

In The Matter Of:
STATE OF NEVADA
PUBLIC WORKS DIVISION VIDEO CONFERENCE BOARD MEETING

August 16, 2016

Capitol Reporters
208 N. Curry Street

Carson City, Nevada 89703

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	Carson City, Nevada 89706		
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1	AGENDA/INDEX	1	CARSON CITY, NEVADA; TUESDAY, AUGUST 15, 2016; 10:04 A.M.
2	AGENDA ITEM PAGE	2	-000-
3	1. Roll Call 4	3	
4	2. Public Comment 5	4	VICE-CHAIR STEWART: For the record, Sean
5	3. For Possible Action: Acceptance and Approval of Public Works Board Meeting Minutes from May 20, 2016 5	5	Stewart. This is the time and place set for the meeting
6	4. Introduction of New Board Members, Adam Hand, Clint Bentley, Mason Gorda. 5	6	of the State Public Works Board. We'll start with roll
7	5. For Possible Action: Election of Chairperson and Vice-Chairperson 7	7	call.
8	6. For Possible Action: Overview and Status of Capital Improvement Program and Development of Priorities/Criteria. 39	8	ADMINISTRATOR NUNEZ: Kathi Pasciak will be
9	7. Presentation of Nevada Department of Corrections Master Plan. 9	9	taking care of roll call.
10	8. For Possible Action: Consideration of Purchasing Token Mementos to Commemorate Past Board Members' Service. 55	10	MS. PASCIAK: Member Gorda?
11	9. For Possible Action: Update on 2017 Proposed Draft Bill Requests 60	11	MEMBER GORDA: Present.
12	10. Discussion and Action on the Adoption of Modifications to the Nevada Administrative Code 338 and 341. (Pursuant to NRS 341.110, the Administrator recommends and the Board approves and adopts regulations for the professional services and code compliance sections of the State Public Works Division.) 71	12	MS. PASCIAK: Member Stewart?
13		13	VICE-CHAIR STEWART: Present.
14		14	MS. PASCIAK: Member Clutts?
15		15	CHAIR CLUTTS: Present.
16		16	MS. PASCIAK: Member Bentley?
17		17	MEMBER BENTLEY: Present.
18		18	MS. PASCIAK: Member Tiberti?
19		19	MEMBER TIBERTI: Present.
20		20	MS. PASCIAK: Member Hand?
21		21	MEMBER HAND: Present.
22		22	MS. PASCIAK: And Member Cates?
23		23	DIRECTOR CATES: Present.
24		24	MS. PASCIAK: Mr. Vice-Chair, we have a
25		25	quorum.

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1 VICE-CHAIR STEWART: Thank you. Do we have
2 new public comment? None in the south. Any in the
3 north?
4 ADMINISTRATOR NUNEZ: Mr. Chairman, I don't
5 see anyone here in the north.
6 VICE-CHAIR STEWART: Okay. We'll move to
7 Item 3 for possible action: acceptance and approval of
8 the Public Works Board meeting minutes from May 20th,
9 2016. I'll entertain a motion.
10 DIRECTOR CATES: I'll motion to approve.
11 VICE-CHAIR STEWART: Do we have a second?
12 MEMBER TIBERTI: Second.
13 VICE-CHAIR STEWART: Any discussion? All in
14 favor?
15 THE BOARD: Aye.
16 VICE-CHAIR STEWART: Any opposed? Looks like
17 we're good. Item 4: introduction of new Board members.
18 ADMINISTRATOR NUNEZ: Mr. Chairman, what I'd
19 like to do on this is I'd like to turn it over to the --
20 we obviously just had an informal introduction here of
21 the new board members, but I'd like to turn it over to
22 each one of them. Perhaps they can tell us a little bit
23 about themselves so we can start to get to know everyone
24 here, so at your pleasure, we can start in the north or
25 the south.

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1 VICE-CHAIR STEWART: Okay. Let's go ahead
2 and start in the north. Gus, I'll leave it with you.
3 ADMINISTRATOR NUNEZ: Very good.
4 MEMBER HAND: Good morning. I'm Adam Hand,
5 and I'm a professor at UNR in civil engineering. I just
6 transitioned about a month ago to UNR from Granite
7 Construction where I was the vice-president of
8 construction and quality at Granite about 15 years and
9 was a faculty member at Purdue University before that.
10 Born and raised -- raised here in Carson City, went to
11 school at UNR, and glad to be home. Glad to be here and
12 humbled by the appointment, and I look forward to
13 serving.
14 COUNSEL STEWART: Thank you.
15 ADMINISTRATOR NUNEZ: That's it for the board
16 members here. We'll go to the south now.
17 VICE-CHAIR STEWART: To the south, we'll
18 start with Mason over on the far side.
19 MEMBER GORDA: I'm senior vice-president for
20 Ledcor Group of Companies, very large international
21 company that's involved in development, construction,
22 mining, various other things. I lived in Reno for
23 several years and then moved to Las Vegas. Short story.
24 I've been with the company for 35 years.
25 ADMINISTRATOR NUNEZ: Welcome.

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1 VICE-CHAIR STEWART: Thanks.
2 MEMBER BENTLEY: I'm Clint Bentley. I've
3 been a resident here in Henderson for 44 years. I'm an
4 ICI contractor with the AB Unlimited, licensed for 30
5 years. I've done a lot of work in the Mesquite, Nevada,
6 all over the state, but my main work was doing casinos in
7 Mesquite. I have become -- as far as the construction,
8 I've been inactive for the last four years, and I'm just
9 happy to be here. Thank you.
10 VICE-CHAIR STEWART: Thank you. Does that
11 cover it, Gus?
12 ADMINISTRATOR NUNEZ: Yes, sir. Welcome
13 aboard, everyone. Pleasure to have all of you.
14 VICE-CHAIR STEWART: Item 5 for possible
15 action. I'm not sure how we do this. I'll turn it over
16 to you.
17 ADMINISTRATOR NUNEZ: Well, it's up to the
18 Board. I think the Board can have a discussion, and
19 perhaps if anyone is interested or if someone wants to
20 make a nomination, but from our perspective, that's a
21 discussion here between you all, and I don't know if
22 anyone wants to raise their hand and start volunteering,
23 but -- oh, I see a hand over there, so I'll turn it over
24 to you, Sean.
25 MEMBER GORDA: I'd like to nominate Bryce

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1 Clutts as chair starting off, so jumping in quickly here.
2 MEMBER BENTLEY: I'll second that.
3 VICE-CHAIR STEWART: Is there any other
4 nominations? We have a nomination and a second. Any
5 discussion? Seeing none, we'll go ahead and vote on
6 Bryce as chair. All in favor?
7 THE BOARD: Aye.
8 VICE-CHAIR STEWART: Any opposed?
9 MEMBER GORDA: Excellent.
10 MEMBER TIBERTI: Gus, is Sean still
11 Vice-Chairman today now then?
12 ADMINISTRATOR NUNEZ: Yes, I think at this
13 time. I'm sorry. Maybe we should --
14 COUNSEL MENICUCCI: We should probably ratify
15 that to continue with Mr. Stewart.
16 COUNSEL STEWART: Yeah. For the record,
17 Susan Stewart. The term of office for the chair and
18 vice-chair is two years, and the last elections were
19 April 3 of 2014, so you're certainly welcome to vote
20 Mr. Stewart as the vice-chair, but I think we need to do
21 it again consistent with our regulations.
22 MEMBER TIBERTI: Well, I make a motion that
23 we elect Sean Stewart Vice-Chairman of the Board.
24 MEMBER GORDA: Second.
25 VICE-CHAIR STEWART: There's been a

<p style="text-align: right;">Page 9</p> <p>1 nomination and a second. Any other discussion? Seeing 2 none, all in favor of Sean Stewart as vice-chair so 3 signify. 4 THE BOARD: Aye. 5 VICE-CHAIR STEWART: Any opposed, nay? The 6 motion passes. 7 ADMINISTRATOR NUNEZ: Mr. New Chairman. 8 CHAIR CLUTTS: So this is where I pick up 9 where you left off? 10 ADMINISTRATOR NUNEZ: Yes. I would like to 11 request that you consider we have the consultants here 12 that are going to be presenting the master plan for the 13 Department of Corrections, and if it's okay with the 14 Board, what I'd like to do is take care of that item 15 which is the next item, Item No. 7, and then come back to 16 Item No. 6, if that's okay with the Chair. 17 CHAIR CLUTTS: Yeah, that's fine. 18 ADMINISTRATOR NUNEZ: Very good. 19 CHAIR CLUTTS: So Item No. 7: Presentation 20 on Nevada Department of Corrections master plan. 21 Mr. Nunez? 22 ADMINISTRATOR NUNEZ: Thank you, 23 Mr. Chairman. For the record, Gus Nunez, Administrator. 24 As we have here on the discussion, the effort here, this 25 master plan effort was approved by the 15th session of</p>	<p style="text-align: right;">Page 11</p> <p>1 considered. So because of the amount of time, I'm going 2 to request, if it's okay with everybody, that we do the 3 presentation and then we hold the questions and answers 4 towards the end. Is that fair? 5 CHAIR CLUTTS: That would be fine. 6 ADMINISTRATOR NUNEZ: Peter, can you tell us 7 when you're on page 1, 2, 3, so we can all follow? 8 MR. SANGIORGIO: You bet. Is the 9 presentation up on the screen yet? 10 MS. PASCIAC: Yes. 11 MR. SANGIORGIO: We have a PowerPoint that 12 we're putting up on the screen. Hopefully, you can all 13 see it the same time as we go through it. Do you have a 14 clicker to use to kind of go through? I'm going to 15 stand, if it's okay. Kathy, would you prefer I stand or 16 sit? 17 MS. PASCIAC: That's fine. 18 MR. SANGIORGIO: So I'm on page 4 or page 3 19 now. I'm just going to introduce our team. The agenda 20 is already done. Page 3. I'm Peter Sangiorgio. I'm 21 principal architect with Arrington Watkins, and I brought 22 part of our team with us. I'll let Bob go ahead and 23 introduce himself. 24 MR. GLASS: Bob Glass with CGL Correctional 25 Planning Group with Arrington Watkins.</p>
<p style="text-align: right;">Page 10</p> <p>1 the legislature under 15 -- Project No. 15S04, and the 2 idea is to provide guidance to determine the future 3 inmate housing needs and core upgrades for the Department 4 of Corrections. 5 So at this time, I would like to turn it over 6 to Arrington Watkins, who is the principal in this 7 effort, and there's also, he brought along a sub 8 consultant here, which he will introduce, so at this 9 time, I'll turn it over to Peter Sangiorgio, Arrington 10 Watkins. And, Peter, you can then lead us through the 11 presentation. 12 MR. SANGIORGIO: I'm Peter Sangiorgio with 13 Arrington Watkins Architects, and we've prepared a 14 presentation to kind of give you guys a snapshot of where 15 we are with the master plan, what we've vetted out to 16 date, some of the recommendations. We prepared an 17 agenda, so I'd like to introduce our team really quick, 18 talk to you a little bit about our process and approach 19 and how that makes sense. 20 We'll go through the system capacity as it 21 relates to projections and available beds, bed counts, 22 we'll identify some options that we think have some 23 value, and we'll go through them one, two, three options 24 at a time, and then we'll tell you a little bit about 25 some of the options we've looked at but we've not</p>	<p style="text-align: right;">Page 12</p> <p>1 MR. SANGIORGIO: And Mike Clark. Mike? 2 MR. CLARK: Mike Clark with Arrington 3 Watkins. 4 MR. SANGIORGIO: A couple of key things. 5 Mike and Paul and some of the guys that are not here are 6 the guys doing all of the work behind the scenes. So 7 let's go to slide 4. So our process and approach, we've 8 analyzed the inmate projections. Bob is going to go 9 through some of that and compare it against the bed 10 capacity, looked at appropriate locations based on 11 highest and best use and conditions of your facilities. 12 We've analyzed staffing. Staffing and the 13 availability and retention of staffing is critical. 14 Facility conditions, as I've mentioned, required support 15 space, benchmarking, and you'll hear that in the 16 presentation. What benchmarking is, it's a comparison of 17 your inmate support space as a square foot function per 18 inmate against national standards, and the State of 19 Nevada is short on many of their facilities. And then 20 we've developed some recommendations to increase 21 capacity. Slide 5. So Bob? 22 MR. GLASS: So this gives you a quick little 23 glimpse into where you're at right now. The red line is 24 your bed projection consultant JFA that you had -- the 25 State hired to assess the system and project your bed</p>

