



TO: Chairman and Board Members
THRU: Mark Foree, General Manager
FROM: Jeff Tissier, Chief Financial Officer
Paul Miller, Manager, Operations and Water Quality
DATE: September 21, 2011
SUBJECT: **Request for Board authorization for reallocation of the FY2012 budget to fund construction of the Glendale Building Expansion**

Recommendation

Staff recommends that the Board authorize reallocation of the FY2012 budget to fund construction of the Glendale Building Expansion project.

Background

The Glendale Building is our primary operations center and provides work and office space for Water Treatment and Distribution Operators, Maintenance Department Mechanics, SCADA Technicians, Maintenance Supervisor, Water Quality Department Staff, Treatment Supervisor, and Manager of Operations and Water Quality. The facility was built in 1977 and is in need of an upgrade. We began the planning for this project in 2004 and recommend that we now proceed with construction. The Glendale Building Expansion Project will include the following:

- Permanent housing for SCADA Technicians whose offices are in a temporary construction trailer that has been on site since 1997
- Reasonable office space for Mechanics, Chemical Equipment Specialists, and Water Quality Department Staff members
- Remodel of the Water Quality Laboratory
- Increased space in preparation for integration with the Department of Water Resources (DWR) for additional staff coming over with the merger.

Funding

Staff recommends a reallocation of the Capital Budget to fund the project with funds currently allocated to the \$3.5-million Plumb Lane main replacement project that will now be deferred to 2013 due to a change in RTC's Plumb Lane street reconstruction schedule.

The Engineers estimate for this work was \$2.1-million. Six bids were received with the low bid from K7 Construction at \$1.956-million. The project estimate in 2005 was \$2.9-million which validates now is a good time to complete construction projects. With respect to the future merger with Washoe County Department of Water Resources water division this is the most cost effective alternative to expand building requirements to house transferred personnel.