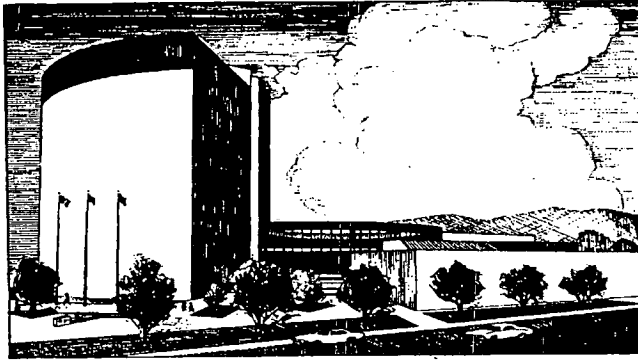




MINUTES

City of Las Vegas

CITY COUNCIL

COUNCIL CHAMBERS • 400 STEWART AVENUE • 229-6011 (VOICE) • 386-9108 (TDD)

SPECIAL CITY COUNCIL

Meeting of

NOVEMBER 1, 2004

INVOCATION
PLEDGE OF ALLEGIANCE

CITY COUNCIL

MAYOR OSCAR B. GOODMAN

COUNCILMAN GARY REESE
MAYOR PRO-TEM

COUNCILMAN LARRY BROWN

COUNCILMAN LAWRENCE WEEKLY

COUNCILMAN MICHAEL MACK

COUNCILWOMAN JANET MONCRIEF

COUNCILMAN STEVE WOLFSON

PRESENT

ABSENT

EXCUSED

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DOUG SELBY, CITY MANAGER
BRAD JERBIC, CITY ATTORNEY
BARBARA JO RONEUMUS, CITY CLERK

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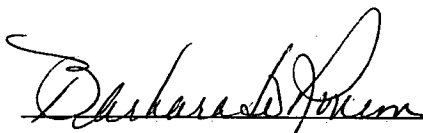
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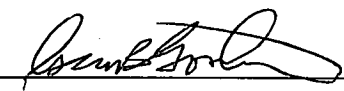
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APPROVED BY REFERENCE: March 16, 2005

ATTEST:


CITY CLERK


MAYOR

City of Las Vegas

**SPECIAL CITY COUNCIL MEETING
CITY MANAGER'S EIGHTH FLOOR CONFERENCE ROOM
400 STEWART AVENUE
CITY OF LAS VEGAS INTERNET ADDRESS: <http://www.lasvegasnevada.gov>
MONDAY, NOVEMBER 1, 2004
9:30 A.M.**

ALL ITEMS ON THIS AGENDA ARE SCHEDULED FOR ACTION UNLESS SPECIFICALLY NOTED OTHERWISE.

DUPLICATE AUDIO TAPES MAY BE AVAILABLE AT A COST OF \$3.00 PER TAPE THROUGH THE CITY CLERK'S OFFICE.

NOTE: CELLULAR PHONES ARE TO BE TURNED OFF DURING THE COUNCIL MEETING.

Facilities are provided throughout City Hall for the convenience of disabled persons. Reasonable efforts will be made to assist and accommodate physically handicapped persons. If you need an accommodation to attend and participate in this meeting, please call the City Clerk's office at 229-6311 and advise of your need at least 48 hours in advance of the meeting.

- CALL TO ORDER
- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW
- 1. Discussion and possible action on amendments to the Fiscal Year 2005 Capital Improvement Plan

CITIZENS PARTICIPATION: PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE CITY COUNCIL. NO SUBJECT MAY BE ACTED UPON BY THE CITY COUNCIL UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

City Clerk's Bulletin Board, City Hall Plaza, 2nd Floor Skybridge
Court Clerk's Office Bulletin Board, City Hall Plaza
Las Vegas Library, 833 Las Vegas Boulevard North
Clark County Government Center, 500 S. Grand Central Parkway
Grant Sawyer Building, 555 E. Washington Avenue

AFFIDAVIT OF MAILING

(Mailing required under the provisions of NRS Chapter 241)

STATE OF NEVADA)

) ss

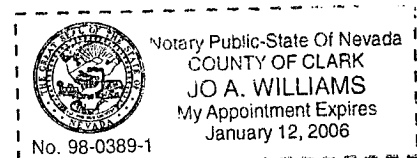
COUNTY OF CLARK)

Paula Clark, an employee of the City of Las Vegas, Nevada being first duly sworn, deposes and says that on the **25th** day of **October, 2004**, a copy of NOTICE, the attached of which is a true and correct copy of the Public Hearing – re: **Special City Council Meeting** to be held on the **1st** day of **November, 2004**, at **9:30 A.M.** was deposited in the United States Mail, Postage prepaid, First Class Mail, to each person and/or organization whose name appears on the list maintained in the Office of the City Clerk.

Paula Clark

SIGNATURE

City Clerk
DEPARTMENT



Subscribed and sworn to before me this

27th day of October, 2004

[Signature]
NOTARY PUBLIC in and for said County and State

 Notary Public-State Of Nevada
COUNTY OF CLARK
JO A. WILLIAMS
My Appointment Expires
January 12, 2006
No. 98-0389-1

CITY COUNCIL AGENDA

SPECIAL CITY COUNCIL MEETING OF: NOVEMBER 1, 2004

ALL ITEMS ON THIS AGENDA ARE SCHEDULED FOR ACTION UNLESS SPECIFICALLY NOTED OTHERWISE.

- CALL TO ORDER

MINUTES:

PRESENT: MAYOR GOODMAN and COUNCIL MEMBERS REESE, BROWN, WEEKLY, MACK, MONCRIEF and WOLFSON

Also Present: CITY MANAGER DOUG SELBY, DEPUTY CITY MANAGER STEVE HOUCHENS, DEPUTY CITY MANAGER BETSY FRETWELL, CITY ATTORNEY BRAD JERBIC and CITY CLERK BARBARA JO RONEMUS

- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES:

ANNOUNCEMENT MADE - Meeting noticed and posted at the following locations:

City Hall Plaza, Posting Board

Court Clerk's Bulletin Board, City Hall

Las Vegas Library, 833 Las Vegas Boulevard North

Clark County Government Center, 500 S. Grand Central Parkway

Grant Sawyer Building, 555 E. Washington Avenue

(9:32)

1-1

AGENDA SUMMARY PAGE
SPECIAL CITY COUNCIL MEETING OF: NOVEMBER 1, 2004

DEPARTMENT: FINANCE & BUSINESS SERVICES

DIRECTOR: MARK R. VINCENT

☐ **CONSENT** ☒ **DISCUSSION**

SUBJECT:

Discussion and possible action on amendments to the Fiscal Year 2005 Capital Improvement Plan

Fiscal Impact:

☒ No Impact	Amount:
☐ Budget Funds Available	Dept./Division:
☐ Augmentation Required	Funding Source:

PURPOSE/BACKGROUND:

Recent material shortages seem to be forcing construction bids higher. Cost estimators are responding by increasing contingency reserves in their estimates. Construction estimates are outstripping funding on several large projects, and action needs to be taken to re-prioritize projects authorized in the Fiscal Year 2005 City of Las Vegas Capital Improvement Plan, including the possibility of creating a reserve to cover bid overages.

RECOMMENDATION:

Staff recommendations will be held until the end of discussion.

