

**CARSON CITY PARKS AND RECREATION COMMISSION**

**Minutes of the December 16, 2008 Meeting**

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A regular meeting of the Carson City Parks and Recreation Commission was scheduled for 5:30 p.m. on Tuesday, December 16, 2008 in the Community Center Sierra Room, 851 East William Street, Carson City.

**PRESENT:** Chairperson Donna Curtis  
Vice Chairperson Pete Livermore  
Commissioner Charles Adams  
Commissioner Tom Keeton  
Commissioner Steve Lasco  
Commissioner John McKenna  
Commissioner Sean Lehmann

**STAFF:** Roger Moellendorf, Parks and Recreation Director  
Scott Fahrenbruch, Director of Operations, Parks Division  
Vern Krahn, Park Planner  
Thorn Towler, Assistant Deputy District Attorney  
Darlene Rubin, Recording Secretary  
(5:31:51)

**NOTE:** A recording of these proceedings, the commission's agenda materials, and any written comments or documentation provided to the recording secretary during the meeting are public record, on file in the Clerk-Recorder's Office. These materials are available for review during regular business hours.

**CALL TO ORDER:** Chair Curtis called the meeting to order at 5:31 p.m.

**ROLL CALL AND DETERMINATION OF QUORUM:** Roll was called and a quorum was present. Commissioners James Smolenski and Todd Westergard were absent. Chair Curtis advised that Commissioner Smolenski was excused. Chair Curtis welcomed Mr. Sean Lehmann as the newest Parks and Recreation commissioner.

**CITIZEN COMMENTS ON NON-AGENIZED ITEMS:**

Ilona Strull, 1750 Wellington, Carson City, chairperson of Parks for Paws, a newly formed Carson City group, accompanied by the group's board of directors, asked to have placed on the agenda the matter of amending the City's master plan for a dog park area in Centennial Park. The group may ask for other areas in the future. Chair Curtis advised that the Commission had listed the matter of dog parks and whether the City would look into the possibility of having such an area in Centennial Park on the January 2009 agenda. She added that if Ms. Strull wished to add another item to that discussion to so advise the Commission prior to the January 2009 meeting.

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**1. ACTION ON APPROVAL OF MINUTES:** Commissioner Keeton moved to approve the minutes of November 4, 2008. It was seconded by Commissioner Adams and the motion carried 7-0.

**2. MODIFICATIONS TO THE AGENDA:** (5:36:01) Chair Curtis noted that there were many people present who had an interest in Item 5-A, regarding fees and charges for the Boldrick Theater, and its companion Item 5-B, the resolution concerning fees, therefore it would be best to hear that item first. Commissioner Livermore requested that Item 3-A (presentation of the U.S. Flag) be heard first and defer 3-B, C, and D to the end of the agenda as being more expedient. A brief discussion ensued with Chair Curtis determining that because of the presence of many individuals who were scheduled to speak, the agenda items would be addressed as follows: 3-A, 4-A, 5-A and B, followed by the staff updates and the remainder of the agenda.

**3. STAFF UPDATES - DISCUSSION ONLY - NO DELIBERATION**

**A. Presentation of United States Flag and certificate of authenticity for the Carson City Fairgrounds.** (5:38:12) John P. Copoulos donated a United States Flag that had been flown over the U.S. Capitol to the Rodeo Fairgrounds. He advised that although the flag was slightly smaller than what the flagpole would accommodate, even if only used ceremoniously for the opening of the fairgrounds for its first event, it would be worthwhile. He read the Certificate of Authenticity from the U.S. Government into the record: *“The flag of the United States of America. This is to certify that the accompanying flag was flown over the United States Capitol at the request of the Honorable John Ensign, United States Senator. This flag was flown for the Carson City Parks and Recreation Department on the occasion of the opening of the new Rodeo Fairgrounds for Carson City, Nevada.”* Chair Curtis thanked Mr. Copoulos and remarked that there would most probably be a ceremony at the time the flag was flown at the fairgrounds.