1 requirement needs. 14,022 is the 2025 bed count that
2 they're projecting. The 12,706 will go into it, but the
3 blue line is your emergency threshold housing capacity
4 that Department of Corrections has right now. Literally,
5 it's every bed full. There's a few that aren't for
6 security reasons.

7 The green line is beds above emergency
8 threshold, so that's putting people out into conference
9 rooms, meeting rooms, things that aren't really true
10 beds, but they have places they can do it. They don't
11 typically have showers and toilets, but they can do it.
12 The 12,440 is your April bed count, and you've reached
13 that about one year earlier than that red line shows, so
14 that's where you're at right now. It ought to be up that
15 line a little further. So you're a little ahead of the
16 red line right now.

17 MEMBER TIBERTI: Is that good?

18 MR. GLASS: It puts you among leaders in the
19 nation. Yes, it does. This little chart here gets a lot
20 of numbers up quick and kind of hard to read it, but
21 basically so you know, column A is the emergency bed
22 threshold, that blue line you saw earlier. 12,706 at the
23 bottom, it breaks it down by facility so you know where
24 people -- where the beds are in the system.

25 The column B above emergency threshold are

1 those beds we discussed earlier that you can house people
2 in should there be that emergency above the threshold.
3 And 332 to give you a total of 15,038 in terms of beds.
4 We're going to talk about a few actually inmate counts,
5 sorry, column D. That's where the inmates are as of
6 April 30th, so you kind of see facility wise where
7 they're at.

8 We're going to go through about three options
9 with you this morning, but either one roughly has the
10 ability to add about a thousand beds to the system,
11 bringing you up to that 14,022 number, so what we've done
12 is added some beds, got you to the 2025 number. You may
13 still be full at that point too, but this is a way to get
14 more beds to beat that red line. So Peter is going to go
15 through some of those options with you now. Thank you.

16 MR. SANGIORGIO: So slide 7. So we've
17 identified three options, and for each one of the
18 options, what's important is that they're apples to
19 apples, so we're adding housing tees. And option 1, we
20 refer to as the NDOC initiative at Warm Springs and
21 Southern Desert.

22 Option 2 is the development of part of Prison
23 8, and option 3 is a combination. We'll expand Warm
24 Springs and develop the Prison 8 facility. For each one
25 of the options, we're going to add a housing tee, 2017,

1 one unit. In 2019, another 317 beds as a tee housing
2 unit. In 2021, we'll add the regional medical facility
3 in the south region, and then one housing unit, 2023,
4 which will add an additional 984 beds to your system.
5 Next slide.

6 So option 1 -- I'm hoping you can see this --
7 so Bob talked about the beds. You're going to see three
8 similar slides: option 1, 2, and 3 to this. Each one of
9 them is going to focus on the dollars. So the first
10 slide is expanding Warm Springs, expanding Southern
11 Desert, and then Warm Springs again and increasing your
12 support and inmate space a little bit for equipment,
13 central plant to support the new structures that are
14 going to be constructed. The total dollars is \$242.8
15 million, and that's over from 2017 to 2023.

16 Next slide. So option 1 is expanding the
17 housing tee at Warm Springs inside the perimeter fence.
18 We would add some kitchen, laundry, central plan
19 equipment, but not expand the space at this time. We
20 think there would be enough to pass and even to support
21 the one housing building. This will add 317 beds to CIP
22 2017.

23 Next slide. The next slide is 2019. We
24 would add tee housing to Southern Desert. We would
25 expand the perimeter fence and square it off where the

1 Department has been asking for that for many, many years,
2 make it a more secure facility and then increase your
3 central plan capacity to support that new building, and
4 that will add another 317 beds.

5 The next slide is a new regional medical
6 facility. And on this slide, what you'll see is three
7 colors. You'll see the lighted or light green, which
8 means that was built the prior CIP, and then the dark
9 green will indicate the new construction for that CIP
10 year. Okay? So the regional medical facility will add
11 another 98 beds to the system.

12 In 2023, we will add a tee housing at Warm
13 Springs, but this new housing is going to trigger a whole
14 lot more of benchmarking, support systems that you're
15 going to have to add such as medical support, new kitchen
16 and dining areas and a central plant to support your
17 additional capacity. So at the end of 2023 to Warm
18 Springs, Southern Desert, we've added 984 beds.

19 Next slide. This slide just shows you how
20 the State is going to manage to keep up with the
21 projections. So again, the blue line is your emergency
22 beds. The green line is your expanded above emergency.
23 There are still some beds in the system, but you're up at
24 14,022 beds.

25 Next slide. Option 2 is expanding Prison 8,

<p style="text-align: right;">Page 17</p> <p>1 developing Prison 8. You're starting from scratch, so 2 you're going to add the same amount of housing, regional 3 medical facility, and brand-new support space. Now one 4 of the key things I didn't mention for option 1, after 5 you've done all of that, you haven't really caught up 6 with your benchmarking throughout the system. This 7 option gives you the ability to catch up and build new 8 programming that's right size per the inmate populations 9 as you develop this. Okay? Same thing. Three housing 10 tees, RMF and the support space. This is \$308.6 million 11 over the same amount of time, 2017 to 2023. 12 This is the option 2 and you can see that 13 it's phase 2017. You're going to have to do a lot of 14 this stuff: building the new perimeter fence, planning 15 for additional housing, your support space, 16 administration building, gate house, the central plant 17 building in its entirety, but you'll phase the equipment 18 as each one of the units comes online and added capacity 19 317 beds. That's a lot of space for 317 beds, but it 20 needs to be built. It's really hard to phase all of that 21 at one time. 22 Next. 2019, we'll add another tee. You can 23 see the light green again is what you've built the 24 previous CIPs. Added capacity, 317 beds. We'll increase 25 equipment as we need to to support that. Option 2.</p>	<p style="text-align: right;">Page 19</p> <p>1 CIP. We've added tee, 317 beds and expand the whole 2 infrastructure: gate house, administration, kitchen, 3 dining, education, central plant. 4 Next slide. And again, the RMF is south 5 regional RMF, addition of 98 beds, infrastructure to 6 support that through to the central plant. You've 7 already done your core and support the previous CIP, and 8 again, that's the light green. 9 Next slide. And that shows you the Prison 8 10 built out for this option. So you've added two tees, the 11 support, an RMF, and next slide. Total capacity again, 12 is 984 beds. You're just keeping ahead of the 13 projection, but again, you still have bad beds in the 14 system which are the beds that get you in trouble with 15 the feds. Next slide. 16 So some of the options that we've considered 17 we don't recommend, is the opening of the Southern Nevada 18 facility, Jean. The housing buildings are very 19 inefficient, very intense staffing. A new Nevada tee 20 with one central position, you can see everything, and it 21 can handle 317 beds versus a housing unit at Jean is 22 about 120, I believe, beds with one staff position. You 23 do the math, and now all of a sudden, you need three or 24 four extra staff to manage the same amount of population. 25 So the newer tee housing is a much more staff efficient</p>
<p style="text-align: right;">Page 18</p> <p>1 Continue on. Go to the next slide. Go back one. Well, 2 take my word, we added an additional tee to housing 20. 3 At the end of 2023, 984 beds, apples-to-apples 4 comparison. Perfect. There it is right there. So we 5 added a tee and we upgrade the equipment as we need to 6 support the population. 7 Next slide. Very similar to the other one 8 except different locations. The benefit of this is it's 9 all new. It's all good brand-new stuff, and you can kind 10 of control how that all comes online. 11 Next slide. Option 3 would be a combination 12 of expanding Warm Springs and Prison 8, and again, three, 13 total of three tees: RMF, benchmarking, support space. 14 Total dollars: \$316.2 million. And one of the things I 15 have to add, if you notice the \$130 million in 2019 was a 16 lot less when you did Prison 8 in option 2 because you're 17 not paying the escalating pricing for over a two-year 18 period. And, you know, as time lapses, you're just 19 paying for additional interest and escalation and not 20 getting anything for it. 21 Next slide. So again, we would expand Warm 22 Springs for one tee and benchmark for kitchen/dining 23 support but not have to add anything beyond there at this 24 time. 25 Next slide. Development of Prison 8 for 2019</p>	<p style="text-align: right;">Page 20</p> <p>1 cost effective solution for the State. 2 In addition to some of the other 3 administrative efficiency, there's also high dollars, 4 it's not code compliant, there's a whole wealth of things 5 that are going to have to be upgraded, and that's only 6 what we know, what we've seen. We suspect that there's 7 additional infrastructure things that we don't see that 8 are probably pretty dilapidated. So next slide. 9 Question and answers. Did I stay on time? 10 ADMINISTRATOR NUNEZ: Yes, you did very well. 11 MR. SANGIORGIO: Yes, sir? 12 DEPUTY ADMINISTRATOR CHIMITS: Peter, thank 13 you. Chris Chimits, deputy administrator, for the 14 record. On slide 24, if we could possibly get back to 15 that, on option 3, and I think it's similar results on 16 option 2. 17 MR. SANGIORGIO: RMF. 18 DEPUTY ADMINISTRATOR CHIMITS: If I'm 19 understanding that right, those, the option 2 and option 20 3 cost more, \$50 to \$65 million more. 21 MR. SANGIORGIO: Correct. 22 DEPUTY ADMINISTRATOR CHIMITS: But when we're 23 all done in 2023, we've got room to add one, two, three, 24 four -- 25 MR. SANGIORGIO: Housing buildings.</p>

