

WASHOE COUNTY COMMISSION AND RENO CITY COUNCIL

JOINT MEETING

WEDNESDAY

4:00 P.M.

FEBRUARY 18, 2004

PRESENT:

Jim Shaw, Washoe County Commissioner, Chairman

Bonnie Weber, Washoe County Commissioner, Vice Chairman

Jim Galloway, Washoe County Commissioner (4:25 pm)

Dave Humke, Washoe County Commissioner (4:55 pm)

Pete Sferrazza, Washoe County Commissioner

Robert A. Cashell, City of Reno, Mayor

Dave Aiazzi, Reno City Councilmember

Dwight Dortch, Reno City Councilmember

Pierre Hascheff, Reno City Councilmember

Toni Harsh, Reno City Councilmember

Jessica Sferrazza, Reno City Councilmember

Sharon Zadra, Reno City Councilmember

The Board and Council met in joint session in the Reno City Council Chambers, 490 South Center Street, Reno, Nevada, with Reno Mayor Robert Cashell presiding. Also present were Washoe County Manager Katy Singlaub, Deputy District Attorney Paul Lipparelli, County Clerk Amy Harvey, Reno City Manager Charles McNeely, Reno City Attorney Patricia Lynch, and Reno City Clerk Lynnette Jones. Following the Pledge of Allegiance to the flag of our Country, the Clerks called the roll for their respective entities, and the Commission and Councils conducted the following business:

PUBLIC COMMENT

Guy Felton, Reno resident, expressed his pleasure that the Council meetings will continue to be televised on SNCAT and objected to the ReTrac project.

Al Hesson, ABB (Anybody But Bush) Party, objected to the time limits placed on citizens speaking under public comments by all the entities.

Sam Dehne, Reno citizen, commended the Council for reversing its decision to discontinue televising the meetings and expressed his dissatisfaction with Secretary of State Dean Heller and the fine he has been charged for campaign reporting.

AGENDA

For the City of Reno, on motion by Councilmember Dortch, seconded by Councilmember Hascheff, and for Washoe County, on motion by Commissioner

Sferrazza, seconded by Commissioner Weber, which motions duly carried, it was ordered that the agenda for the February 18, 2004 joint meeting be approved.

04-155 MILLS B. LANE JUSTICE CENTER PROJECT

Reno residents Sam Dehne and Al Hesson expressed their feelings concerning the proposed project.

Judges Van Winkle and Dilworth, Reno Municipal Court, urged the Board and Council to do whatever is necessary to get this building built because the space is desperately needed.

Councilmember Sferrazza noted the cost of the underground parking and asked if that could be redesigned to eliminate some of the cost. Windom Kimsey, Tate Snyder Kimsey Architects, stated that could be done, but it would take two to three months. In response to Councilmember Sferrazza, Steve Varela, Reno Public Works Director, advised that eliminating one floor would save approximately \$4-million. Reno Finance Director Andrew Green and Councilmember Sferrazza reviewed the various funding sources that have been identified to pay for Reno's share of the construction costs. Councilmember Sferrazza requested a commitment from the Judges concerning using a portion of the Court's administrative assessment fee to make up for some of the funding shortfall.

Katy Singlaub, County Manager, pointed out the impasse is that Reno staff has recommended a \$31.5-million maximum construction budget and County staff has recommended a \$34-million construction budget and suggested ways to resolve the difference. Ms. Singlaub also suggested putting the project out to bid at \$32.9-million stating if the bids come in lower, the shortfall would be less. But, if bids come in higher, the budgets would have to be augmented. Charles McNeely, Reno City Manager, asked if the interlocal agreement would have to be amended if the bids come in higher.

To clarify Councilmember Dortch's understanding, Tom Gadd, Washoe County Public Works Director, explained how staff came up with the \$32.9-million maximum construction budget for the bidding. He said when the bids are received and a contract is awarded, the two entities will split the actual costs on a 60-40 ratio.

Councilmember Harsh stated the project could not be bid unless the entities establish a new maximum construction budget and that is what needs to be done today. Mr. McNeely stated what he has heard from the Council is that the City is capping the project at \$31.5-million. Councilmember Harsh she has also heard that the project needs to go forward and the discrepancy is how much the project is going to cost, which will not be known until the bids are received.