**B. Linear Park and Moffat Open Space Property pathway paving project.**

**C. Mexican Ditch Trail bridges project.**

**D. Governors Field landscaping projects.**

**4. NON-ACTION ITEMS - DISCUSSION AND PRESENTATION ONLY ((5:40:08)**

**A. Discussion only regarding Metcalfe Builders, Inc.’s Project Cost Estimate for the Proposed Indoor Recreation Center located on the Boys and Girls Club of Western**

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**Nevada's property at Northridge Drive and Russell Way, including options for additional funding.** Roger Moellendorf opened the discussion by stating that he would go over the staff report and cost estimates and then open the subject up for discussion and input from the commissioners. He recalled that at the Parks and Recreation Commission (PRC) meeting on November 4, 2008, staff presented the conceptual site and building plan for the proposed Indoor Recreation Center. There were no cost estimates attached at that time. The PRC made a motion to recommend the plan to the Planning Commission (PC) and the Board of Supervisors (BOS). This Wednesday at 4:30, the Recreation Center Special Use Permit would be heard by the PC. Mr. Moellendorf also reported that at the BOS meeting on November 20, 2008, the project architect Brent Tibbits presented the conceptual master plan for the Recreation Center. During that time Metcalfe Builders (MBI) and Jonathan Young had been working diligently on developing cost estimates for the project.

Mr. Moellendorf added that as they had explained when presenting the conceptual master plan, the project was being looked at with two main options. First, the base option which included about a 35,000 sf facility that included: a double gym, child care, lobby, administrative offices, front desk area, locker rooms, restrooms, family locker room, aerobic studio, party room, climbing structure, fitness room, and an elevated walking/jogging track. The second option would be adding "add alternates" to the bid, an option referred to as a "build-out option" that included: the auxiliary gym, an extra gym, and a splash pad in addition to the base project. That increased the square footage to 40,380. The cost estimate received from MBI was broken down as follows: Option A (base option) \$11,164,127.00 which equated to \$316.78 per square foot. Option B (the "build-out") was \$12,177,413.00 which equated to \$301.50 per square foot. The two add alternates come in at: auxiliary gym \$736,000.00 and the estimated cost for the splash pad was approximately \$277,000.00. All estimates included the site development estimate of \$1,472,170.00 which covered the site development over seven acres, averaging \$4.66 per square foot. Those figures were embedded and included in both Option A and B.

He reported that the Finance Department had determined that the cash on hand for Question 18 Quality of Life Funds for this project was \$6,976,023.00. In addition the Finance Department had estimated that the Parks and Recreation Department's bonding capacity for the Quality of Life revenues was about \$1.5 million. That was significant because in 2006, when this project was being put together, they were counting on being able to bond about \$3.2 million. A year prior to that they had the ability to bond \$3.5 million. In 2004, they had actually bonded with Question 18 about \$5.2 million. Understandably, the bonding capacity was directly proportional to what was happening with the cities', states', and the nation's economy. As sales tax revenues decreased the bonding capacity decreased as well. At this point they only would be able to bond about \$1.5 million. That left the funding shortage for Option A at about \$2.6 million and the shortage for Option B at about \$3.7 million.

Given that situation, Mr. Moellendorf brought forth several options to consider. Options could include either postponing the project until the economy turned around and the bonding capacity became more favorable. Correspondingly, however, costs may rise. Next, reduce the project scope; originally when

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discussing a combined project with Western Nevada College it was envisioned to be a 60,000 sf facility. Presently, the concept was for a 35,000 or 40,000 sf facility, so the scope had been reduced already. Another possibility was phasing the project, which was difficult to do with the building itself, but perhaps some of the site improvements could be phased in, or phase the options of the base option or the build out option. Finally, to try to acquire additional funding. Some of the options covered in the staff report attached hereto and made a part hereof by reference included: (1) downscale the project by eliminating the add alternatives and value engineering the rest. By eliminating the add alternatives they were still about \$2.7 million short. Value engineering on the 35,000-40,000 sf building could only go so far, and if one looked back at the presentation of the conceptual plan of the building, there was not a lot of "fluff" or adornments. It would be difficult to value engineer the building much more than had been done already, without sacrificing the integrity of the project. However, it was still an option to consider.