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1 DEPUTY ADMINISTRATOR CHIMITS: -- four more
2 tees.
3 MR. SANGIORGIO: Correct.
4 DEPUTY ADMINISTRATOR CHIMITS: With the
5 infrastructure already built.
6 MR. SANGIORGIO: Correct.
7 DEPUTY ADMINISTRATOR CHIMITS: So that seems
8 to be an advantage there as well --
9 MR. SANGIORGIO: Correct.
10 DEPUTY ADMINISTRATOR CHIMITS: -- is that
11 right?
12 MR. SANGIORGIO: Yes.
13 DEPUTY ADMINISTRATOR CHIMITS: And then you
14 mentioned that there's other housing units at other
15 facilities that are coming to the end of their useful
16 life.
17 MR. SANGIORGIO: Yes.
18 DEPUTY ADMINISTRATOR CHIMITS: But we don't
19 really address that here, that there's going to be
20 housing units coming offline permanently being
21 permanently demolished. And so option 2 or 3 facilitates
22 the inevitable removal of existing housing at NNCC or
23 probably --
24 MR. SANGIORGIO: Warm Springs is another one.
25 DEPUTY ADMINISTRATOR CHIMITS: Warm Springs,

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1 one, which seems more appealing because it's only \$246
2 million --
3 MR. SANGIORGIO: Right.
4 DEPUTY ADMINISTRATOR CHIMITS: -- when we
5 build out through 2023, how does option 1 address the
6 inevitable where we're taking red-colored buildings
7 offline?
8 MR. SANGIORGIO: It doesn't in this
9 presentation, but there are buildings at Warm Springs
10 that are going to have to be replaced very soon, and in
11 our opinion, it doesn't make a lot of sense to build
12 brand-new buildings at a facility that potentially should
13 be closed down due to its condition and lack of
14 compliance with today's standards and benchmarking.
15 So it looks appealing based on the numbers,
16 but in reality, it doesn't take into account the routine
17 maintenance costs that you're paying per year to keep
18 that facility operation in operation versus replacing new
19 with, say, a Prison 8 or where you can kind of control --
20 everything is brand new and your maintenance costs are
21 way, way down.
22 DEPUTY ADMINISTRATOR CHIMITS: Thank you.
23 MR. SANGIORGIO: So does that answer your
24 question?
25 DEPUTY ADMINISTRATOR CHIMITS: Uh-huh.

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1 yeah, where they would be coming offline. You would have
2 the capacity here, where in option 1, what happens?
3 MR. SANGIORGIO: In option 1, there's some
4 buildings there, and what you don't see in this
5 presentation and what is included in our master plan, is
6 we've done full what I call conditioned assessment
7 analysis of the condition of your buildings, and we've
8 kind of put together a chart that measures where you are
9 as far as how much you're paying in maintenance versus a
10 function of the replacement costs of the buildings.
11 So if you could think of it in a scale, the
12 closer you are to one, a full one, that's bad. You want
13 to be zero or less, and when you see the actual master
14 plan, you'll see a whole section on facility condition
15 analysis and indexing and how that relates to the actual
16 condition of the State's buildings. So there's a huge
17 amount -- if you go from green to red, red is replace.
18 Green is good. There's a lot of higher yellow and
19 orange, which is on the bad side. We didn't do that as
20 part of this presentation because that wasn't what we
21 were tasked with, but when you see the actual draft
22 master plan, there's a huge amount of that information.
23 So go ahead, Chris.
24 DEPUTY ADMINISTRATOR CHIMITS: Peter, Chris
25 Chimits, for the record. The question is in option

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1 ADMINISTRATOR NUNEZ: Gus Nunez,
2 Administrator, for the record. You mentioned buildings
3 that probably in the next ten years would be coming
4 offline at Warm Springs, but we have the same situation
5 at NNCC here in Carson City and at Southern Desert. As a
6 matter of fact, there is one housing unit at Southern
7 Desert right now that probably should already be
8 scheduled to be taken off the system in the not-too-far
9 future with the issues that they're having in that
10 particular facility.
11 Additionally, one of the things that really
12 hits me, and I don't know if it came across, as there was
13 a lot of things being said, but if you go to slide 27
14 under administrative efficiencies, inefficiency, Southern
15 seven housing units for only 600 beds, you can fit this
16 600 beds in two tee units. So now, opening up Southern
17 Nevada Correctional Center, you would be manning five --
18 you'd be hiring correctional officers for 24/7 for five
19 additional housing units to man that, so it would be --
20 so you've got seven versus two, so the delta there
21 obviously is five, a huge, in our opinion, the way it's
22 turning out as we look at that is the operational costs
23 is quite a difference in, obviously, seven housing units
24 versus two just from a staffing perspective. That's
25 another reason why -- but that bullet point there perhaps

<p style="text-align: right;">Page 25</p> <p>1 didn't completely explain the whole thing, but I wanted 2 to mention that to make sure the Board kept that in mind. 3 MR. SANGIORGIO: Could you exit out of the 4 PowerPoint and go to slide 28 for a second? I just 5 wanted to show real quick a quick glimpse of some of the 6 benefits of the new tee housing. I'm sure many of you 7 have heard the name but haven't quite put it all together 8 as far as what it is. Yeah, click on that. 9 So one of the things about this tee housing 10 units is there's programming space, there's kitchen, 11 dining space inside the tee. So that's one of the things 12 makes it pretty good for retrofitting into an existing 13 facility because it takes -- you don't have to build a 14 whole new kitchen to support it. You put in some 15 additional equipment to increase your capacity, and you 16 can feed inside the building, move food actually right to 17 the tee. And even at Prison 8, as a new model there, you 18 could still do with less equipment upfront and still be 19 able to work, manage the population efficiently for 20 feeding and all of the other things. You may not even 21 need as much administrative starting off because there's 22 some administration space inside this tee. There's a 23 little medical area for treatment, so there's a whole 24 wealth of things that you can do with this new building. 25 And as Gus mentioned, the staffing efficiency is</p>	<p style="text-align: right;">Page 27</p> <p>1 master plan is supposed to be completed in October, and 2 as part of the master plan completion, we'll be looking 3 at the operational costs for option 1 versus option 2 4 versus option 3, that still being developed and going 5 forward. 6 We felt at this point that since you're going 7 to be hearing next week CIP requests, that this amount of 8 information that we have here today to have this 9 background information knowledge as we make decisions 10 here in the next few weeks toward the CIP 11 recommendations, the Board's recommendations to the 12 Governor. Corrections is going to be coming in asking 13 for money. Right now, we know that they're going to come 14 in for sure asking for the unit at Warm Springs, which it 15 makes the most sense because the Warm Springs is in 16 option 1 and it's also in option 3. It's a combination. 17 So right now, that's looking very -- that recommendation 18 is looking fairly solid at this point based on where 19 we're at on the master plan at this point. 20 So but like I said, next week, you'll be 21 hearing from the agencies, and then the following week, 22 you'll be hearing from the staff. And this will be 23 excellent information to have as you deliberate toward 24 making your final recommendation to the Governor. So we 25 thought it was important to do it just at this time.</p>
<p style="text-align: right;">Page 26</p> <p>1 unmatched. Does that make sense? 2 MEMBER HAND: Adam Hand, for the record. Did 3 you, in your analysis, did you look at the first cost as 4 well as the maintenance and operations costs collectively 5 so you could really understand the difference in these 6 options? 7 MR. SANGIORGIO: We did. And it's not in 8 this presentation, but in the master plan, there's a 9 whole section on your CIP costs, and we've organized them 10 as far as priority 1, priority 2, priority 3. What's 11 really important about those maintenance costs is there 12 are some buildings that are literally right now on the 13 edge of total replace that you might get a little bit 14 more life out of by doing some of these CIPs, but then 15 our recommendation is when you hit that certain limit 16 that it's not worth it, the replacement. And at Southern 17 Desert, building 8, unit 8, is a perfect example of that. 18 There's probably about three or four CIPs that may be in 19 the works now that we think by building a new building, 20 you can eliminate that altogether. 21 ADMINISTRATOR NUNEZ: One other things -- 22 Gus Nunez, for the record -- that were in the master plan 23 that Arrington Watkins is still working on is the 24 operational costs for the various options. That's why 25 you're not seeing that here today. We're still -- the</p>	<p style="text-align: right;">Page 28</p> <p>1 MR. SANGIORGIO: And there's a huge amount of 2 information in that master plan, obviously, that we 3 weren't able to present in time. 4 DIRECTOR CATES: I have a question. Patrick 5 Cates, for the record. Is there a location for Prison 8? 6 MR. SANGIORGIO: There is. Yes. 7 DIRECTOR CATES: Where is it at? 8 MR. SANGIORGIO: It's adjacent to High Desert 9 State Prison. 10 ADMINISTRATOR NUNEZ: Gus Nunez. Sorry for 11 not introducing myself there. Yes, the Prison 8, a few 12 sessions back, our population was growing around 4 or 5 13 percent, so in anticipation of that, one of the CIPs that 14 was approved was a design of Prison 8, and then we were 15 going to start funding. And as the economy basically 16 took a dive on us, the prison population just flat 17 completely flattened out, so the decision to continue to 18 move ahead and build Prison 8 was delayed. 19 And right now, it appears that the prison 20 population is starting to grow again, and we find 21 ourselves, a lot of the facilities operating at above 22 emergency capacity. So and they started experiencing 23 this thing, I believe like around January of this year, 24 Ken, if I'm not wrong, January, February of this year, 25 they started experiencing -- of '16, they started</p>

1 experiencing this increasing -- significant increases in
2 population every month, and we were just lucky that it
3 was coincidental that we had a -- last CIP, we had a CIP
4 to do a master plan for Corrections to have everything
5 kind of coming together really quick because the
6 population is growing, we need facilities, Corrections
7 needs to make a decision as to what we're going to be
8 sending to the legislature for this coming session, and
9 we need to get pretty much -- the master plan pretty much
10 gelled to make sure that we're going on the right path to
11 meet the future needs of the Department of Corrections of
12 the State of Nevada.