BACKUP DOCUMENTATION:

Combined Verbatim Transcript

MOTION:

REESE - Motion authorizing staff to:

- **Reallocate necessary funding from the Alexander/Hualapai Park Fiscal Year 2005/2006 fund to supplement the budgetary shortfall which is hindering completion of the Fiscal Year 2004/2005 Capital Improvement projects with the understanding that in the event SNPLMA funding is available for reimbursement on the 2004/2005 projects, the reallocated monies would be reimbursed back to the Alexander/Hualapai Park fund.**
- **Establish a standard seven percent reserve for bid contingencies.**
- **Establish a Capital Improvement Bid Reserve Fund for the express purpose of covering bid overages with the amount of that fund and the spending policy of that fund to be determined at a future date by the City Council.**

- UNANIMOUS

MINUTES:

NOTE: A Combined Verbatim Transcript is made a part of the Final Minutes.

APPEARANCES:

OSCAR GOODMAN, Mayor
DOUG SELBY, City Manager
MARK VINCENT, Director, Finance & Business Services Department
LAWRENCE WEEKLY, Councilman
GARY REESE, Councilman
MICHAEL MACK, Councilman
STEVE WOLFSON, Councilman
LARRY BROWN, Councilman

SPECIAL CITY COUNCIL NOVEMBER 1, 2004
MEETING OF:

MINUTES - Continued:

ELIZABETH FRETWELL, Deputy City Manager
JOHN McNELLIS, Deputy Director, Department of Public Works
JANET MONCRIEF, Councilwoman
BRAD JERBIC, City Attorney
LARRY HAUGSNESS, Director, Field Operations
MELVIN HENKIN, Citizen

(9:32 - 11:21)

1-1

DIRECTIVES AND NOTES 11/01/2004 SPECIAL COUNCIL MEETING:

COUNCILMAN WOLFSON directed MR. VINCENT to contact Finance Directors in other cities that are similarly situated to Las Vegas to find out what their experiences have been regarding bid overage fund issues.

COUNCILMAN BROWN suggested that Council and Staff redefine the procedures for how CIP projects get onto the priority list and finding a prioritization process that accounts for Ward equity while acknowledging regional and community needs.

COUNCILMAN WEEKLY stated that he would like the Council members who sit on various committees to share any information regarding alternative funding methods that could be used in the more mature areas of town as an alternative to the grants that are the primary source for improvements and projects in his ward.

COUNCILMAN BROWN agreed with COUNCILMAN WEEKLY that staff must communicate with the Council more as far as the potential uses for SMPLMA dollars. Staff needs to become more creative in defining a priority list of potential SNPLMA funding events. Regarding project controls, he felt a detailed scope of projects should be defined early in the planning process and that scope must be adhered to throughout construction. COUNCILMAN BROWN concluded that the citywide budget process should be reviewed to find ways to become more efficient in generating dollars from the City's budget cycle.

MAYOR GOODMAN directed CITY MANAGER DOUG SELBY to draft a resolution to Council that would address the Bid Reserve Fund, project controls and procedures that would require better project definition and reduce the possibility of scope creep.

COUNCILMAN WOLFSON informed staff that he would like to participate in the planning aspect of the Tenaya Park project.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

Combined Verbatim Transcript – Item 1. Discussion and possible action on amendments to the Fiscal Year 2005 Capital Improvement Plan and Citizens Participation

APPEARANCE LIST:

OSCAR GOODMAN, Mayor

DOUG SELBY, City Manager

MARK VINCENT, Director, Finance & Business Services Department

LAWRENCE WEEKLY, Councilman

GARY REESE, Councilman

MICHAEL MACK, Councilman

STEVE WOLFSON, Councilman

LARRY BROWN, Councilman

BETSY FRETWELL, Deputy City Manager

JOHN McNELLIS, Deputy Director, Department of Public Works

JANET MONCRIEF, Councilwoman

BRAD JERBIC, City Attorney

LARRY HAUGSNESS, Director, Field Operations

MELVIN HENKIN, Citizen

(9:32 – 11:21)

1-1/2-1

1 hour 49 minutes

Typed by: Stacey Campbell

Proofed by: Angela Crolli

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

28 **MAYOR GOODMAN**

29 Ladies and Gentlemen, this Special City Council meeting of November 1st, 2004, is called to
30 order. The meeting has been properly noticed and posted in compliance with the Open Meeting
31 Law. Item Number one is discussion and possible action on amendments to the Fiscal Year two
32 thousand and five capital improvement plan. Doug? Dr. Selby.

33

34 **DOUG SELBY**

35 Good morning, Mayor and Council. Back in – the late nineties, ninety-eight, ninety-nine, the
36 City Council made the development of parks and recreational facilities and community centers a
37 high priority due to the deficit of those types of facilities in the City of Las Vegas. And, the high
38 demand for them as well. And, I think we've been very successful at building those, very, very
39 successful. Since that time, the Council approved expenditures of almost three hundred and five
40 million dollars to do these kinds of projects and as a result, we have acres and acres, hundreds of
41 acres of new parks. We have new recreation centers; we have new facilities throughout the City
42 of Las Vegas.

43 So, the Council's really supported us in getting ahead of where we were about five years ago.
44 Even this past year, in keeping with that priority, of the four hundred and four million dollars of
45 capitol monies that were allocated in the budget, a hundred and twenty six million of that was
46 designated for parks and leisure capital improvements. But, several things have happened since
47 that time that bring us here today. And, we're here to ask for your assistance in resolving some
48 of these – issues that deal primarily with the budget on the approved projects that we're working
49 on today. During the latter half of the summer, construction costs started to escalate. Not just
50 for our projects, but for all construction projects as prices for materials like steel and concrete
51 started to escalate. And, we started to see our project costs for projects under development for
52 the City increase twenty to forty percent in some cases. Now, some of – that cost increase is also
53 due to changes in scope, but, and more complexity to the projects. But nevertheless, it's –
54 caused us to come back to you and ask, today, for your assistance in defining exactly where our
55 priorities should set with regard to funding the projects that are currently, are on our list.

56 I asked the Finance Department, actually, to review all of the – project cost estimates in
57 coordination with Public Works and to – look at the adequacy of funding. Now, we briefed you

**SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004**

VERBATIM TRANSCRIPT

58 privately and told you that we were facing some real struggles. Fortunately, last Thursday, there
59 was an announcement by BLM secretary, Gale Norton, about the release of some Tier Two
60 funding and that specifically is going to help our deliberations today with you because it will
61 help to fund one of the key projects, Centennial Hills. And, you'll hear more about how that will
62 factor in from Mark Vincent. But, even with that funding, our ability to define and set project
63 scopes and accurately estimate their costs is really essential to our future success in the Capital
64 Improvement Program not just today, but in the future. And, we'll probably never, as you know,
65 never have enough money to build all of the things that our constituents and residents are
66 expecting and hopeful for, so, we really have to do our best to maximize what we have in terms
67 of resources, how we spend them, make sure that we're as efficient as we can in getting the most
68 that we can from our dollars. So, if time permits, after Mark Vincent's presentation this
69 morning, I'd like to share with you some thoughts about how we need to take a closer look at our
70 process of Capital Improvements in order to avoid having to have special meetings after the
71 budget's been approved to deal with cost escalation issues. So at this point, I'd like to ask Mr.
72 Vincent to give you a brief presentation, after which, we'll ask for your assistance in doing some
73 prioritization.

