spanish Springs Construction is a local General Contractor licensed in Nevada, and they have successfully completed multiple roadway and sewer projects for the City within the past five years.

The Base Bid includes the street rehabilitation for Talus Way, Moraine Way, Gypsum Road, Mica Place, Lodestar Lane, Buckhorn Way, Lookout Place and a portion of Tarn Way. The Base Bid also includes the work on the sewer main in portions along Talus Way, Moraine Way, Gypsum Road and Lodestar Lane.

Table 1 – Bid Summary

Talus Neighborhood Street and Sewer Rehabilitation Project	Spanish Springs Construction	Sierra Nevada Construction	Engineer's Estimate
Total Bid	\$ 10,821,000	\$ 10,946,007	\$ 11,314,788

Staff recommends award to Spanish Springs Construction for the 2023 Talus Street and Sewer Rehabilitation Project for \$11,521,000 which includes a \$700,000 contingency for unforeseen items encountered during construction.

Table 2 – Recommended Bid Award

Talus Neighborhood Street and Sewer Rehabilitation Project (Base Bid)	\$10,821,000
Contingency	\$700,000
Bid Award (Phase 1)	\$11,521,000

The consequences of not awarding this bid today will result in further deterioration of streets and sewer main, citizen complaints, and limited pedestrian and American Disabilities Act (ADA) accessibility.

Financial Implications:

FY 22/23 Capital Improvement Plan includes the Street Fund and the Sewer Fund elements. Shown in Table 2 below are the cost allocations for each fund.

Table 2 – Cost Allocation of Street Fund and Sewer Fund

	Recommended Award Amount	Street Fund	Sewer Fund
Spanish Springs Co.	\$ 11,521,000	\$8,778,396	\$ 2,742,604
Percentages		76%	24%

Legal Implications:

This Contract was competitively bid in accordance with Chapter 338 of the Nevada Revised Statutes (NRS). NRS 338.147 provides that a local government shall award a contract for a 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. Spanish Springs Construction maintains the proper license to perform the project and submitted the best bid pursuant to State Law.

Recommendation:

Staff recommends Council award the contract to Spanish Springs Construction for the 2023 Talus Street and Sewer Rehabilitation Project in the amount of \$11,521,000 and authorize the Mayor to sign the contract.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

- Spanish Springs_Construction_Contract (PDF)