13 MR. SANGIORGIO: A couple of key things, if I
14 may add, too. This is Peter again. Prison 8 was
15 designed as a new model for the Department. After High
16 Desert, it's a huge, huge facility, and almost
17 unmanageable based on the size, so we kind of right-sized
18 it. Some of your other existing facilities, if you start
19 expanding, you're going to go beyond that right size
20 unless you eliminate some of the older buildings and
21 replace with new. So it's a lot to think about.

22 ADMINISTRATOR NUNEZ: Gus Nunez, for the
23 record. I'm sure you'll hear about some of this during
24 the presentation from the agency next week, Corrections.
25 The new director feels -- and the prior director also,

1 that the population somewhere between 1,500 is ideal for
2 them, and definitely not over 2,500 if you want to expand
3 that. So but 1,500, they've indicated, the Department
4 has indicated to us, 1,500 inmate population prison is
5 the right size to properly manage a prison. So we've
6 been using that as a guide as we've developed the master
7 plan.

8 CHAIR CLUTTS: Are there any questions down
9 south?

10 MEMBER TIBERTI: Tito Tiberti, for the
11 record. Gus, I don't know who I'd ask this to. Maybe
12 this is not the appropriate time, but just coming up in
13 the future, I'd like to -- and it's really not maybe our
14 purview, but I'm just questioning two or three concepts.
15 Does anybody know -- I'm sure they do, but I don't really
16 have any sense of it, what does it cost a taxpayer to
17 run, per prisoner, per year in dollar amount? I don't
18 know if anybody knows that or cares.

19 My second question would be, we have like a
20 bag with seven pounds of dollars in it, but we've got
21 maybe a 9-, 10-, 12-pound request. The reason I make
22 that statement is a lot of these buildings, I've heard,
23 are very marginal, and I understand that it's not worth
24 the candle to do it. On the other hand, if we don't have
25 the money and the prisoners keep showing up, I'm just

1 questioning that matrix. So I don't know who I'd ask
2 that to or if this is the appropriate time. That's okay.
3 I'd just like to know, you know, in the future, those
4 questions.

5 ADMINISTRATOR NUNEZ: I'm going to turn it
6 over to Peter here, but on your second part of your
7 question, what we presented to you here today basically
8 increases your facilities to meet the demand, the
9 projection we've been given, and it does not address
10 decommissioning or deleting or demoing any of the
11 existing housing units during this planning period.

12 I think we're assuming that all of the units
13 that we have there are going to be there for at least the
14 next ten years as we add these thousand beds. We're not
15 getting rid of any housing units because we just can't at
16 this time. We're just going to have to make do no matter
17 how -- no matter what the conditions of these buildings
18 may be, these facilities may be, we're going to have to
19 keep them operational through this whole design period
20 based on the -- if we stick to these recommendations that
21 we have here and we only spend the money that's indicated
22 here in this master plan. With respect to the inmates,
23 the cost of per inmate, Peter, do you know that, or
24 Corrections?

25 MR. SANGIORGIO: Yeah. There's a spreadsheet

1 from the Department. It's \$20,700, I believe, is the
2 average cost per inmate per year. That's the
3 out-the-door cost.

4 ADMINISTRATOR NUNEZ: Did that answer your
5 questions, Tito?

6 MEMBER TIBERTI: It gives me a sense, anyway.
7 I thought it was around that number, but I didn't know.
8 I'd like to know that number sometime, what that number
9 is made up -- so I understand \$20,000 average, but how
10 you get to that number. Just curious.

11 CHAIR CLUTTS: Are there any other questions
12 in the south?

13 MEMBER GORDA: Peter.

14 MR. SANGIORGIO: Yes.

15 MEMBER GORDA: When your building -- sorry.
16 South Member Gorda. When you're plotting these buildings
17 on the properties, are you addressing for future growth
18 beyond this?

19 MR. SANGIORGIO: Yes.

20 MEMBER GORDA: When I look at slide 11, I'm
21 looking at all of the configuration, I don't know if it
22 would change properly, it has several more facilities.
23 This is the final location, so --

24 MR. SANGIORGIO: Yeah. So if you go to -- go
25 before 11. Go to 10. So what we did is we planned for

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1 the RMF. And one of the reasons why we located the RMF
2 where we did is because there's some existing dorm
3 buildings that are adjacent to it that could serve very
4 well as a geriatric type treatment facility like they're
5 doing up at NNCC. Currently, they're not doing that at
6 Southern Desert, but that could be something that we
7 could look into for the future. But as you can see,
8 we've expanded the perimeter fence in an earlier phase to
9 accept the future buildings.

10 Once you get to slide 11, in our opinion,
11 Southern Desert is maxed out at that point unless you get
12 rid of some of the existing buildings. This would take
13 you right at about 2,500 beds, which is the maximum that
14 that facility could support.

15 MEMBER GORDA: I understand that. Just
16 wonder if you turn that perpendicular if you could put
17 another facility beside it so sometime down the road if
18 you have to demolish one of the existing, upgrade, you
19 have a location to expand for new.

20 MR. SANGIORGIO: We could look at those
21 options, but the further you go south, plan south, the
22 further you're into a hill at that point.

23 MEMBER GORDA: Oh, okay.

24 MR. SANGIORGIO: What you can't see is the
25 topography of that site, even for the corner of -- the

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1 two corners of the perimeter fencing, we're probably
2 going to have to cut into the hill a little bit.

3 MEMBER GORDA: Sure. I'd just ask that you
4 really look at that.

5 MR. SANGIORGIO: Sure. You bet. Absolutely.

6 MEMBER TIBERTI: Tito Tiberti, for the
7 record. Just curious. When we toured the Carson City
8 Prison -- Gus, I don't know when that was, there was a
9 lot of comment about the aging of the population and the
10 attendant. I just heard the word "geriatrics." It seems
11 like that is really going to run up a lot of costs when
12 people start getting older and have conditions that
13 everybody else has. I'm just curious. Is that at all
14 figured in there as this population gets older and we
15 have to do the right thing? It seems like that's a big
16 number.

17 ADMINISTRATOR NUNEZ: Tito, and that's the
18 reason for this regional medical facility here in the
19 south. I know that in the north here at NNCC, we do have
20 one of these dorms, and unfortunately, it's not near the
21 RMF, the regional medical facility, because the way that
22 a dorm and a regional medical facility can operate is
23 like, you know, you don't need to have someone that
24 needs, let's say for instance, dialysis on a regular
25 basis, maybe a couple, two, three times a week or

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1 whatever. They don't need to be in a hospital bed at the
2 RMF. They could be on a dorm next door, and when they
3 need the treatment, they can walk across to the next
4 building, go inside, get their treatment, and then walk
5 back to the dorm.

6 And so that where right now, at this point,
7 the way they were set up, it doesn't work as well as it
8 could. And the concept is, in this Option No. 1, to
9 build this regional medical facility here at Southern
10 Desert, is just next to those dorms is because they can
11 work together very well in that fashion and eliminate the
12 need to have some certain number of inmates taking up
13 medical beds where they can actually walk there on a
14 daily basis for their treatment.

15 CHAIR CLUTTS: Any other questions from the
16 south? Gus, I just have one question. Chairman Clutts,
17 for the record. I have to wonder, given the amount of
18 money that we spend per year on prisoners and the amount
19 of money that's needed for capital improvement projects
20 and the continued growing concern that we discuss year
21 after year about the maintenance challenges that we have
22 and the funding to take care of those, if at any time
23 we've looked at or, Peter, maybe you could speak to what
24 you've seen in other states. Is there any other
25 discussion about public/private partnerships and

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1 outsourcing or any of that?

2 ADMINISTRATOR NUNEZ: I think the consultant
3 could probably address what other states are doing with
4 respect to that.

5 MR. GLASS: Bob Glass, for the record. One
6 of the things our company does, we have done master plans
7 in all 50 states and around the world, so our specialty
8 is criminal justice work. And we are seeing states, more
9 in the South right now: Georgia, Mississippi, Alabama,
10 who have gone ahead and contracted out to look at a way
11 to privatize maintenance for those very reasons. It
12 becomes a big cost issue.

13 One of the states, Mississippi, has actually
14 had a private company buy the buildings from the State,
15 renovate them back in terms of maintenance, and then sell
16 them back to the state or lease them back to the state
17 over 20 years so you get back a new building. So they
18 are starting to look at those things. It's not as
19 widespread as you might think of yet, but things are
20 being looked at. Budgets are tight. These buildings are
21 24-hour use. They just wear out so fast.

22 MEMBER TIBERTI: Chairman Clutts, Tito
23 Tiberti. Just a follow-up question on, what's it called,
24 the Jean facility south of Las Vegas?

25 MR. SANGIORGIO: Southern Nevada Correctional

1 Center; Jean, Nevada.
2 MEMBER TIBERTI: Yeah. You said that's
3 basically wore out. Is there any way to follow up with
4 Chairman Clutts' concept of just maybe doing a -- what is
5 it? Request or proposal or something, the concept of
6 turn that over to some private developer to do something
7 for people that are not, I want to say, as they get
8 older, they use that land and facility? It always seems
9 like it's a battle to get a place to go somewhat close to
10 the city. I'm just curious of what their idea long-term
11 for that land or facilities there or scrap it. I don't
12 know anything about the prison system, so I'm just asking
13 a broad question.

14 MR. LAFEVRE: This is Kent LaFevre,
15 Department of Corrections. I can answer that question.
16 We've looked in the past at Jean facility at SNCC, of
17 using it as a rent-a-prison, if you will, and the problem
18 that we've run into time and time again is that the
19 facility is too small. It's only 700 beds. And to
20 attract a private party to rent that facility, they
21 always want to be in the 1,500 range. So the short
22 answer is the building and the facility is too small, and
23 it's too worn out. It was built back in the '70s. It's
24 40 years old.

25 MEMBER TIBERTI: A very good contractor built

1 that, though.
2 MR. GLASS: If I could tack onto Kent's just
3 a little bit. There's legislation in the U.S. Senate
4 right now being discussed -- I don't think it's met the
5 floor yet -- about eliminating the ability for any
6 private operator to run a private prison for any
7 jurisdiction. So I think right now, you're seeing a real
8 standoffish from the private people about getting
9 involved with anything until they see what happens with
10 them. So if you put it in an RFP right now, I almost
11 guarantee you'd get no response to that. They'd be very
12 skeptical of that.

13 CHAIR CLUTTS: Thank you for that. Bryce
14 Clutts again, for the record. As Member Tiberti said, I
15 also don't know much about the prison system, so I'd
16 leave that to the experts. And my only comment really is
17 my continued concern about our budget and the ability to
18 maintain our facilities as a State, and I think it's just
19 incumbent upon all of us to start to find a solution to
20 that problem. And I know we need more prisons and we're
21 looking ten years out. I just don't see how we're
22 addressing that problem, and maybe you are.