74
75 **MAYOR GOODMAN**

76 Thank you very much. Mr. Vincent?

77
78 **MARK VINCENT**

79 Thank you, Mayor. Thank you, Mr. Selby. What I was hoping to accomplish today is perhaps
80 three things, I think Doug's talk, touched on, and one of the issues that – we've been struggling
81 with since the summer is that because of the escalation of – pricing and materials, we've been
82 seeing some rather significant reserves in the estimates, anywhere from fifteen to almost – fifty
83 percent. And, what that does is when we have estimates, construction estimates that have that
84 kind of reserve built into them, it ties up funding. Now, obviously it's funding dollars we can't
85 use elsewhere so the first thing we'd like to do today is try to establish a – Bid Reserve Fund, if
86 you will, so that we can strip down the – potentially, possibly, inflated reserves in those

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

87 individual estimates and create a reserve to deal with those actual bid overages when we get the
88 actual bids in. So, we'd like to deal with that.

89 The second issue we'd like to deal with today is what we're facing with Fiscal Year '05. And, as
90 Dr. Selby mentioned, some of this may have been mitigated as a result of Secretary Norton's
91 announcement Thursday, might make our process a little easier today. But that kind of brings us
92 into the third thing that Dr. Selby mentioned. If we have time, perhaps we could begin a
93 dialogue about where we need to go in the future so that these sorts of issues don't come up
94 again.

95 When we talked in our briefings, we talked about where we stand with Fiscal Year two thousand
96 and five, and by the way, just to touch on something that Dr. Selby says, we have been very, very
97 successful, obviously, in our Capital program. Mr. Selby mentioned three hundred and, almost
98 three hundred and five thousand dollars in funding that we've spent since 1999. That actually
99 accounts for four hundred and sixty two acres of parks since 1999. Three hundred and thirty one
100 of those acres was, were built prior to two thousand and five and in two thousand and five we
101 have another hundred and thirty one thousand, hundred and thirty one acres, excuse me, hundred
102 and thirty one acres coming on line.

103

104 **MAYOR GOODMAN**

105 Can you do that again? Do we have that in our material?

106

107 **MARK VINCENT**

108 You do not.

109

110 **MAYOR GOODMAN**

111 Could you give us that one more time, please?

112

113 **MARK VINCENT**

114 From ninety-nine to two thousand and four, we have brought online three hundred and thirty one
115 acres. And, for two thousand and five, we're anticipating bringing on another hundred and thirty
116 one acres. That's a total of, if I did my math correctly, four hundred and sixty two acres. That

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

117 relates to the three hundred and five million dollars that Dr. Selby mentioned that we've –
118 allocated for parks since 1999.

119

120 **MAYOR GOODMAN**

121 Thank you.

122

123 **MARK VINCENT**

124 So, we have been very successful and – tongue in cheek, maybe a little to successful. For Fiscal
125 Year '05, on the fund balance, state law allows us to augment any fund balance from the prior
126 year that exceeds what we budgeted we would open the year with. Kind of a technical thing but,
127 the bottom line is, we have about nine point nine million dollars that's available from last fiscal
128 year's operations that's available for augmentations. When we met last April and May, we
129 established a commitment to the leisure center, Centennial Hills Leisure Center, of six million
130 dollars to make that project whole, in addition to the bonds that we also sold about a month ago.
131 Since that time, we've had activity that's happened, we've had some VSP payments we've had
132 to make, those would result in some vacancy savings so that's a net savings. We've done
133 numerous things, one of which is, we've gotten direction to start with Phase I of the new
134 Corrections Officers for Detention, we've had a settlement with the LVPOA bargaining unit,
135 that's gonna increase costs by six hundred thousand this year, in two thousand and five. And,
136 we've had numerous other things that we've had to deal with.
137 So, the bottom line is, things look balanced if you will for what this nine point nine million will
138 do. We'll be able to make – our commitment to the Centennial Hills Leisure Center and that's
139 the important thing.

140

141 **COUNCILMAN WEEKLY**

142 Question?

143

144 **MARK VINCENT**

145 Yes, Sir?

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

146 **COUNCILMAN WEEKLY**

147 Others, you said, numerous other things, like what?

148

149 **MARK VINCENT**

150 For example, the Public Employees Pension Benefit Plan is gonna cost us about two hundred and
151 eighty thousand dollars this year for the State Retiree Health Plan. We got direction to establish
152 a revolving fund for Neighborhood Services for loan acquisition, for land acquisition. That's a
153 half a million dollars. We have a shortfall in the Municipal Court AA, in Administrative
154 Assessment and construction assessment fees, of about a hundred and thirty-two thousand
155 dollars. We've had impacts on new parks. When we bring that four hundred and sixty-two acres
156 of parks online, it requires maintenance and operations and Marshals. The acreages that we're
157 bringing on this year, we anticipate that's going to cost us about six hundred, a little over six
158 hundred thousand dollars in additional maintenance costs this year. And, we're also anticipating
159 a shortfall in the Municipal Golf Course operations of about -- a half a million to six hundred
160 thousand. So, when you add all those things up, that's what all these uses amount to right here.
161 That's where we stand. Again, when we talked a little bit about these bid reserves, I think Doug
162 mentioned we've had some significant reserves. The good news is, is that we are hearing,
163 although we haven't put any bids out recently to verify this, but we are hearing that some of the
164 materials prices are coming back to reason. We understand concrete prices may be coming back
165 to normal. Nonetheless, we think it's still a good policy to establish some kind of a bid reserve
166 because the alternative that is that one of two things will happen. We'll continue to -- put twenty,
167 thirty percent reserves on these projects so that the -- bids are covered, which is gonna tie up
168 needed resources for other projects that have yet to be funded or, the other thing is if we don't
169 provide adequate reserves and the bids come in high, we won't be able to proceed with the
170 project. And, that would be equally a bad thing. So, the concept here that we came up with is, as
171 we went through the estimates that were prepared by --our Public Works folks, we identified all
172 the reserves and we removed all the reserves that were, we could identify and in its place, we put
173 a seven percent reserve. So, all of the, which -- is which in a, in normal times is an adequate
174 reserve for bid contingencies and -- other issues that may come up. We think a seven percent
175 reserve is an adequate reserve.

**SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004**

VERBATIM TRANSCRIPT

176 But, knowing that we face a little bit of uncertainty with some of the materials costs, we came up
177 with the concept of establishing a reserve pool that we could use if a bid does come in higher
178 than that seven percent reserve that we've established in the estimates.

179 So, with that, what we did was we identified, we've -- already, as is our policy, we've already
180 closed out numerous projects and there's about three million dollars in funding that's available
181 right now.

182 We have these projects here that -- we are in the process of closing out, we haven't closed them
183 out yet but, we anticipate we'll close those out this year. That's another five million that would
184 bring us up to a five million dollar balance, the three million that we already have plus the two
185 million we'd be closing out.

186 We're also suggesting that there are some projects that maybe we could defer. Some duct work,
187 jail/court sprinkler system that's pending, the move to the Regional Justice Center, HVAC at the
188 Senior Center, Fire Station 6 remodel and the remodeling of the racquetball courts at Minker to
189 office space. That's about seven hundred and eighty eight thousand dollars. And then there's a
190 list of projects down here that we're actually proposing elimination. Some of these have been
191 funded, funded for a few years and -- nothing's happened and in some cases, we've already done
192 other mitigation, mitigating work that's solved these problems. Or, we've been provided the
193 tanks in the case of C & G Fueling.