Commissioner Sferrazza stated he wanted to discuss the \$1,000 toilets, \$300,000 elevators, \$2,000 showers, and lobby pendants at \$2,156; and he was hoping to scale back some of the costs.

Chairman Shaw said he agreed with Councilmember Harsh and requested the City put their portion of the budget in the pot so the project could be bid. He pointed out if the bids come in high, the Board and Council have the discretion to reject the bids.

Councilmember Hascheff stated if the bids come in high, the Boards would be in the same position of trying to scale back the project; and if that could not be done, the City would have to come up with the funds. Mr. Gadd explained that the project has already been value-engineered as much as possible and any further changes could not be made without changing the functionality of the building or affecting the long-term maintenance, and would require a complete redesign of the building which would take three to four months to accomplish.

Commissioner Galloway asked if the ability to negotiate on alternative deducts could be included in the contract with the lowest bidder. Paul Lipparelli, Deputy District Attorney, advised that local governments are precluded from such negotiation by State law.

Councilmember Zadra stated she believed the alternative deducts should be done now if the ability to negotiate after the bidding is so limited. She noted that 35 underground parking spaces cost \$2.5-million versus \$350,000 for 35 aboveground parking spaces and asked if appropriate security measures could be established for aboveground parking. Walter Estay, Tate Snyder Kimsey Architects, stated that assuming those parking spaces were located at the old Pioneer lot, there would be no way to protect the judges or the staff without building a tunnel, which could cost just as much.

Commissioner Weber said the bid should be put out at a much lower number and suggested \$29-million, or no more than \$31.5-million. She said this discussion is helping the contractors more than the taxpayers.

Councilmember Sferrazza moved that the bid go out not exceeding \$31.5-million. Councilmember Harsh seconded the motion. Councilmember Aiazzi stated the City would still be short \$790,000 at \$31.5-million, but if the amount was \$30.5-million, and everything was still split 60-40, the City would have identified funds. Councilmember Sferrazza stated she would amend the motion to \$30.5-million, including contingency. Councilmember Harsh received clarification and seconded the amendment to the motion.

Councilmember Dortch asked whether the City and the County had any recourse against the architects due to the revised estimates being so much higher than the original estimates. He was told there was no recourse.

Councilmember Harsh noted the judges do not have secured parking now and asked if that was really necessary. She was advised that modern-day courthouse planning does include security for the judges.

Mayor Cashell called for a vote on the motion. Councilmember Zadra clarified that if the \$30.5-million includes contingency, the actual bid amount going out would be \$29-million. Councilmember Harsh asked if it was legal to go out to bid at a lower amount than the architect's estimate. She was advised that an entity has to go out to bid on a reasonable estimate and the reasonable estimate would be the architect's estimate of \$29.8-million. Councilmember Sferrazza amended the motion to go to bid at \$29.8-million plus contingency. Councilmember Harsh seconded the amended motion. Upon call for the vote, the motion carried six to one with Councilmember Dortch voting "no."

Following further discussion and clarification concerning recourse if the bids come in higher than the architect's estimate, on motion by Commissioner Sferrazza, seconded by Commissioner Galloway, which motion duly carried with Commissioner Humke voting "no," Chairman Shaw ordered that the project be put out to bid at \$29.8 million, which does not include contingency. It was further ordered that the County is not giving up any rights for recourse or redesign by this action.

Councilmember Sferrazza moved to amend her motion to add that the City is not giving up any rights for recourse or redesign by this action. Councilmember Harsh seconded the motion. Councilmember Dortch said, with that change, he would support the motion. Upon call for the vote, the motion carried unanimously.

For Washoe County, on motion by Commissioner Galloway, seconded by Commissioner Weber, and for the City of Reno, on motion by Councilmember Harsh, seconded by Councilmember Sferrazza, which motions duly carried, it was ordered that staff be directed to amend the Interlocal Agreement between the City and the County by adding an addendum to provide for the manner in which the funds will be deposited.

There being no further business to come before Board and Council, the meeting adjourned at 5:20 p.m.

ATTEST:

JAMES M. SHAW, Chairman
Washoe County Commission

AMY HARVEY, County Clerk
and Clerk of the Board of
County Commissioners

ATTEST:

ROBERT A. CASHELL, Mayor
City of Reno

LYNNETTE R. JONES, City Clerk
City of Reno