23 MR. SANGIORGIO: Ten years out, we've been
24 looking right up to 2025, ten years out at this point.

25 CHAIR CLUTTS: Any other questions down

1 south? Thank you.

2 MR. SANGIORGIO: Thank you. Thank you for
3 your time.

4 CHAIR CLUTTS: Thank you, Gus. Are you ready
5 to move on?

6 ADMINISTRATOR NUNEZ: Yes, sir. Give me one
7 second here, and --

8 CHAIR CLUTTS: So if I understood, Gus, we're
9 moving back to Item 6?

10 ADMINISTRATOR NUNEZ: Yes, sir, Mr. Chairman.
11 We move back to Item 6. Chris Chimits -- for the record,
12 Gus Nunez -- Chris Chimits is going to go over this item
13 with you. There's a couple of things with respect to
14 this item that I wanted to preface what Christopher is
15 going to get into right away, and that's in the area of
16 the development of priorities and criteria. And the
17 Board's philosophy in the past has always been take care
18 of what you got before you start building anything new as
19 a general principle, and then we've had other priorities
20 that -- we've also been able to develop a priority for
21 the State for the CIPs to bring back a recommendation,
22 initial recommendation to the Board after the
23 presentations next week for the Board to deliberate from
24 or a starting point to go through.

25 With respect to these priorities, it all sort

1 of started a while back when the Board asked us to do
2 some research as to what the various states, at least
3 adjacent states to the State of Nevada were doing with
4 respect to taking care of the deferred maintenance needs.
5 The Board was very concerned that we were not keeping up
6 with our maintenance needs on our state facilities, and
7 they were looking at various things, various options
8 including funding, et cetera, to how we could take care
9 of this issue and perhaps make a recommendation.

10 As a result of that, Chris Chimits conducted
11 the research as to what the adjacent states were doing.
12 We found with respect to funding that one, the states
13 that were building the most successful were looking at
14 deferred maintenance completely separate from capital
15 construction with respect to not only prioritizing, but
16 with respect to funding. And we found that most states
17 were identifying a funding source for deferred
18 maintenance in the amount of about anywhere from 1 and a
19 half percent to 2 and a half percent of the total value
20 of their assets as a guiding tool for the amount of
21 funding that was needed to keep up all of their
22 facilities.

23 And again, part of the other thing that was
24 interesting to us was that -- and different than the way
25 we've done it in the past, we've always taken the entire

1 CIP and tried to prioritize deferred maintenance and
2 capital construction all together into one set of
3 priorities, and once -- and because there's only one
4 funding available, and so it's very difficult to take
5 deferred maintenance and start prioritizing capital
6 construction both together. Deferred maintenance is
7 taking care of what you've got. Capital needs is the
8 facilities that you need to run the programs that the
9 State needs to run in order to govern and provide
10 services to the citizens of the state; two completely
11 different issues that need to be addressed, that the
12 State needs to address.

13 So what we've -- actually, then, we've
14 provided -- and Chris is going to go over this with you
15 in detail after he goes over, gives you a status of where
16 we're at with the CIP on perhaps how the deferred
17 maintenance should be prioritized versus capital
18 construction, and we even have another topic that we've
19 been asked to look at this biennium which is in the area
20 of historic preservation.

21 In some cases, we've tried to prioritize
22 these items from most important to less important, and in
23 some cases, we're basically giving you issues that should
24 be considered and not necessarily in a prioritized
25 sequence, but Chris is going to go over that with you in

1 investigating each project request. That continues on
2 through June of the even-numbered year, and it consists
3 of site visits, it consists of vetting, scope, developing
4 cost estimates for that scope of work, and then what we
5 do in July of the even-numbered year is we have a jury
6 process. Those are the funnest part of it where we tear
7 each other to shreds with the intent to develop the best
8 product we can.

9 Once we're finished with the jury process,
10 which is usually by the first week of August of the
11 even-numbered year, then our management meets with the
12 directors or administrators of each agency, and we try to
13 build consensus. We make sure they understand what we've
14 estimated, how we see it might be different from the way
15 they saw it. We also found a few occasions they weren't
16 aware of something that had been going on, so it's to
17 develop good communication with the agencies so that
18 hopefully, when they appear before this Board at the end
19 of August, there's consensus between the State Public
20 Works staff and that agency.

21 For your convenience, we've divided the CIP
22 up into C, M, S and P projects. C projects are new
23 construction, essentially, or major remodels. M is
24 maintenance, deferred maintenance. S is for our
25 statewide programs which are essentially deferred

1 a little more detail. We would like to have some
2 discussion and some direction that would be appropriate
3 today from the Board so that when we come back after the
4 24th and 25th, when we come back to you in September, we
5 can give you the best order of priorities for the CIP for
6 the Board to begin the deliberation, give you a starting
7 -- as best a starting point as we can from which you can
8 start your deliberation with respect to coming to your
9 final recommendation to the Governor. So having said
10 that, I'll turn it over to Chris Chimits at this point.

11 DEPUTY ADMINISTRATOR CHIMITS: Okay. Thanks,
12 Gus. Chris Chimits, Deputy Administrator. We thought
13 since we have a relatively -- well, brand-new Board with
14 relatively new members, some well seasoned and a mix
15 there in-between, so what we thought would be good at
16 this meeting to give you a broad overview of what's going
17 to hit you in ten days from now.

18 So the first item is just generally a CIP
19 process review. And what happens is in February of the
20 even-numbered years, the agency starts submitting CIP
21 requests to the State Public Works Board. We have a web
22 portal that's opened up at that time, and they submit
23 what they see necessary. By April of that same
24 even-numbered year, we close that down, and then our
25 staff starts their due diligence in terms of

1 maintenance, and P is the planning categories. So we've
2 unlocked the mystery of all of that right now.

3 Then on August 24th and the 25th of the
4 even-numbered year, this Board gets together to hear
5 agency presentations of every project request that they
6 have. That's a significant event for us. And then we,
7 as Gus mentioned, right as soon as that meeting is
8 finished, we go to work trying to prepare a reasonable
9 prioritization for this Board to consider. And so at the
10 end of that, this Board will meet again in September,
11 possibly even twice, to try to get that completely
12 finalized. And then by October 1st, according to NRS
13 341, we're to turn that in to the Governor. So we've
14 never missed that deadline ever, ever.

15 In the past -- I go back to 2013 -- there
16 were 339 projects requested in 2013. Our staff estimated
17 those as \$528 million, and the legislature approved 79 of
18 those projects for a total of \$102 million. In 2015,
19 there was 394 projects submitted. We estimated that as
20 \$560 million, and out of those 394, the legislature
21 approved 69 of them for a total of \$215 million.
22 Starting to see a pattern here.

23 This year, unfortunately, will not change, I
24 don't think. This year, we received 619 requests, so you
25 see 200 more requests than we have had in the last couple

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1 of years. Our staff put it at \$1.2 billion. So that
2 leads us to think that we need to prioritize projects.
3 And so this -- we're coming up to a portion of the
4 meeting where we need your input and action on how we go
5 about prioritizing things. What's in the book, I
6 fine-tuned it a little bit. So Cece is handing out,
7 right now, a little bit of a revised version of what is
8 in the book. It also includes one page that's not in the
9 book for your consideration.

10 MS. ZIMMERMAN: Do have it in the south?

11 DEPUTY ADMINISTRATOR CHIMITS: Yes, they do.
12 The first page, you'll see, is deferred maintenance. At
13 the top, it says, "CIP prioritizing criteria for deferred
14 maintenance." And this first page is what a previous
15 board has generated, has approved for us to do business
16 on, and we've been behaving in this fashion for three
17 sessions.

18 You'll see the first category is legal
19 requirements. That's the highest priority. And
20 subcategories under that is ADA requirements, court
21 orders or other legal direction that we receive, and then
22 the third item is life safety code violations, seismic
23 upgrades that have to be done for URM. So those are the
24 highest priority for us as far as deferred maintenance.

25 The second category is just titled deferred

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1 maintenance, and it includes -- first is essential
2 facilities such as prisons, hospitals, NHP command
3 centers, there's dispatch centers, things that the code,
4 the actual building code labels as essential facilities.
5 Right underneath that is governance centers. Those are
6 the Capitol, the mansion here in Carson City, the Grant
7 Sawyer office building. It's essential infrastructure
8 that we have to keep going.

9 The third item there is our statewide
10 programs. As I mentioned, these are deferred maintenance
11 of more of a critical order: roofing, ADA, fire
12 sprinklers, air quality, and the like. And then the last
13 item under 2 is other facilities, parks, museums, NDF.
14 You've got a plethora of state agencies. And as for each
15 of these categories, what we have is our project managers
16 give them a 1, a 2 or a 3, and the code for you guys to
17 know is a 1 is the project manager, the architect or the
18 engineer who is doing the due diligence in the -- feels
19 that this project has to be done in the next session.
20 That's a 1. A 2 is that it needs to be done, but it can
21 wait until a future session. And a 3 means that it's
22 either not necessary to complete in upcoming sessions or
23 maybe not the best idea; needs to be retooled into some
24 other format.

25 The third category here is project

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1 continuations. We don't leave something stranded, so
2 FF&E, furniture, fixtures and equipment from a previously
3 funded construction project, that would conclude the
4 year. Ongoing phases. Sometimes we'll break work up
5 into multiple phases so that we can swallow the pill a
6 little bit easier with a limited CIP budget, and then any
7 other funding sources. So that's our criteria for
8 deferred maintenance on the first page.

9 Then on the second page, this is our
10 prioritization criteria for capital construction. This
11 is new. We're asking this Board to consider this. And
12 again, we start out with a way to -- how do we evaluate
13 which new buildings to build? What do we put up to the
14 top? What do we move down?

15 So again, we start with essential government
16 facilities: institutional, governance, public safety,
17 the Guard. NDF is in here. They're also in a lower
18 category because they have -- they fight fires, which
19 puts them into an essential operation, but they do other
20 things regarding seeding and planting and other things as
21 far as maintenance that would move them into more of an
22 other facility. Agriculture, same thing. They control
23 the quality of our food, and so that moves them into a
24 high category, but they also perform other functions that
25 wouldn't be quite as high. And then DMV. We do

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1 licensing, we take care of identification there, so that
2 keeps them in an essential facility. So that would be
3 kind of our highest consideration, those group of people,
4 and any new facilities that would meet that program
5 needs.

6 Then No. 2 is other state facilities, and
7 that's everybody who is not in No. 1, simply put. And
8 then 3 -- and this isn't necessarily a priority order.
9 It's just a different system, Nevada System of Higher
10 Education. That competes, I would think, directly with
11 other state facilities. And in order there, we have
12 universities, college, community colleges and research
13 facilities there that would be competing for new dollars
14 or new construction dollars.