194 So, if we could move on these items and get your approval, we would establish about a six point
195 three million dollar bid reserve that would only be used if a bid came in higher than our
196 estimates. It would not be used to expand scope or -- if there was a issue with the design of
197 something in the course of finalizing the design or actually through the bid process, we would
198 not touch this money for that. This would only be for when the actual bid comes in higher than
199 our estimate, if that makes sense. So, I guess what I'm soliciting, some comments back as to
200 whether or not Council feels that the establishment of this reserve at this level might be a good
201 idea?

202

203 **MAYOR GOODMAN**

204 You ask for comments at this time?

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

205 **MARK VINCENT**

206 For this item, yes.

207

208 **MAYOR GOODMAN**

209 Okay, fine. I'd – like to ask about the seven percent reserve, you say in normal times that's
210 adequate?

211

212 **MARK VINCENT**

213 Yes.

214

215 **MAYOR GOODMAN**

216 I don't know what normal means, to be quite frank with you. I don't know whether we're in
217 normal times now and that's why we're having this meeting or times could ever be designated as
218 normal. And, whether or not the seven percent is based on a rational criterion or whether it's
219 something that just feels right.

220

221 **MARK VINCENT**

222 I think historically in our – when we go out to bid on a – project, historically a seven percent
223 contingency has – been sufficient in the past. And we, in some cases we've been, we've had
224 situations where it's not been enough but, historically, the seven percent reserve has been a good
225 reserve.

226

227 **MAYOR GOODMAN**

228 Have we had the reserve or, do we have at this meeting today?

229

230 **MARK VINCENT**

231 Well in fact, the problem we're having in here, Mayor, is that the reserves that we're seeing on
232 the estimates are far in excess of seven percent. They're coming in at thirty, thirty-five, forty-
233 five –

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

234 **MAYOR GOODMAN**

235 No, and I appreciate that, that's the reason why I wonder whether seven percent is an appropriate
236 figure because we're way over that at this point and time. And, as I say, I don't know whether
237 this is a normal time.

238

239 **MARK VINCENT**

240 But I don't – have any evidence other than one project that we – did bid this summer. I don't
241 have any evidence yet, but the price, prices of materials is still warranting that kind of reserve.

242 In fact, again, we've heard through the Building and Safety Department that the price of –
243 concrete, for example, is now back down to the levels it was prior to. So, you know, obviously I
244 can't answer that question perfectly until we put out a bid and get a – put out a package and get a
245 bid in and then we know for certain. But, I think based on what we're experienced so far and
246 what we've heard about what's happening in the market, I, I'm thinking that this, oops, excuse
247 me, I'm thinking that this six million dollars is gonna be, should be adequate. And, of course, all
248 it would take would be a large bid overage on a large project obviously would consume that. But
249 we don't have, we really only have one large project looming on our horizon for Fiscal Year '05.

250

251 **MAYOR GOODMAN**

252 Okay, thank you. Any other questions at this time on CIP –

253

254 **COUNCILMAN REESE**

255 – Yes.

256

257 **MAYOR GOODMAN**

258 – bid reserve?

259

260 **COUNCILMAN REESE**

261 Yes.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

262 **MAYOR GOODMAN**

263 Yes, Mayor Pro Tem?

264

265 **COUNCILMAN REESE**

266 On this here, okay, are we gonna be able to continue this amount of reserve from year to year or
267 is this just something that we're looking at as a temporary fix?

268

269 **MARK VINCENT**

270 I'm – thinking that – this – concept is something we want to carry forward from year to year.
271 I'm not sure, and again the Mayor brought up a very good point that sometimes we have to be
272 adjustable, that we have to adjust to what we see happening in the market. I'm – thinking that
273 somewhere in the neighborhood of five million dollars would be a good target to have. And I,
274 the other, the, my other thought on this is – over time we'll get some better experience and we'll
275 know whether or not that five million's enough or not enough.

276

277 **COUNCILMAN REESE**

278 So, then what you're asking for, this six point, six million point three is that it's just going to be a
279 temporary, we won't be looking at this next year or whatever. That this could be used up in
280 projects between now and next July.

281

282 **MARK VINCENT**

283 And, I would say that when we come back with the budget for next – May that we would – in
284 fact come back with some form of bid reserve. If we didn't – need any of this six million, we'd
285 carry the, we'd carry that over as reserve. But, if we used four million of that six million then we
286 would probably come back in May and suggest that that reserve be brought back up to some
287 reasonable level.

288

289 **MAYOR GOODMAN**

290 Carry over reserve for what though?

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

291 **MARK VINCENT**

292 For – bid overages, for issues where the actual bid that we, to, if – I –

293

294 **MAYOR GOODMAN**

295 In other words, we're not create, I – want to be sure we're not creating a rainy day fund, so to
296 speak. But this is actually a bid –

297

298 **MARK VINCENT**

299 No.

300

301 **MAYOR GOODMAN**

302 – reserve fund.

303

304 **MARK VINCENT**

305 No.

306

307 **MAYOR GOODMAN**

308 And, if in fact it's not utilized, then the monies would go back into our Capital Improvement
309 Projects.

310

311 **MARK VINCENT**

312 Yes. And – in essence what we're saying is that it's, it would not be a rainy day fund, it would
313 just be a bid reserve fund. And what I'm suggesting is that – we would monitor this and report
314 back to you obviously what we had to –

315

316 **COUNCILMAN REESE**

317 I – I'm confused then because I – I'm looking at plans five years from now if – we have a project
318 that is, the bid comes in is too high, we don't have enough money appropriate for that, then we'd
319 be able to use some of this money to – finish – that project.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

320 **MARK VINCENT**

321 That would be the concept, correct.

322

323 **COUNCILMAN REESE**

324 So that's what I'm saying. This – is not just to, and in – fact it is a rainy day fund.

325

326 **MARK VINCENT**

327 No, because I wouldn't call, well we're probably, terminology is what we're struggling about.

328 And – my, in my use of the word, a rainy day fund is a fund that a government would establish

329 for economic downturns and it would be to allow operations to continue at the same level.

330 That's not what we're talking about here. What we're talking about here is a small reserve that

331 would deal with when a projects, when a bid on a project comes in more than what we had

332 allocated in funding, that rather then stop the project or come back with a Council item to find

333 funding, you know, reality of funding, that we would – use this reserve to keep that – project

334 going.

335

336 **COUNCILMAN MACK**

337 Your Honor?

338

339 **MAYOR GOODMAN**

340 Yes, Councilman.

341

342 **COUNCILMAN MACK**

343 I think it's prudent that we have a – bid reserve on any project and I applaud you on that. But, I

344 think we need to take a good look at the way the whole process is being managed. And I know

345 that, Doug, we've had conversations about that as well, I know on many projects, and I can look

346 down the dais, that we have all seen, that bids are over – budget, there's tons of change orders.