Another option would be overall value engineering the project including the site work. The question then would be would they have to develop/landscape all seven acres of the site, could that be phased in or reduce some of the structure included in that plan. Much of that site work was allocated to the parking lot. Another option included in the site work would be to reduce or phase in some of the landscaping. Still another option would be to look into extending the 1998 bond for the Aquatics Facility for another ten or more years. Mr. Moellendorf had discussed with Nick Providenti, Finance Director, and he did not think there was much money there; perhaps only a couple hundred thousand dollars to one-half million. One more option would be to defer some of the additional site work costs to the Boys and Girls Club (BGC). The project as envisioned, the City would be developing almost 90 percent of the site. They were looking at parceling the site into four parcels A through D, with a small portion of A being retained by the BGC. One thought was to go back to the BGC and negotiate that parcel system and increase the size of parcel A so that they would have the responsibility of more of the site work.

Yet another option would be to encourage the BOS to enact the 1/8 cent sales tax. The BOS have that ability and authority to enact that additional tax for this type project. It could be used for the Recreation Center and other public works projects. A further option would be to investigate the opportunities that may arise from the "Federal Stimulus Program" that was rumored and being formulated. One additional consideration was to explore grant possibilities for the splash pad, for example, or for other facets of the project. There were not many grants available for recreation facilities, but there was a CDBG (Community Development Block Grant) administered by HUD (Housing and Urban Development) that may be possible for one phase of the project for which the splash pad may qualify. It was a competitive grant and several applications were being submitted. The grant amount was about \$300,000.

Mr. Moellendorf invited comments and discussion.

Jonathan Young, Metcalfe Builders, Inc., (MBI) accompanied by colleagues Tom Metcalfe and Paul Brazeau, informed that the City had tasked them with the oversight of the recreation center of approximately 40,000 sf on seven acres at the corner of Russell and Northridge. The goal was to deliver

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an efficient and durable structure that could qualify as legacy status for the City. In conjunction with V/C Architect, the product was on its way to becoming that status. Mr. Young said that at this stage they were developing budgets, numbers they were striving toward that would help in developing the whole financial picture of the product they planned on delivering.

Commissioner Keeton asked for an explanation of what that meant. Mr. Young explained that they were developing budgets based upon the phase documents as they came through from the architect, and based upon the very limited scope that had been provided to MBI, either on the 11x17 package or ten sheets of preliminary drawings. Mr. Keeton asked MBI's level of confidence the figures would hold up. Mr. Young said "fairly confident."

Tom Metcalf interjected that had he been asked a year ago he would have said prices were going up, however, in today's market with commodities and with the construction industry, he believed prices would go down. For example, one year ago the site work was estimated at \$7.00 sf, where today it was at \$4.60. In the last year oil prices had tumbled and asphalt prices had followed accordingly. The subcontractor market was highly aggressive and competitive. Numbers would continue to be aggressive, he said, for all of 2009. By 2010 costs would be up again, he imagined.

Commissioner McKenna asked about the "drop dead" date on decision for the project. Commissioner Livermore responded that the "drop dead" was for the convenience of the BGC. They wanted to open by June 2009, and for the rec center the completion date was scheduled for July 2010. If it was six months or a year later, it was not a problem. Mr. McKenna asked about doing a "bare bones" project and adding to it later on to where it was planned currently, was there a premium on that. Mr. Metcalf said there was a premium but it was hard to determine exactly; possibly 10 to 20 percent. However, it was not cost effective to phase a project in today's economy; the best pricing would come from packaging the whole project as soon as possible. Mr. Metcalf felt that the federal government would be giving stimulus projects; he was on the board of the Associated Builders and Contractors, and the State Public Works Board (governor-appointed) and they had been called by the federal government asking if they had plans ready to build as they would like to give them money. Mr. McKenna said it would be best to build the project they wanted when they could afford it and worked hard to find the money.