15 And then the things that we would probably
16 use as a matrix to try to sort out one from the other:
17 is it mandated by law? Is it better to own it rather
18 than to maybe lease it towards, I think, Bryce's question
19 about or Tito asked about privatization. We would
20 certainly consider that before we would submit a request
21 for a new building to be built by the State. Is there
22 life-safety issues that would be met? We'd consider
23 percentage of non-state funding. That's a big one. The
24 NSHE comes in sometimes with donors that will do half or
25 more private funding, and that's significant. We look at

1 required level of control. I mean, there is inmates,
2 patients, et cetera, a high level of control. That's
3 considered. We look at the level of service provided to
4 the public, and the thing that comes to my mind
5 immediately there is DMV, provides a high level of
6 service that's necessary for establishing identification.
7 Then we also look at our facility condition needs index
8 in terms of whether we repair or replace. So those are
9 the considerations that we would go through for
10 developing priority for capital construction.

11 The third page, which is the last one, is
12 also a new page that you didn't have in your book here.
13 This is prioritization criteria for historic renovation.
14 And again, these are kind of like an apple, an orange,
15 and a banana. And so rather than try to squish them into
16 fruit salad, what we're doing is putting them into
17 separate binders and then let someone who is smarter than
18 us sort out how it is that they want to prioritize
19 against each other.

20 We are, as Gus mentioned, advocating for a
21 separate funding source for deferred maintenance versus
22 either bonds or something for new construction, and we'll
23 be pushing that along as we can. But the third page
24 here, historic renovation. The highest category would be
25 unreinforced masonry construction and occupied buildings.

1 In terms of historic structures, we look at -- under a
2 subcategory under that would be if there's an occupancy
3 change to a more restrictive use, meaning if we're taking
4 an office building to a dorm, that moves it right to the
5 top of the list for us. Nighttime use is certainly a
6 higher priority than daytime use.

7 No. 2 that we look at, a little bit lower
8 than that, would be historic value. Is this on the
9 Historic Register? Does it have an important occupancy
10 in it? Maybe a capital building would be somewhere
11 there. Is it of architectural significance, meaning does
12 it have a profound effect on our community? The Mint
13 building, the Laxalt building, those kinds of things
14 which contribute to Carson City's character. The next
15 category we look at is the degree of deterioration. Is
16 there structural issues that would render the building
17 dangerous if we didn't take care of them? And underneath
18 that would be architectural issues, as painful as that is
19 to admit that.

20 And then No. 4, any functional use for the
21 building. Is it needed? Is it "attractual" for
22 visitors? Looking at high visitors count there. And
23 then the last thing is we do also consider, look at
24 outside funding availability.

25 So what I guess the action item would be for

1 us is under deferred maintenance is, is that still good
2 for us to march under as staff? For capital
3 construction, do you have input or things you'd like to
4 change for how we might consider building new buildings,
5 and then the third category, historic renovation, is
6 there anything we might have missed or that you'd like to
7 change with how we see prioritizing historic renovation.
8 And that concludes my presentation. Thank you.

9 CHAIR CLUTTS: Bryce Clutts. Thank you,
10 Chris, for that. I appreciate it. Are there any
11 questions or comments down south? Mr. Hand?

12 MEMBER HAND: No.

13 DIRECTOR CATES: I have a comment. Patrick
14 Cates, for the record. For the CIP prioritization for
15 capital construction, what's intended under
16 "institutional"?

17 ADMINISTRATOR NUNEZ: Prisons, hospitals.

18 DIRECTOR CATES: Prisons and hospitals.

19 ADMINISTRATOR NUNEZ: Uh-huh.

20 DEPUTY ADMINISTRATOR CHIMITS: Those are
21 things -- Chris Chimits, for the record -- that we don't
22 have a vote on really. If we have to provide for inmates
23 or for patients or the courts order that, you know, we
24 lose control of the situation, so that's like instant
25 obedience on those.

1 DIRECTOR CATES: I guess the thing I don't
2 necessarily see reflected here, I think is important to
3 be mindful that should be somewhere on this list would be
4 a lot of health and human services. I mean, they do have
5 some institutions, but people can't get their food
6 stamps, that's going to be a problem.

7 And then under administration, I mean, the
8 Department of Administration has a lot of functions, but
9 I would think that each facility would be essential
10 government facilities because if that isn't in shape, the
11 whole state is not going to be able to conduct their
12 business. Just maybe a couple things like that that need
13 to be teased out in this list.

14 DEPUTY ADMINISTRATOR CHIMITS: Yes.

15 COUNSEL STEWART: And, Director Cates, can
16 you, for the new Board member, could you -- the acronym
17 EITS stands for?

18 DIRECTOR CATES: Sure. Is Enterprise IT
19 Services Division, and among other things, they maintain
20 the State's SilverNet, which is the State's wide area
21 network, and they also maintain the central facility and
22 server for the State. So it's very core IT services for
23 the State enterprise.

24 COUNSEL STEWART: Thank you. Gus?

25 ADMINISTRATOR NUNEZ: So, Patrick, would you

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1 say that administration belongs under 1 or under 1 and 2
2 perhaps?
3 DIRECTOR CATES: I would say 1 and 2.
4 Depends on the --
5 ADMINISTRATOR NUNEZ: On the facility.
6 DIRECTOR CATES: Yeah, it depends on the
7 facility. I'm thinking it should be under 1.
8 DEPUTY ADMINISTRATOR CHIMITS: Good comments.
9 Thank you.
10 COUNSEL STEWART: And then, Director Cates,
11 you mentioned health and human services. Were you
12 thinking they would be under other state facilities?
13 DEPUTY ADMINISTRATOR CHIMITS: I think both.
14 Chris Chimits, for the record. You've got patients where
15 it's institutional, but then HHS also has other --
16 DIRECTOR CATES: Under 2, probably, just for
17 health and human services.
18 COUNSEL STEWART: Other than institutional,
19 which is included in 1?
20 DIRECTOR CATES: Yeah, I think so. Just a
21 recognition it's a huge chunk of state government
22 services to the public.
23 ADMINISTRATOR NUNEZ: So you're saying we
24 should have HHS as a separate item both under 1 and 2
25 perhaps?

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1 DIRECTOR CATES: Under 2. Under 1,
2 institutional, that's --
3 ADMINISTRATOR NUNEZ: Institutional covers
4 it.
5 DIRECTOR CATES: Inclusive of --
6 ADMINISTRATOR NUNEZ: It is inclusive of HHS.
7 DIRECTOR CATES: Yeah.
8 ADMINISTRATOR NUNEZ: We should also add HHS
9 down here on No. 2.
10 DIRECTOR CATES: Exactly.
11 ADMINISTRATOR NUNEZ: Got it.
12 CHAIR CLUTTS: Thank you, Chris. I don't
13 think we have any questions -- Member Clutts for the
14 record -- I don't think we have any more questions down
15 here. Thank you very much.
16 MEMBER TIBERTI: Chair Clutts, I just have a
17 comment. I want to thank Chris Chimits, my good friend,
18 for using the term "well seasoned" instead of "long in
19 the tooth." I appreciate that.
20 DEPUTY ADMINISTRATOR CHIMITS: Mr. Chairman,
21 would the Board care to take any action on this so that
22 we know as we prepare for your meeting past August for
23 the one for September, we would like to know if you're --
24 with these changes, if you're good with using the three
25 matrix for prioritizing this year's CIP.

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1 CHAIR CLUTTS: Sorry about that, Chris. I
2 didn't see we had a motion. So at this time, we'd like
3 to entertain a motion to establish and approve the
4 prioritization criteria for the valuation of deferred
5 maintenance and capital construction recommendations to
6 the Governor with the changes that were suggested.
7 VICE-CHAIR STEWART: Sean Stewart, for the
8 record. I'd so move.
9 MEMBER TIBERTI: Tito Tiberti. Second.
10 CHAIR CLUTTS: There's a motion and a second.
11 Any further discussion?
12 DIRECTOR CATES: This is Patrick Cates. I do
13 have one comment. I don't think it needs to be one of
14 the criteria that staff are using, but I think when the
15 Board deliberates, they also need to be mindful of the
16 Governor's strategic priorities that he's outlined, and
17 maybe we look at that as well while we're considering
18 these projects. I don't think that's for the staff to
19 prioritize necessarily, but I think the Board needs to be
20 mindful of that.
21 CHAIR CLUTTS: Thank you, Director Cates.
22 There's a motion and a second. All of those in favor?
23 THE BOARD: Aye.
24 CHAIR CLUTTS: Any opposed? Thank you. Item
25 8 for possible action: consideration of purchasing token

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1 mementoes to commemorate past Board members' services.
2 Gus, did you want to take that?
3 ADMINISTRATOR NUNEZ: Sure. For the record,
4 Gus Nunez. We have three board members that just went
5 off the board. We thought that perhaps the Board would
6 want to not only thank them for their service, but also
7 give something to them like perhaps just a small plaque
8 with their name and thanking them for their service to
9 the State and to this Board and the State with their name
10 and years that they served on the Board, perhaps.
11 Something along those lines.
12 And if the Board wishes, we can also invite
13 them to, if you wish to proceed along those lines, we can
14 either send it to them or invite them to come to one of
15 our Board meetings to present them with that memento from
16 us to thank them personally for their service. That was
17 the idea. We had not done that in the past, and I
18 thought this would be a good idea from here on out to
19 establish this as perhaps something that the Board may
20 want to do from here on out as the Board members retire
21 and move on.
22 CHAIR CLUTTS: Thank you, Gus. Member Gorda?
23 MEMBER GORDA: Member Gorda. I'm assuming
24 it's a hundred dollars each. A hundred dollars doesn't
25 buy a lot. Are you thinking a hundred dollars for each

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1 person?

2 ADMINISTRATOR NUNEZ: Actually, I wasn't even

3 thinking that much, but yeah, I did look at that.

4 COUNSEL STEWART: We're okay. We're all

5 right.

6 ADMINISTRATOR NUNEZ: Perhaps.

7 DIRECTOR CATES: A hundred each.

8 MEMBER GORDA: Up to a hundred each.

9 DIRECTOR CATES: For the record, this is

10 Patrick Cates. There's a pesky little bureaucratic rule

11 in the State Administrative Manual that says you cannot

12 -- for service awards -- that you could not exceed \$50

13 for each award.

14 MEMBER GORDA: So that's \$150.

15 DIRECTOR CATES: Yeah.

16 ADMINISTRATOR NUNEZ: Sorry, Mr. Chairman,

17 for having this -- I'm sorry. Member?

