



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: November 18, 2025

DATE: October 21, 2025

TO: Board of County Commissioners

FROM: Dwayne Smith, Division Director, Engineering & Capital Projects
Community Services, 775-328-2043, desmith@washoecounty.gov

THROUGH: Eric Crump, Director,
Community Services, 775-328-3625, ecrump@washoecounty.gov

SUBJECT: Recommendation to approve a Recycled Water Infrastructure Oversizing Agreement between Washoe County and DiLoreto Construction and Development, Inc. for the costs associated with Washoe County's request to oversize a section of proposed recycled water line to a distribution main, located on Assessor Parcel Number 140-010-55, allowing for the expansion of recycled water distribution within the South Truckee Meadows Water Reclamation Facility service area [in the amount \$399,094.32]. (Commission District 2.) FOR POSSIBLE ACTION

SUMMARY

DiLoreto Construction and Development, Inc. (DiLoreto) has initiated site development of a large commercial project in South Truckee Meadows and as part of their project will extend a small diameter recycled water service line throughout their property to supply recycled water to landscaping and other allowed uses. Recognizing a benefit to expand the recycled water distribution system within the South Truckee Meadows, Washoe County to request the developer to oversize the recycled water line, expanding it from a small diameter service line to a 10-inch distribution line. This will allow for Washoe County to take advantage of the developer's plan to construct a recycled water line and oversize it to allow for the use as a regional transmission main. The planned construction will improve Washoe County's recycled distribution system's capacity for future supply and help make this system more efficient by ultimately connecting the system to a high-pressure main located in Veterans Parkway.

DiLoreto will oversize the recycled water line at the request of Washoe County and will be compensated for the additional work effort required to meet that request. The compensation agreement requires DiLoreto to follow all Washoe County design and construction requirements, identifies the oversizing costs which are eligible for compensation, and requires the new recycled water main and associated easements to be dedicated to the Washoe County once the project has passed inspection and is fully operational.

AGENDA ITEM # _____

Washoe County negotiated the final agreed price by utilizing an independent cost estimator, who verified the cost provided by DiLoreto's contractor. The negotiated price includes the cost for the purchase of an access and utility easement. An appraisal of the easement value was also completed.

Washoe County Strategic Objective supported by this item:

Efficient delivery of regional services.

PREVIOUS ACTION

On May 20, 2025, the Board of County Commissioners (Board) adopted the Washoe County Final budget for Fiscal Year 2026 as well as adopting the Capital Improvement Plan (CIP) for Fiscal Years 2026-2030

On November 15, 2022, the Board approved a Sewer Oversizing Compensation Agreement between Washoe County and DiLoreto Construction and Development, Inc. for the construction of a portion of the Pleasant Valley Sewer Interceptor Reach 3 (PVIR3) Project and Recycled Infrastructure within the South Truckee Meadows Water Reclamation Facility service area [in the amount \$955,400.25], in response to Washoe County's request for oversizing portions of the PVIR3.

BACKGROUND

Washoe County currently provides the south Truckee Meadows with high-quality tertiary treated Category A recycled water. Category A is a Nevada Department of Environmental Protection (NDEP) classification that allows for full body contact and is safely used in schools, golf courses, parks, and industrial processes for irrigation and other non-potable purposes. In alignment with the strategic goal of maximizing the use of high-quality recycled water in the region, the Washoe County Utility is constantly looking for opportunities to improve the recycled distribution system by adding more transmission main to expand distribution and to provide looping to benefit the users of the recycled water. Working with developers to oversize their planned improvements has been a valuable tool for the utility

The terms of the compensation agreement provide for how the cost to the County is calculated. Per the agreement, the County pays the actual cost differences between the Washoe County design requirements and the planned infrastructure that would be required if the developer were only servicing their project. A five-percent administration fee based on the actual cost is also included to compensate the developer for their project management and oversight associated with the project. The Agreement also includes the dedication of easements which allows Washoe County permanent access to the recycled water main for operation, repair and replacement. An appraisal of the easement area was performed to develop a cost basis for the negotiations of the easements.

FISCAL IMPACT

Sufficient funds and budget authority exist in FY2026 in the Utilities Fund (566), South Truckee Meadows New Construction (668600), Construction Contracts (781080). Revenues in support of this project are provided from connection fees.

RECOMMENDATION

It is recommended the Board of County Commissioners approve a Recycled Water Infrastructure Oversizing Agreement between Washoe County and DiLoreto Construction and Development, Inc. for the costs associated with Washoe County's request to oversize a section of proposed recycled water line to a distribution main, located on Assessor Parcel Number 140-010-55, allowing for the expansion of recycled water distribution within the South Truckee Meadows Water Reclamation Facility service area [in the amount \$399,094.32]

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "Move to approve a Recycled Water Infrastructure Oversizing Agreement between Washoe County and DiLoreto Construction and Development, Inc. for the costs associated with Washoe County's request to oversize a section of proposed recycled water line to a distribution main, located on Assessor Parcel Number 140-010-55, allowing for the expansion of recycled water distribution within the South Truckee Meadows Water Reclamation Facility service area [in the amount \$399,094.32]".