Chair Curtis added that the committee that had been meeting every other Wednesday to discuss the project included City staff and Park staff and others, and they had been in a quandry at the last meeting because they were talking about getting a permit for the site preparation. The question was, did they start prepping the site if it was unknown whether they could build on it. Until they had some idea of how the project would be funded they did not know which way to go and they were hoping for ideas at this meeting. Mr. Moellendorf noted that currently they were at historic lows as far as building costs. If that economic stimulus package began a lot of contractors would be busy overnight. There would be a lot of projects out there and if this one was not one of those, the costs could escalate quickly and the favorable bidding climate may be lost, so that was another quandary.

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Commissioner Livermore noted that at the bi-weekly meetings Chair Curtis had mentioned, a discussion ensued about construction costs and it centered around the costs seen on the first page of the Staff Report, and those costs had not changed because of market conditions and in fact had been firm for many months. He said they recently awarded a bid on another project (Stewart Street extension) on which the engineer's estimate was \$5.9 million, the lowest bid was awarded at \$3.2 million (a 40 percent drop). The highest bid was 10 percent below engineer's estimate and there were 11 contractors bidding. He spoke about other bids and projects on which all were lower than engineer's estimates. He added that Jonathan Young had done a great job of trying to identify the project, the material used, and so on, to find the best value. Nevertheless, he wondered if it might be worthwhile to ask the contractors "what would you build this for if you had the job?" rather than getting into a competitive bidding process.

Commissioner Livermore reported that following reading of an article in which the City of Sparks had applied for a federal stimulus package for a community center, he had spoken to the Mayor and although he and City staff had already drafted a letter regarding a stimulus package, the Mayor called him today to say that he would write a second letter listing the Indoor Recreation Center as the City's number one project and requesting \$3.5 to \$5 million in federal funds. Nevertheless, Mr. Livermore felt it best to forge ahead, get the design finished, it was the right site, and even though there were "some kinks" right now regarding the ability to bond and fund, there may be other ways to do the project. At the rate the project was moving he felt it could be put out to bid in 90 days. Mr. Young said construction documents were due to be completed on March 1, 2009. Mr. Livermore encouraged the Commission to "hold firm" and allow things to take place. "It's all about optimism. . . This community has been waiting for this rec center for many, many, years and I'm not about to give up on it. . ."

Tom Metcalf said that Commissioner Livermore was correct that projects were coming in lower than engineer's estimates. One such was at UNR that went from \$66 million to \$56 million. He cautioned that one of the benefits of hiring a construction manager (which MBI was for the City of Carson City), was that their numbers were more current. He further agreed with Commissioner Livermore to let them finish the plans and get to the point where they can present a budget on which all could work together and which would be very close to what it would bid out at.

Commissioner Sean Lehmann said that he and others did believe it was a "buyer's market" presently, and he asked if the project would go to a competitive bid. Tom Metcalf said MBI was the City's "owner's reps," its construction managers. He cited several instances with other City agencies. Commissioner McKenna said it was "a great way to build" based on his experience with the school district project.

Commissioner Lehmann asked when the bids would be done. Mr. Young responded that once the construction documents were completed in March they would provide a final budget, at which point that would have some credibility based upon budget support from the community. At that point, Public Works puts out the packages to formal bid in accordance with NRS Statutes. Mr. Metcalf said it was up to the BOS and PRC when they went out to bid, but the goal was to have the bid documents and packages ready

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and have a bid budget ready that they could compare to once they went to competitive bid.