18 MEMBER TIBERTI: Gus, Tito Tiberti. Is that

19 why Rennie Ashman (pho.) has been trying to get abold of

20 me? He didn't get one of those?

21 ADMINISTRATOR NUNEZ: I think we might be

22 able to, for \$50, we might be able to squeeze in three

23 plaques, \$50 each. If not, I don't know. We'll figure

24 out -- if it takes more than that, I guess we can -- I'll

25 look around for contribution from some of our management

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1 here.

2 DIRECTOR CATES: I would make a contribution.

3 ADMINISTRATOR NUNEZ: Patrick said he'd even

4 make a contribution too. I'd be happy to. If it's a

5 little bit more than that to get a necessary plaque and

6 to present it, I'll -- unless the Board wants to direct

7 me in any particular level, I can consult with the

8 chairman on this thing. We'll come up with some things,

9 and if it's more than \$50, we'll figure out where to get

10 the money from.

11 MEMBER TIBERTI: Vice-President Scan Stewart

12 has been raising his hand down here.

13 VICE-CHAIR STEWART: I'm sure we can handle

14 it.

15 CHAIR CLUTTS: Thank you, Gus. Bryce Clutts,

16 for the record. I would just say that first of all, I

17 commend you and the staff for doing that. As those that

18 have served on the Board -- and some of us more seasoned

19 than others -- there's a sacrifice involved in that, and

20 so I can say that I'm sure those gentlemen will

21 appreciate that. So based on that discussion, I'll open

22 it up to a motion to approve the expenditure of not more

23 than \$50 to purchase mementoes for former Board members

24 in recognition of their service as discussed.

25 COUNSEL STEWART: Each.

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1 ADMINISTRATOR NUNEZ: \$50 each. And can we

2 say that if there's private contributions that we can --

3 \$50 of state funds. If for some reason they end up being

4 \$55 or \$60, I think we can find some contributions to

5 take care of that if that would be okay legally, do you

6 think?

7 COUNSEL MENICUCCI: I think so.

8 ADMINISTRATOR NUNEZ: Private contributions

9 too if it ends up costing a little bit more.

10 CHAIR CLUTTS: Thanks, Gus. Thank you again.

11 ADMINISTRATOR NUNEZ: If we have that option

12 in the motion, we'd sure appreciate it, just in case. I

13 haven't priced them out yet.

14 CHAIR CLUTTS: So I'll entertain a motion to

15 purchase mementoes for the former Board members, and

16 we'll leave that up to staff. Is that sufficient?

17 ADMINISTRATOR NUNEZ: Fine. I'm comfortable

18 with that. We'll make sure that we follow the law.

19 CHAIR CLUTTS: Is there a motion?

20 MEMBER HAND: So moved.

21 MEMBER TIBERTI: Second.

22 CHAIR CLUTTS: All of those in favor?

23 THE BOARD: Aye.

24 CHAIR CLUTTS: Any opposed? Thank you.

25 ADMINISTRATOR NUNEZ: Thank you.

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1 CHAIR CLUTTS: Moving on to Item No. 9 for

2 possible action: update on 2017 proposed bill draft

3 requests.

4 ADMINISTRATOR NUNEZ: Mr. Chairman, Susan

5 Stewart, Deputy Attorney General, will present this item

6 for us.

7 COUNSEL STEWART: Thank you, Mr. Chairman.

8 For the record, Susan Stewart, Deputy Attorney General,

9 construction law counsel. As some of you may recall, at

10 the last Board meeting, we did discuss the bill draft

11 request that staff is preparing to move forward. There

12 was lack of clarity in the agenda versus the action item,

13 and so at the request of Board counsel to make sure that

14 it's clear, we're taking action consistent with the open

15 meeting law. This matter is re-agendized. We have

16 attached to Agenda Item No. 9 a memo that I put together

17 that summarizes the bill draft request that staff is

18 proposing. The first, as you may recall, revises the

19 administrator qualifications back to what they were prior

20 to the 2015 session.

21 Bill draft request No. 2, you may not be

22 aware, but the Board is obligated to review local

23 government's revisions to the Uniform Plumbing Code. The

24 BDR proposes to delete that requirement. Draft request

25 No. 3 is not moving forward at the direction of the

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1 Department of Administration. Bill draft No. 4,
2 currently the State Public Works Division facility group
3 has an obligation to inspect all state buildings.
4 Included in the statute is the obligation to inspect UNR
5 and UNLV facilities. The Division does not have the
6 staff to perform those inspections at UNR and UNLV and
7 does not do that. We're asking that the statute be
8 revised to reflect that Public Works does not inspect
9 those facilities.

10 Bill draft No. 5 is all of our contracts that
11 are not bid competitively must be approved by the Board
12 of Examiners. Scheduling of that approval can be
13 difficult from time to time. The proposed BDR allows for
14 the original agreement to be approved by the BOE, but any
15 subsequent amendments do not require further BOE
16 approval.

17 Bill draft No. 6 is the building official
18 currently does not have authority to issue permits to
19 private contractors. In the last several years, we've
20 had situations where private contractors are actually
21 performing work on state lands, and what we've had to do
22 is create a fiction where there is a state agency that's
23 sponsoring that work that allows for the building
24 official to issue a permit. This statute corrects that
25 and would allow the building official to issue the permit

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1 right now needs to be signed by BOE. And so this takes
2 into consideration those dollar amounts, leaves them as
3 they are and just provides subsequent amendments don't
4 need to be approved.

5 MEMBER HAND: Great. Thank you.

6 CHAIR CLUTTS: Thank you, Member Hand.

7 Member Tiberti?

8 MEMBER TIBERTI: Follow-up on that question.

9 Member Tiberti. It seems like a little slippery slope,
10 but if you have \$50,000, can you have multiple \$50,000 of
11 some kind of a -- come back and let them know you've got
12 a 2- to \$300,000 change but you did it? That makes me
13 nervous.

14 COUNSEL STEWART: For the record, Susan
15 Stewart. We do not do that. That is frowned upon. It's
16 the total value of the contract.

17 DIRECTOR CATES: Total value of the contract.

18 COUNSEL STEWART: Exactly.

19 MEMBER TIBERTI: Okay.

20 MEMBER GORDA: Member Gorda. Do I understand
21 correctly that the limit right now is \$50,000 that you
22 can contract that's not competitively bid?

23 COUNSEL STEWART: Go ahead.

24 ADMINISTRATOR NUNEZ: Gus Nunez, for the
25 record. On professional services, there is no

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1 directly to the private contractor.
2 And the last bill draft request really has
3 more to do with Buildings and Grounds, but we want the
4 Board to be aware of what staff is working on.
5 Currently, Capitol Police perform services to a number of
6 state buildings, but only those buildings managed by B&G
7 pay for Capitol Police services. So this bill draft
8 request simply spreads the cost to all state agencies
9 that actually receive the service.

10 I'm happy to answer any questions about any
11 of those bill draft requests, and what I'm recommending
12 today and asking for is a motion from the Board to
13 approve staff's continued support of the proposed BDRs as
14 presented today.

15 CHAIR CLUTTS: Thank you, Ms. Stewart. Any
16 questions or comments from the Board?

17 MEMBER HAND: Mr. Chairman, I have a
18 question. On the amendment bill draft No. 5, was there
19 any consideration of some dollar value as being a trigger
20 as opposed to just any amendment? I don't know the scope
21 of these historically since part of this is --

22 COUNSEL STEWART: Right. Well, they're
23 currently -- for the record, Susan Stewart -- there
24 currently are dollar limits that are set that have to go
25 to the BOE, and I believe it's anything over \$50,000

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1 competitive bidding for professional services. It's
2 specifically the process specifically detailed in NRS 338
3 that professional services are competitively bid.
4 They're based on qualifications.

5 MEMBER GORDA: No limit to the dollar amount?

6 ADMINISTRATOR NUNEZ: The limits on the
7 dollars is whether they need to go to BOE or not, and
8 then we have other criteria here that we use for whether
9 we use formal or informal, formal meaning putting out an
10 RFQ versus direct select depending on the dollar amount
11 of the contract.

12 What we typically will do is at the beginning
13 of the biennium when the legislature approves the capital
14 improvement program, we put out an RFP for all of those
15 projects that the fees exceed a certain threshold, we get
16 proposals in, and we go through a selection process.
17 What we do after that on those for those -- projects that
18 did not meet that threshold to go through a formal
19 selection process, we first look at those folks that took
20 the time to participate in the selection process,
21 submitted a statement of qualifications, even sometimes
22 going through the interview, and were not successful. So
23 we look at those firms first with respect to since they
24 took the time to come in and participate in the selection
25 process of the formal process and were not successful as

1 candidates to start matching projects, other projects
2 that didn't meet the threshold that they're qualified to
3 do, so we use that first.
4 Then after that, we use other firms that we
5 do business with that we know are capable of doing the
6 work and have performed satisfactory in the past for the
7 other smaller projects.
8 The concept here is so in case the Board is
9 -- we had a -- I had an exception to an LCB audit here
10 where we had an issue, basically, it was a building
11 actually at UNR. We're coming off the ground. The
12 utilities were not where they were supposed to be. The
13 contractor has got utilities basically stubbed in and
14 getting ready to get the slab, the first slab on grade,
15 concrete poured, and that as the utilities were coming
16 in, things were not where they were supposed to be; found
17 some additional utilities. This particular volt had to
18 be replumbed, basically, and re-detailed. It was
19 critical path. It was \$5,000 worth of work waiting,
20 getting the proposal in, preparing the endorsement,
21 getting it signed, and getting it scheduled for BOE --
22 could have been anywhere from 60 to 90 days depending as
23 to where we were on the schedule. Sixty to 90 days of
24 general conditions on that project would have probably
25 been around \$350,000-plus.