347 We have a architect that we were, we have architectural services that we're outsourcing.

348 Millions of dollars are going out to – that front. We have the in-house management, Department

349 of Architectural Services, and they just don't seem to line up. I know I can just go to like, down

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

the line, I know all of my colleagues have had these problems with projects not being engineered properly. Councilman Brown has a problem out at Buffalo/Washington where grass is not lining up, and, you know, there could be a problem with some, the way that it was engineered. So, I think we need to look in-house. I know there's millions of dollars probably that are wasted; I shouldn't say wasted but not done efficiently. So, if we could look at how we line up our in-house and out – of the house architectural services.

The second thing I see is, we got some big projects here, one of them it happens to be in Ward 6 is the Centennial Hills Community Center. We're not talking about five million or three million; we're talking about fourteen million dollars. And, I have a hard time grasping that number because the scope of the project hasn't changed all that much. But, I – hear what you're saying as far as there's some hard costs that have escalated. But the scope hasn't changed. And, then we'll get into the project and I'm sure there'll be some changes. And, it goes back to what I was saying originally; can't we nail down those costs and – stay within that range without all those change orders?

MARK VINCENT

Councilman, you're – jumping a little bit ahead of me but – I, we do want to come back and address what you're saying and – I do hear what you're saying. That if – we could better define what the projects were and stick to that scope as we go out in the – design process, and then ultimately in the bid process, then – this would only be driven by market conditions. It wouldn't be driven by any confusion that – we create internally amongst ourselves. And so, again, over time, my sense is this year, I'm not real comfortable with what – happened this summer and next year maybe a bid re, excuse me again, maybe a bid reserve of something considerably smaller than that would be more appropriate, and we could look at that at that time. But, right now, if I don't establish any bid reserves then what it'll happen is when we go out to bid, if the project comes in higher than we had estimated, then the project stops and I can't go forward. So, this allows us not to have to stop a project after we've gone through the process of putting the – bid on, – the contract out in the street for bids. That's all this would do.

**SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004**

VERBATIM TRANSCRIPT

378 **COUNCILMAN WOLFSON**

379 Mayor Goodman?

380 **MAYOR GOODMAN**

381 Yes, Councilman Wolfson.

382

383 **COUNCILMAN WOLFSON**

384 Thank you. Mark, have you looked at what other cities or municipalities that are similarly
385 situated to Las Vegas, as far as size and growth wise, and what they do? Do they have a similar
386 type of bid reserve that they've established?

387

388 **MARK VINCENT**

389 Councilman, I'm sorry to say I have not. I'm not aware of anybody else that would take this
390 approach although I – my guess is some people do. That is not a – an unreasonable approach to
391 take in times where it's difficult for the cost estimators to predict materials cost. This is not an –
392 uncommon approach to take. And again, maybe it's something that we don't worry about so
393 much in future years if the markets stabilizes for materials but, right now, this is the only thing I
394 can think of to keep us going so that we don't run up against the wall with a bid that's
395 considerably more than we had funded for –

396

397 **COUNCILMAN WOLFSON**

398 Sure, and – I certainly understand the concept, I'm just wondering if it would be prudent to make
399 a few phone calls to other cities similarly situated to talk to their counterparts, if you will the
400 Mark Vincents in other cities like ours, to see what they do, if anything, and if they've had
401 experience at this and what their experiences would be or have been. And, maybe we could
402 learn from that as well.

403

404 **MARK VINCENT**

405 I certainly can do that.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

406 **COUNCILMAN MACK**

407 It seems – to me that we are quite unique in this country; most cities aren't building these types
408 of facilities, aren't flush as we have been, fortunate as we've been. If they get one project out a
409 year, I would think it would be a blessing. So, we have been fortunate in that sense.

410

411 **DOUG SELBY**

412 Mayor? Maybe I –

413

414 **MAYOR GOODMAN**

415 Yes?

416

417 **DOUG SELBY**

418 – could put this in a context of; think about all these projects as part of one big program of
419 projects. Each project, is, it's been established to date, has it's own reserve built in and it's a
420 result of us not being able to give you really good numbers back when you set the budget for
421 these because we don't exactly have a good project definition. To get to Councilman Mack's
422 point, this is part of the recommended change to the process but, as a result of not knowing
423 exactly what that project's gonna look like, we throw a number at it, we ask you to approve that
424 number and oft times, that number's too low. And, that's what brings us to meetings like this.
425 But what – we'd like to do is instead of, because of those unknowns, is throwing a whole bunch
426 of extra money into each project, is to put that, a smaller amount of money into a program
427 reserve that can be drawn on to cover those kind of unforeseen things that happen along the way
428 of the project. And, but it – has to happen in conjunction with tighter project controls and a
429 tightened up system of construction.

430

431 **MARK VINCENT**

432 Yeah.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

433 **COUNCILMAN WEEKLY**

434 My question would be, with the existing projects that are not completed as of yet, we have the
435 six point three million in – reserve, how do you determine how much money a certain project can
436 draw down from this? Because there are some projects now that are on the table that could suck
437 that up just like that. One project.

438

439 **MARK VINCENT**

440 Well, Councilman, I – the best way I can answer that is when we get to a – you know,
441 construction documents, when we've got to the point where – we know what it is we want and
442 we've designed it and it's – construction value documents, we estimate what that construction
443 cost is going to be and we – would add a seven percent reserve to that for variations in the
444 market. When would I dip into this? It would be based upon if the bid comes in at a hundred
445 and ten percent above what we had original estimated, we would, and we already at, if – we
446 estimated a hundred and seven percent and the bid comes in at a hundred and ten, well that – two
447 percent increase is gonna represent a dollar number. Obviously on a, you know, for a simple ten
448 million dollar project a – one percent differential on a – one million dollar project's going to be,
449 if I do my math right, a – hundred thousand dollars. And so we would dip into here by the extent
450 of that hundred thousand dollars. And that's – really, it would, and it would happen based upon
451 the – schedule of when the bids go out in the street and when – the packages go out in the street
452 and when the bids come in and we – make award. It's possible if, as you pointed out, if we, if
453 something happens and our bids are way low or the market goes crazy, getting materials costs
454 too much that that might not be enough. And, when that's not enough, then we have to stop, I
455 can't go forward on the – next contract that's short based upon – a high bid.

456 The – other thing that we talked about at one time, Councilman, is that sometimes our desire to –
457 get these projects done timely and as quickly as possible, because obviously it serves a need in
458 the community, sometimes our desire to get them done quickly, drives the cost of these things.
459 We've seen a situation where we've actually put out bids where we shorted what we thought was
460 an appropriate construction period to a much shorter, we – reduced the proposed construction
461 period by twenty two percent in one case. That's gonna do nothing but drive the cost up. And
462 so, we need – to be cognizant of the fact that sometimes it's better off to wait. If we had let this

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

463 project two months ago when concrete was where it was at, it would be a whole other, it
464 wouldn't be a problem, much bigger problem. So, timing sometimes is everything and
465 sometimes it pays to be patient. And, that's the other thing we need to consider too, in our
466 processes.