Chair Curtis commented that one of the things she had mentioned about reducing the project, for example by eliminating the splash pad even though that was not the most expensive item. However, in doing something like that, it was also eliminating a source of revenue that went for operating costs. The splash pad among other features in the project were ones that would produce revenue. If it was stripped too much they would have to turn to City subsidy to operate, or be unable to open the doors. She wanted to look at the entire project as it was presented and try to find all the money. Tom Metcalf agreed and pointed out that Mr. Moellendorf had said earlier that if Phase A was done at \$11 million, the cost was \$311.00 sf; if they added the alternate allowances the cost was \$301.00 sf, so it was less expensive per square foot to add the alternates than to do them later. He pointed out too, that the splash pad was one of the highest revenue generators for the project.

Commissioner McKenna asked if they went forward with the plans and come March 1 there was no additional money, what was the cost; could the plans be shelved for awhile, would anything have to be recreated later at more cost. Mr. Moellendorf said “no.” That had been one of the options, he said, to wait until a more favorable economic climate, when the sales tax revenue increase was generated, or when the bonding capacity increased. Mr. McKenna pointed out that when sales tax picks up costs would also go up. It was important to “lock people in at low cost” but not start the project until they were certain to have the money. He added that it was probably prudent to enter into the bid market within a few weeks’ notice. It was a risk, but not too onerous because it could be shelved and have to change the bid documents in September if that’s when it happened. Additionally, that “told the community that we are going to try to put money into this community, to get some people jobs, and perhaps that would help to turn things around. We don’t want to squander the taxpayers’ money, but we don’t want to be foolish and run the community down by not putting money that was sitting in the bank into the community.” Roger Moellendorf said that he made an excellent point. That was the direction that the Recreation Center Planning Team had been taking: let’s go forward with the project. But, he added, they wanted to bring the matter before the PRC to give an update on the challenges they were facing with funding.

Commissioner Keeton asked if when they bonded the \$1.5 million, how long was it for. Mr. Livermore said it was for twenty years. But they had not bonded all they could at the time, if they had done so they might have enough money now, but he was unsure if they would have been able to retire the bond, thus the City would have to be making up the shortfall. Mr. Keeton next asked that if they went for the \$1.5 million bond would that “empty the purse.” Mr. Moellendorf said “no.” Mr. Livermore interjected that about 14-16 months ago they could have bonded for \$3.5 million which would have given them close to the needed \$10.5 million. The economy went sideways and the bonding capacity went down as well. There would be a greater bonding capacity later on as the economy rebounded.

There was a general discussion about whether there would be money left over for other projects, or would it “tap out” Question 18. Mr. Keeton said they all knew the economy would rebound, but he just wanted

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to know if they were spending all the money. Roger Moellendorf said “Yes, in the short term.” There would be very little money left over for other projects; they would be bonding to the capacity of Question 18. This was one of the few projects, perhaps the only one, that was on the original ballot for Question 18 that had not been addressed. They had planned to bond up to that capacity from the beginning, but the problem was that they were a victim of the economy and their bonding capacity had deteriorated from \$3.2 million to \$1.5 million.

Commissioner Keeton pointed out that no matter what they would be short \$3 million and they wanted to settle it by March 1. He complimented MBI and said he trusted them and felt the figures were “pretty good” and without question now was the time to get bids from construction people. However, counting on a stimulus package, he felt, was something they had no control over. He did not believe in going into debt, or starting something when the money was not there. If they wanted to cut it back so it cost \$3 million less, he agreed they should get started. He added that he would “fight tooth and nail” against that 1/8 percent sales tax—“the people just voted they didn’t want it.” He did not agree with extending the bond on the pool. He added that it probably cut the million and a half bonding when they did the same thing since the money for the pool came from Question 18. Mr. Moellendorf said that one of the reasons the bonding capacity was reduced was that they had bonded \$5.2 million on 2004 and they were paying off some of the bond costs which diminished the bonding capacity.

**THE BUILDING WAS EVACUATED AT 6:19 P.M.**

The minutes of the December 16, 2008 meeting of the Carson City Parks and Recreation Commission are so approved this 6<sup>th</sup> day of January, 2009.

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DONNA J. CURTIS, Chair