1 leeway here so we don't quit -- we don't get caught here
2 with this issue and then there is an audit exception and
3 we've got to go explain it to some folks why we did that.
4 MEMBER GORDA: I understand that. Just
5 wonder if there should be a dollar limit that -- so
6 there's not a quarter million not committed.
7 ADMINISTRATOR NUNEZ: I understand that, and
8 perhaps we ought to give that some thought.
9 COUNSEL STEWART: Susan Stewart, for the
10 record. Well, just a couple things. First of all, the
11 overall contract is approved, and we're working within an
12 approved budget that's been approved by the legislature.
13 And so any subsequent amendments to the professional
14 services agreement would be within what's already been
15 approved by the legislature, so we're not going outside
16 of anything beyond that, and the current limits in place,
17 BOE approval would still be in play.
18 ADMINISTRATOR NUNEZ: Gus Nunez, for the
19 record. For the new Board members, when you see the cost
20 estimate sheets that we bring to you, AE services is the
21 line item with a dollar amount. That cost estimate that
22 you will see is what the legislature approves and what
23 we're held to. So that budget for AE fees is already
24 approved.
25 So what we're doing is conducting -- so we

1 I went ahead and told the consultant to get
2 the job done even though we didn't have a signed
3 contract, which is contrary to our state policy. Any
4 endorsements have to be approved. It was caught in an
5 audit by LCB, and I remember sitting in front of the
6 legislative audit subcommittee and they were asking me,
7 you know, why did I do that? So I explained to them the
8 issue and the \$350,000, and fortunately, they didn't ask
9 any more questions. They just moved on to the next item.
10 But that's the issues that we get faced with. Every now
11 and then on professional services, you're in the middle
12 of construction and something happens, and you need the
13 consultant to get in and bring maybe other sub
14 consultants to the design team to get something
15 straightened out quickly. And getting that work, they
16 bring in a proposal, it is not in the current scope of
17 work, but you've got to get it done. You can't wait.
18 You've got to tell them, "Go ahead and do it." And
19 that's not kosher with respect to the process.
20 You get the proposal, you prepare a contract,
21 get it executed, you send it to BOE. BOE approves it.
22 Then you can tell the guy to proceed. It just -- during
23 the construction process, it just doesn't work. It's
24 problematic. And it doesn't happen all the time, but it
25 happens often enough that we feel perhaps we need some

1 send the original, obviously, the original contract has
2 to be within that amount, and then as things happen, if
3 they do happen, then we would issue an endorsement. We
4 always negotiate it. And as a result of that, we always
5 negotiate a contract for AE services below that budget
6 amount because we know things will happen as through the
7 course of a project, and some endorsement will have to be
8 approved. But the overall budget is already approved by
9 you and the legislature.
10 MEMBER GORDA: I understand that. I'm
11 looking down the road when you're not there anymore, Gus,
12 and so you do have a budget. And is part of the process
13 for the Board of Examiners for the approval is to ensure
14 that it's fair play too, and that the process is being
15 done correctly?
16 ADMINISTRATOR NUNEZ: Any negotiated contract
17 has to go to BOE. Design build under 338, then those do
18 not go to BOE; those are the only contracts that do not
19 go to BOE.
20 MEMBER GORDA: Do I understand the writing
21 here it says "Currently any contract executed that is not
22 competitively bid must go to the Board of Examiners."
23 And we're changing that?
24 DEPUTY ADMINISTRATOR CHIMITS: No.
25 COUNSEL STEWART: No. Everything except the

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1 competitively bid is our design build. That's the only
2 thing that doesn't go to BOE. Our CMAR contracts and our
3 design build and our professional services agreements,
4 they all go to BOE.
5 MEMBER GORDA: I understand that, but
6 professional services are what you want to stop taking to
7 BOE?
8 COUNSEL STEWART: The amendments.
9 ADMINISTRATOR NUNEZ: The amendments.
10 MEMBER GORDA: Just the amendments.
11 ADMINISTRATOR NUNEZ: Just the amendments.
12 Not the original contract, but the amendments. Any
13 amendments to that.
14 MEMBER GORDA: Okay. Understood.
15 CHAIR CLUTTS: Mr. Chimits?
16 DEPUTY ADMINISTRATOR CHIMITS: Thank you.
17 Chris Chimits, for the record. Just in context -- to
18 offer you a little context here, this process was started
19 in 1989 in the legislative session, so it's been in
20 effect since 1989. And in that period of time, we've had
21 two contracts that were rejected by the Board of
22 Examiners.
23 The first one was a statewide asbestos survey
24 done by Ray Helman, and the Board of Examiners wanted us
25 to break it into two contracts, one up north and one for

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1 down south, just so we could see how the one up north
2 went at first because the asbestos was brand new for
3 everybody back then, so we did that.
4 The second one, they rejected a contract for
5 an attorney. We had selected a law firm, I think the
6 AG's office selected a law firm, and we ran it through
7 Public Works here, and they didn't like that attorney and
8 wanted a different law firm. So there's been two
9 contracts that the Board of Examiners did not approve in
10 this review process since 1989. And I don't know how
11 many contracts we've submitted to the Board of Examiners,
12 but it's been in the thousands in the last 25 years, 28
13 years.
14 And so it kind of -- what I guess we're
15 looking for is the benefit, you know, where is the
16 benefit in this process versus what is the obstacle or
17 the bureaucracy, so to speak, that slows us down during
18 construction. And so I think that's kind of what we're
19 trying to find a solution for here.
20 MEMBER GORDA: Sure. I understand the
21 intent.
22 CHAIR CLUTTS: Good. Okay. Thank you. Are
23 there any more questions or comments from anybody?
24 Hearing none, motion to approve staff's continued support
25 of the proposed BDRs.

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1 MEMBER TIBERTI: Tito Tiberti. I move to
2 approve based on the motion that Susan wants.
3 MEMBER GORDA: Second.
4 CHAIR CLUTTS: There was a motion and a
5 second. Member Gorda seconded. Any further discussion?
6 All of those in favor?
7 THE BOARD: Aye.
8 CHAIR CLUTTS: Any opposed?
9 ADMINISTRATOR NUNEZ: To be much more debated
10 in the future.
11 CHAIR CLUTTS: We're running about an hour
12 behind. Just so everybody knows, I'm on Item No. 10:
13 discussion and action on the adoption of modifications to
14 the Nevada Administrative Code 338 and 341. Pursuant to
15 NRS 341.110, the Administrator recommends and the Board
16 approves and adopts regulations for the professional
17 services and code compliance sections of the State Public
18 Works Division.
19 COUNSEL STEWART: Mr. Chairman, Susan
20 Stewart, for the record. As you may -- for those of you
21 that were here, we had our public workshop on these
22 proposed regulations on May 20, 2016. This is the
23 discussion and action on the actual adoption of those
24 changes. Consistent with statute, this was separately
25 agendized and noticed to meet those requirements.

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1 The State Public Works Division
2 administrator, consistent with statute, recommends
3 regulations to the Board pertaining to NAC 338 and 341,
4 and it's within this Board's authority to approve those
5 regulations. The following is a very brief summary of
6 what's presented. LCB No. R055-16. As you may recall,
7 the proposed regulation eliminates the requirement that a
8 contractor submit an original statement of their bonding
9 capacity with their qualification application.
10 As you may recall, we're transitioning to an
11 electronic process for submission of qualifications, so
12 this simply allows for the implementation of that
13 process. The proposed regulation also updates the price
14 of the code books and includes Internet addresses for
15 some of those locations where you can obtain those code
16 books. It also clarifies that with regard to local codes
17 and the 2000 -- and this is a typo there -- it should be
18 2012 IBC, pertaining to structural standards for seismic
19 loads, the more stringent standard applies. It also
20 updates the Division's web address. We've recently
21 implemented a new website.
22 And then finally, the new regulation allows
23 the building official to charge a fee for plan review
24 consistent with what is charged by a third party, so it's
25 simply a passthrough. These regulations were presented

1 at a workshop, as I mentioned, on May 20, 2016 to solicit
2 input and comments on the proposed amendments, and there
3 were no comments or changes to the final draft version
4 presented to you today. Of course, I'm happy to answer
5 any questions, but it is my recommendation as well as the
6 administrator's that the Board approve the regulations as
7 presented.
8 CHAIR CLUTTS: Thank you, Ms. Stewart. Any
9 questions or comments? Hearing none, can I get a motion?
10 MEMBER GORDA: I'll motion to approve.
11 DIRECTOR CATES: Second.
12 CHAIR CLUTTS: First from Mr. Gourd, second
13 from Director Cates. Any further discussion? All of
14 those in favor?
15 THE BOARD: Aye.
16 THE COURT: Any opposed? Thank you.
17 COUNSEL STEWART: Thank you, Mr. Chairman.
18 THE COURT: Item No. 11 for possible action:
19 Board comment and discussion. Board comments on any
20 agenda item, items to be included in future agendas,
21 review of action items for State Public Works division
22 management and set our future meeting date, if needed.
23 Are there any comments or discussion from the Board on
24 any of those items?
25 ADMINISTRATOR NUNEZ: As you know,

1 MEMBER TIBERTI: Thank you.
2 ADMINISTRATOR NUNEZ: The 24th and 25th, we
3 would like you all to be here.
4 THE COURT: Thank you, Mr. Nunez. Hearing no
5 further comments or discussion, Item 12: Public comment.
6 There's no public down here. Anybody up there that might
7 have showed up?
8 COUNSEL STEWART: No, Mr. Chairman.
9 THE COURT: Thank you. So at this time, it's
10 11:54. I'd like to adjourn the State Public Works Board
11 meeting of August 16th, 2016. If we could take a
12 ten-minute break before we move into the second meeting.
13 COUNSEL STEWART: Yes. And so we are running
14 late. We have two contractors here for appeals hearing.
15 So if we could just stick to the ten minutes, that would
16 be great, guys.
17 (Recess was taken.)
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1 Mr. Chairman, Gus Nunez, for the record. We have the
2 meeting coming up the 24th and 25th. We're transitioning
3 from Denesa here in our office, who was taking care of
4 the Board needs with respect to making any client
5 reservations, hotel reservations for that meeting here
6 while you're here in Carson City. Hopefully -- she's no
7 longer with us here. Hopefully, you're all -- if you
8 still need someone to take care of flight reservations or
9 hotels, anything like that, please let me know right
10 away. And as you know, we have a meeting already. You
11 should have been notified that we were having a meeting,
12 I believe, September 8th, which would be when we come
13 back together to start -- the Board start deliberating on
14 their recommendation to the Governor. So if you still
15 have any needs, please either speak now or just call me
16 right after the meeting and let me know. We can -- with
17 travel or hotel reservations.
18 MEMBER TIBERTI: What kind of day is
19 September 8th?
20 ADMINISTRATOR NUNEZ: Pardon?
21 COUNSEL STEWART: September 8th is a
22 Thursday.
23 ADMINISTRATOR NUNEZ: And that meeting, we
24 can video conference north/south just like we're doing
25 today.

1 STATE OF NEVADA)
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3 CARSON CITY.)
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7 I, NICOLE HANSEN, Official Court Reporter for the
8 State of Nevada, State Public Works Division, do hereby
9 Certify:
10
11 That on the 16th day of August, 2016, I was
12 present at said meeting for the purpose of reporting in
13 verbatim stenotype notes the within-entitled public
14 meeting;
15
16 That the foregoing transcript, consisting of pages 1
17 through 75, inclusive, includes a full, true and correct
18 transcription of my stenotype notes of said public
19 meeting.
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21 Dated at Carson City, Nevada, this 24th day of
22 August, 2016.
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