467

468 **MAYOR GOODMAN**

469 Councilman Brown.

470

471 **COUNCILMAN BROWN**

472 Thank you. And on that point, there's a flip side to that idea. When we phase projects, when we
473 wait for projects, historically, the prices just go up. So, that – would be saved for another time
474 but, to – pick up what Councilman Weekly said, the reserve, regardless of what the number is, do
475 you envision any parameters on the reserves so one big project doesn't knock it out versus a
476 percent, perhaps a percentage or –

477

478 **MARK VINCENT**

479 I guess – I'd be – looking for some guidance from you in that. I have thought a little bit about
480 that. Obviously it would depend on the project, a forty million dollar project's a lot different
481 than a five million dollar project. And so, I would think perhaps some kind of a percentage, if
482 Council would give staff discretion that we would be allowed to use this money to the, up to a
483 certain percentage, and beyond that we would perhaps have to come back to Council for
484 Council's approval would make, would perhaps make some sense.

485

486 **COUNCILMAN BROWN**

487 I'd – certainly support that – portion of it. The – numbers here, this would be existing money
488 today, this six point three?

489

490 **MARK VINCENT**

491 Yes.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

492 **COUNCILMAN BROWN**

493 And, do we have a number on an anticipated projects that will be bid for the remainder of this
494 Fiscal Year?

495

496 **MARK VINCENT**

497 I do on one of the next slides.

498

499 **DOUG SELBY**

500 Mayor?

501

502 **MAYOR GOODMAN**

503 Maybe it would be best if, to put this in the context of the rest of the presentation, let Mark –

504

505 **MAYOR GOODMAN**

506 Oh, I think so –

507

508 **DOUG SELBY**

509 – continue and then – come back to this issue.

510

511 **MAYOR GOODMAN**

512 – and I agree with that because Mark indicated he wanted to hear some input but – our
513 recommendation is that we listen to the entire presentation and then we take some action at the
514 end of the discussion. I was just going along with Mark's desire there. You got what you
515 wished for my friend.

516

517 **MARK VINCENT**

518 Yep, yep, I should learn shouldn't I? What Dr. Selby mentioned, he asked us to take a – look at
519 it, we – think we share with you a full list. We looked at not only parks projects, but City facility
520 projects, Detention projects, Fire & Rescue projects. There were ninety-four projects identified
521 in our capital project plan. EAC stands for Estimate At Completion, which is our, of course, our

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

522 estimate of cost, our best estimate of the cost. And, that includes just a seven percent
523 contingency. We basically went in, as I said before, we removed all the other contingencies if
524 they were in excess of seven percent and – we just put a seven percent contingency. That's the
525 funding shortfall that we're looking at with respect to that estimate at completion.

526 And, oh by the way, just – for a footnote purposes, our operations, maintenance and utility costs
527 related to those ninety four projects is gonna be about eight point three million dollars annually
528 and that's recurring and escalating over time.

529 What we found when we looked at the entire list of ninety four, because we certainly didn't want
530 to sit here and go through a list of ninety four projects with you all, we found what we call the
531 significant eight. There's eight projects that are eight and a half percent of the total but they're
532 fifty percent of the estimate completion. And, they actually constitute a hundred percent, or a
533 little more than a hundred percent, of the shortfall. And so, we decided we should concentrate on
534 these projects here, these eight projects are the ones that we wanted to concentrate on.

535 It turns out that of those eight projects, four fall into Fiscal Year '05 construction awards and
536 four would fall into Fiscal Year '06. This chart, which I think I shared with all of you, the blue,
537 this is Centennial Hills Leisure Center and the City Hall east addition, Ed Fountain Park and –
538 some improvements there and the Freedom Park Pool and Bath House. The significance of the
539 colored bars, the blue bar represents the funding that we allocated in our Capital Project Plan last
540 May. At the time we put that together, the yellow bar represents what we thought the project
541 was gonna cost. And, remember on Centennial Hills this differential was to be made up by the
542 mid-year augmentation, the six million dollars that we had promised. And, the red bar represents
543 the latest estimate of completion, estimate at completion with just a seven percent contingency
544 built in. And so, as Councilman Mack indicated earlier, we're looking at this shortfall right here
545 is about fourteen million-dollar differential that we're struggling with. Excuse me, this whole
546 thing's fourteen, this is eight and this is six.

547 With respect to the City Hall, we had funding allocated of about thirty nine million, the project
548 was estimated to come in at about thirty six, now it's looking more like – the thirty nine million
549 is – gonna be a right cost for that. This is just the building construction.

550 Ed Fountain Park, we allocated I think, a, one million two hundred fifty thousand dollars last
551 April to do Fountain Phase II, some improvements that were needed there that – perhaps didn't

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

552 get done with Phase I. This is one, I'm not sure if this differential is because of maybe scope that
553 really hasn't been well defined yet. I'm not sure how real that estimate there really is, depending
554 on what really needs to be done.

555 Freedom Park Pool and Bath House, this is one where subsequent to the preparation of – the
556 project the Capital Improvement Plan for Fiscal Year '05, a decision was made to change this
557 pool from what essentially is a lap pool similar to what we have at Baker Park, to a zero entry
558 play pool that would probably get a lot more use by the – residents there. And, that – differential
559 is about a half million dollars that we would need to make up in order to move forward with that.

60 In fact, yeah, that's right. So, that's the four projects that fall into Fiscal Year 0, '05.

561 Fiscal Year '06 looks scary but may not be as bad as it looks. Alexander/Hualapai, this is the
562 funding that we had provided for Alexander/Hualapai, this was the cost estimate that we were
563 looking at last year. This increased cost, I'm not quite certain, I think this actually is looking at,
564 we – actually got two project sheets for this, a Phase I and a Phase II. This is both Phase I and
565 Phase II combined. So, this really represents the funding shortfall right here to make that project
566 whole, if it goes as one –project, is one phase. And, – this might also be a very good candidate
567 for future SNPLMA money. It – would probably be a good candidate for that.

568 The Big League Dream Fields, I put on here, it seems to be a project that – that's probably,
569 seems to be, if I use the words somewhat on the ropes, although it's still – here. There's two
70 possible sites for this. One was a vocational high school site and the other one I know that they
571 were interested in was a – site in east Las Vegas. The reality is – we've only really funded the
572 design work. We don't, we have not funded this estimate. So it would be, if we were to move
573 forward with the project like this, we're looking at a pretty substantial funding estimate, a
574 funding shortfall.

575 Gilmore Cliff Shadows is a project that was going to be primarily developed with contractor
576 contributions to the extent that those don't come in, we would have that shortfall.

577 The Post Office is a difficult one, it's kind of a, goes back to the project that, like Dr. Selby was
578 describing that – I'm not sure we – haven't even engaged an architect yet. So, we don't, you
579 know, we don't really have a firm idea of exactly what it is we're going to be doing here. And
580 last May, we were talking about a project of about eleven million dollars. Now, it's approaching
581 nineteen million dollars based upon what Public Works is hearing about what may go in there

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

582 and may not go in there. So, I – think this is a very preliminary number, it's not based on any
583 architectural design or any Public Works estimates. It's just giving, what I'm trying to do here is
584 just give you a little flavor as we look into Fiscal Year '06, the sources of revenues that we're
585 gonna have to – fund these projects is going to be somewhat difficult. Some of these are good
586 candidates for SNPLMA others are not. Certainly, this might be a candidate for some federal
587 grants but it's certainly not going to make up that entire shortfall. At some point, we're gonna
588 have to deal with that.

