



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: June 8, 2021

DATE: May 20, 2021

TO: Board of County Commissioners

FROM: Brian Bass, Remediation District Interim Program Manager
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THROUGH: Dwayne Smith, P.E., Division Director, Engineering and Capital Projects,
Community Services Department, 328-2043, desmith@washoecounty.us

SUBJECT: Recommendation to authorize payment to Truckee Meadows Water Authority (TMWA) for modification work associated with Central Truckee Meadows Remediation District (CTMRD) tetrachloroethene (PCE) groundwater remediation facilities pursuant to the Washoe County, Nevada, District Number 24 (Groundwater Remediation) Agreement for Ownership, Operation and Maintenance of Certain Remediation Facilities and for Reimbursement of Certain Expenses between Washoe County and the Truckee Meadows Water Authority [\$729,686.79]. (All Commission Districts.)

SUMMARY

The Central Truckee Meadows Remediation District (CTMRD) program was created by State legislation and County ordinance in response to, and to address, tetrachloroethene (PCE) contaminated groundwater in the central Truckee Meadows that poses a potential threat to residents and water users. This program is administered on behalf of Washoe County by the Community Services Department (CSD).

Under the terms of the approved 2000 agreement and subsequent amendment in 2009, titled "Agreement for Ownership, Operation and Maintenance of Certain Remediation Facilities and for Reimbursement of Certain Expenses, Washoe County, Nevada, District 24" (Remediation Agreement), if the CTMRD authorizes TMWA to perform negotiated work that effects both the CTMRD and TMWA facilities, the CTMRD reimburses the Truckee Meadows Water Authority (TMWA) for certain operation and maintenance costs associated solely with PCE remediation within the CTMRD. Each year, TMWA submits to Washoe County a request for reimbursement of the calendar-year cost to operate and maintain the Treatment Facilities.

On December 11, 2020, TMWA submitted to Washoe County a negotiated reimbursement request totaling \$729,686.79 for required modifications associated with structural and control modifications to certain CTMRD owned PCE treatment facilities. The treatment facility modifications were required to comply with an order issued by the Nevada Division of Environmental Protection (NDEP) to eliminate PCE in the startup

AGENDA ITEM # _____

discharge from municipal wells that was previously discharged to the Truckee River prior to treatment.

The funding for the treatment facilities modifications were contemplated and budget authority was approved in the Fiscal Year 2020 budget as part of the overall Land Improvement Non-Capital budget. With the completion of the project, negotiated construction costs were \$729,686.79 which are identified on the two invoices which are attached to this staff report.

Washoe County Strategic Objective supported by this item: Safe, secure and healthy communities.

PREVIOUS ACTION

On June 27, 2000, the original Remediation Agreement was approved by the Board of County Commissioners (Board).

On June 9, 2009, an amended Remediation Agreement was approved by the Board.

BACKGROUND

In late October 2018, TMWA initiated a project for structural and control modifications to the PCE treatment facilities providing cost estimates for design alternatives for the planned modifications to the PCE treatment facilities. Throughout 2018 and 2019, TMWA continued to accrue charges for preliminary design work by their engineering staff and by their third-party construction & engineering firm. On November 14, 2019, a project cost estimate of \$354,600 was provided to the CTMRD and a budget total of \$400,725 was created for TMWA remediation reimbursement, with the expectation that the invoices for the work would come to the County via the TMWA 2020 annual reimbursement request for the 2019 calendar year.

After certain delays, in December 2019, TMWA initiated on-site construction work for system modifications began including the demolition of certain existing piping, installation of new process piping, electrical controls, chlorine system relocation, concrete pads, pavement restoration, construction management, inspection, and testing.

On December 11, 2020, two negotiated invoices were received by the CTMRD from TMWA for the final costs associated with the completed system modifications to the treatment facilities. The first invoice for \$655,109.73 is for work completed from September 2018 through June 2020 (Attachment A). The second invoice for \$74,577.06 is for work completed from July 2020 through October 2020 (Attachment B). The two invoices for treatment facilities system modifications total \$729,686.79. TMWA cited unforeseen changes required for additional process controls, piping design revisions, additional construction management, and additional startup and process controls, as the reasons for the increase in the construction cost estimates previously provided to the CTMRD. Sufficient budget for this work exists within the CTMRD fund and Washoe County staff has reviewed and concurs with the invoices and work that was performed to resolve compliance issues with the State of Nevada.

FISCAL IMPACT

Should the Board approve the authorized payment to TMWA in an amount of \$729,686.79, sufficient funds and budget authority exists in FY 2021 for costs associated with the PCE treatment facility modifications in the Central Truckee Meadows Remediation District Fund (266), Wellhead Treatment Evaluation (206102), Land Improvement Non-capital (711501).

RECOMMENDATION

It is recommended that the Board of County Commissioners authorize payment to Truckee Meadows Water Authority (TMWA) for modification work associated with Central Truckee Meadows Remediation District (CTMRD) tetrachloroethene (PCE) groundwater remediation facilities pursuant to the Washoe County, Nevada, District Number 24 (Groundwater Remediation) Agreement for Ownership, Operation and Maintenance of Certain Remediation Facilities and for Reimbursement of Certain Expenses between Washoe County and the Truckee Meadows Water Authority [\$729,686.79].

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "Move to authorize payment to Truckee Meadows Water Authority (TMWA) for modification work associated with Central Truckee Meadows Remediation District (CTMRD) tetrachloroethene (PCE) groundwater remediation facilities pursuant to the Washoe County, Nevada, District Number 24 (Groundwater Remediation) Agreement for Ownership, Operation and Maintenance of Certain Remediation Facilities and for Reimbursement of Certain Expenses between Washoe County and the Truckee Meadows Water Authority [\$729,686.79]."