589 I would also like to mention, I also shared some information with you individually about
590 escalating cost of, unit cost for some of these facilities. And, probably the best apples to apples
591 example I can give would be leisure centers. Five years ago, five or six years ago, we built a
592 couple leisure centers primarily out in the northwest, Summerlin and the northwest. And, the
593 cost per square foot for those leisure centers was about two hundred and thirty eight dollars per
594 square foot. Like I say, that was about six years ago. If you inflate that for four percent
595 construction inflation, it would get you to about three hundred and one dollars in today's –
596 numbers. The estimates that we're seeing for leisure, for the Centennial Hills Leisure Center,
597 which is an obviously much larger facility, the cost per square foot though is about four hundred
598 and thirteen dollars, which is about thirty seven percent higher on a real dollar basis than what
599 we did five, six years ago. And again, I think the reason for that is we're identifying amenities
600 and features that we're putting into our parks and – in this case, a leisure center, that we – didn't
601 have five, six years ago, which is not – a bad thing, it's a good thing. It's just that it, it's part of
602 the reason why the, these costs are driving, are being driven up.

603 So, this slide here, represents those – eight projects, there's a dotted line right here, I don't know
604 if you can see it, but there's a dashed line right here and that dashed line just merely separates the
605 FY '05 projects from the FY '06 projects. These projects were scheduled for award in Fiscal
606 Year '05; these weren't scheduled for a ward until Fiscal Year '06 pending the availability of
607 funding. So, that's what that dashed line represents.

608 On a project-by-project basis for these eight, this is the funding that we have available. This is
609 the most recent estimate at completion with the seven percent contingency. This is the shortfall,
610 which is merely the difference between the estimate at completion and the funding that we
611 currently have. The adjustment column is – something that I was hoping we would work on

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

612 today dynamically. It does recognize what our commitment was last April, that we would
613 allocate six million of that augmentable fund balance to the Centennial Hills Leisure Center.
614 This final number is just merely this funding column plus the adjustment, is the final. And then
615 just parenthetically, this is what the annual operations and maintenance costs are estimated for
616 this projects.

617 So it would be at, and I don't know if this a good place to – pick up where we were discussing
618 before, what we're prepared to do next, is put up the, this slide, just this worksheet and actually
619 work the numbers with you all today.

620 Now, Dr. Selby mentioned, obviously we're still looking at about an eight point two million
621 dollar shortfall for Centennial Hills Leisure Center. This estimate of thirty seven million dollars,
622 the – rough estimates that we have, and bear – in mind, I think we're only about ninety percent
623 on those plans today, about twenty and a half million is for the building itself and things inside
624 the building. But four and a half million, we believe, is for the outdoor pool. The remaining
625 twelve million or twelve point two million, would be for everything outside of those – footprints,
626 which would include things like off sites, laterals, utility laterals. But would also include things
627 like landscaping, parking lots. I believe there's also a, this includes Deer Springs Way
628 improvements, part of which is funded, will be funded with residential cons, excuse me,
629 Regional Transportation Tax funding. But it also includes a flood channel that has to be done on
630 the property in the park area that would probably is approaching two million dollars. That is
631 actually, the flood channel's actually in the park – proper itself.

632 So, the question that we're struggling with in view of Secretary Norton's announcement on
633 Thursday, we would anticipate that they would notify us of the release of that money officially in
634 the December – January timeframe. As soon as they give us official notice, we would file a –
635 task order on the Centennials project, that thirty six million dollars that was ear, was earmarked
636 specifically for Centennial Hills Park. When we submit that task order, it's at that time that we
637 would identify specifically the elements in this estimate that we feel can be reimbursed under the
638 task order, under the – BLM rules.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

639 **COUNCILMAN MACK**

640 Mark, you might explain, 'cause I – there might be a little confusion up here. The thirty seven
641 million dollars that Gale Norton announced last week was not for this – phase of this project.

642

643 **MARK VINCENT**

644 That's correct.

645

646 **COUNCILMAN MACK**

647 The third phase, you might explain that.

648

649 **MARK VINCENT**

650 That's correct there is a third phase to build out the remaining acreage for a park site. And so,
651 but the question is – how much of that thirty six million dollars could be used for things that
652 would have to be built anyway. Certainly the, a common parking lot, a parking lot's gonna have
653 to be built. The landscaping we feel would be covered. We also believe perhaps the swimming
654 pool also might be covered. We won't know for certain until we prepare the task order that
655 identifies and lists out these components that we're asking to be covered under that thirty six
656 million dollars.

657

658 **MAYOR GOODMAN**

659 Mayor Pro-Tem?

660

661 **COUNCILMAN REESE**

662 Yes, thank you. On these projects, at the – beginning of your presentation you mentioned that
663 the – change order in the Freedom Park Pool and Bath, the reason why it's gonna be cost a bit
664 more, how many of these other projects that we have on this list, whether it be Fiscal Year '05 or
665 Fiscal Year '06, have had changes in the original approval that we had? I mean, okay, so we
666 approved Centennial Hills Leisure Service, we put it on our – list and I'm just picking that one
667 out, how has – that changed since the original. I mean, has the – is the scope been bigger or we

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

668 reduced or – how's it expanding and – why is it, you know, what is the changes here? And, I –
669 like, in all the projects here.

670

671 **MARK VINCENT**

672 I'm not sure that anything specifically has changed from –

673

674 **COUNCILMAN REESE**

675 To me – it's just like the – leisure center itself –

676

677 **MARK VINCENT**

678 Right –

679

680 **COUNCILMAN REESE**

681 – are we still at the original size of that center or has it – has the center enlarged itself?

682

683 **MARK VINCENT**

684 If – you go back, remember what Dr. Selby indicated, that sometimes when we identify a project,
685 this was identified, I want to say, at least three fiscal years ago, and when it first popped up, it
686 was a, I believe it was a fifty thousand square foot facility and then it increased from there. I
687 recall at one time it was seventy five thousand square feet. This is now a ninety thousand square
688 foot facility.

689 So, if you go back originally when it first was conceived, before any design was done on it, it
690 was conceived as a fifty thousand square foot facility. So, but it's not fair, I don't think, to say
691 that this increase, this shortfall is all attributable to scope changes from last April. I – I'm
692 guessing that what happened is that last April, when we were putting, remember the other slide
693 that showed what their, what our forecasted budget was for that, with the bar charts, the yellow
694 bar. I'm thinking at the time that we didn't understand –

**SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004**

VERBATIM TRANSCRIPT

695 **COUNCILMAN REESE**

696 Well, I, I don't, I- support the project, okay? I'm just saying, has there been any substantial
697 changes in the other projects? I mean, to me, once the Council approves a project, okay, and
698 then is - before it gets final approval and start construction on it, the changes that are
699 implemented, whether that be on a staff level or whatever level, we're not kinda really privy to,
700 and stuff. How - big of an impact does that, does those changes have on what we're looking at
701 here today?

702

703 **MARK VINCENT**

704 I think part of the problem, Councilman, is - that when we - first des, when we first conceive of
705 these projects and put a budget on a piece of paper, that the scope of those is not really well
706 defined. And, I think what happens is over time, it starts to get defined and it's getting defined
707 without regard to a - parameter or a limit. I didn't want to jump into the - solution just yet; I
708 was waiting for Dr. Selby to - kind of lead that charge. But, at some point, I mean, most - of us
709 would never think about building our own homes, think of constructing a home, you would never
710 think of hiring an architect to design a home without ever giving him a budget and saying, design
711 to this budget. And, essentially that's what's really happening with these projects is we're -
712 engaging sometimes an architect, sometimes not, sometimes other consultants, sometimes we're
713 using internal staff and we're designing, but we're not - designing to a - specified standard or a
714 funding level. And, I think that's probably what's happening more often than not. That's -
715 probably the crux of the problem.

716

717 **COUNCILMAN REESE**

718 Maybe - that's what we need - to adhere to is -

719

720 **MAYOR GOODMAN**

721 'Cause when the matter comes before us for approval, it comes before us at a particular price and
722 we approve it and then the next thing we know, the price escalates itself sometimes two, three -
723 times because the project changes without our - collective knowledge.

**SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004**

VERBATIM TRANSCRIPT

724 **MARK VINCENT**

725 And again, I – don't know if it's so much a change as much as it gets better defined. As it gets
726 better defined it's being defined without respect to what the funding limitations are.

727

728 **MAYOR GOODMAN**

729 Okay, well, I don't want to, I'm not gonna pick on Centennial Hills, but it's a big difference
730 when the project comes before us at fifty thousand square feet and it ends up to be ninety
731 thousand square feet. I mean, that's twice – the project that we – were considering when we
732 made the approval.

733

734 **DOUG SELBY**

735 And – Mayor, that's part of what we need to fix about the process. We need, and – to kind of
736 jump ahead, we're not doing careful planning. We're developing the list, it's kind of a crunch
737 time when budget comes to you guys and – we're doing our best to try to balance the dollars but,
738 some of these projects, frankly, were approved with like two sentence descriptions and we're
739 going to spend tens of millions of dollars without a full description of what the project is. And
740 like Mark said, it evolves and we learn better about that project and unless we fix the system, the
741 only recourse is to keep coming back to Council saying well, we need more money for this one,
742 we need more money for that one.

743

744 **MAYOR GOODMAN**

745 And, we're addressing the fixing of the system today, I assume?

746

747 **DOUG SELBY**

748 I, I'd like to propose some things at the end –

749

750 **MAYOR GOODMAN**

751 Because that's –

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

752 **DOUG SELBY**

753 – of solving this issue.

754

755 **MAYOR GOODMAN**

756 – what Councilman Mack was talking about, right?

757

758 **DOUG SELBY**

759 Yeah, we need to solve the problem in front of us today, with your help. And then prevent it
760 from happening again; I've got some suggestions.

761

762 **MAYOR GOODMAN**

763 Could somebody advise me, I had my briefing before Secretary Norton came to town and made
764 her announcement, what did she tell us?

765

766 **DOUG SELBY**

767 She – told us that Tier two funding for Round Five of the SNPLMA money would be allocated
768 and she signed the paperwork and thirty six, or thirty seven –

769

770 **BETSY FRETWELL**

771 Thirty-six point two.

772

773 **DOUG SELBY**

774 Thirty six point two million was designated for Centennial Hills.

775

776 **MAYOR GOODMAN**

777 Did we get any additional money from her that she talked about? 'Cause somebody told me
778 today that, I forget who told me, that she designated some money for our Centennial?

779

780 **COUNCILMAN MACK**

781 Centennial Hills.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

782 **MAYOR GOODMAN**

783 Oh okay, that's what it was.

784

785 **MARK VINCENT**

786 Centennial Hills.

787

788 **DOUG SELBY**

789 Yeah.

790

791 **MAYOR GOODMAN**

792 I can never rely on my source. I'm not gonna point to anybody, I'm not going to say anything
793 about who my source was.

794

795 **COUNCILMAN BROWN**

796 Mayor?

797

798 **MAYOR GOODMAN**

799 It's a horrible source. Yes?

800

801 **COUNCILMAN BROWN**

802 So, to the significant eight, just on, question on this sheet Mark.

803

804 **MARK VINCENT**

805 Yes?

806

807 **COUNCILMAN BROWN**

808 The big one?

809

810 **MARK VINCENT**

811 Yes?

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

812 **COUNCILMAN BROWN**

813 Some of those separate from SNPLMA, separate from the bonds, separate from restricted RCT,
814 is there any money available from – a funding standpoint that had been allocated to any of these
815 projects?

816

817 **MARK VINCENT**

818 I'm sure the answer is no because that's really what we're talking about here.

819

820 **COUNCILMAN BROWN**

821 Okay.

822

823 **MARK VINCENT**

824 The good – news is, you know, in our favor, I suppose the reason why we have this unbalance
825 and things like this is because, you know, sometimes, the estimate, our estimates are higher than
826 the bids. Bids do come in below our estimates and this, and our policy was this money goes to
827 reserves. So, this – constitutes all the money that we have felt comfortable –

828

829 **COUNCILMAN BROWN**

830 So, proposed elimination or proposed deferrals, those two lists on the overhead take care of
831 everything on the big list that could be contemplated?

832

833 **MARK VINCENT**

834 I think, yes, well I think so except that, another, and also another way of looking at it,
835 Councilman, is based on the estimates we have today, the other – eighty six projects in – their
836 aggregate seem to have sufficient funding –

837

838 **COUNCILMAN BROWN**

839 I – I'm not asking the question then. On the big list, the ninety-four plus.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

840 **MARK VINCENT**

841 Yes.

842

843 **COUNCILMAN BROWN**

844 Are there any projects in here, of the ninety-four minus the eight that have funding attached to
845 them?

846

847 **MARK VINCENT**

848 Yes. Yes, but they're not funding that, it, usually it's Residential Construction Tax or it may be
849 SNPLMA money that are already have received so, or it may be CDBG for specifics. So, what
850 we've done, Councilman, and now that I finally grasp your question.

851

852 **COUNCILMAN BROWN**

853 Got it.

854

855 **MARK VINCENT**

856 Is that yes, we – have identified all the funding that we could that could be allocated to any of
857 these significant eight.

858

859 **COUNCILMAN BROWN**

860 All right. And I – appreciate that. As part of the follow up then, and – I've seen it, let's not
861 understate your statistics to start the meeting. What the Council has done and staff has done in
862 the last five, six years. And – I feel strongly that's because the Council made parks and facilities
863 a priority and anytime the Council makes something a priority, it seems that we can always find
864 the money. It's when the priority kind of slips that we get into some problems. And that speaks
865 directly to the list. I know that when we started this journey six, seven years ago, there wasn't
866 really a list, as we know it today. We graduated to a point where there was a priority list and
867 then almost a secondary tier of projects and, I think at least the last few years, the list has been
868 blurred. It – and this is no fault of the Council members or the staff. But, I think there are

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

869 projects being just thrown out there to get on the list. In fact, I've heard it stated that I want this
870 on the list.

871 So, I think we – need from, perhaps direction is to give this list some importance, as far as
872 defining not only how it gets on it, but what kind of priority we – attach to it. Certainly to –
873 build equity among the Wards, but some projects are going to be high priority from a City
874 standpoint, from a – regional or community standpoint. So, with part of the discussion, our
875 direction that we leave today, I hope the list comes back through briefings and with staff
876 interaction to better define that. I think that's part of the problem we found ourselves in.

877 As far as the shortfall, not – to leapfrog to a solution but, this Alexander/Hualapai Park, which
878 has been on the list, I think, for six years and constantly monies have been taken from, which is
879 fine, we were hoping, and it has in fact happened, that flood control and SID now is going to pay
880 for significant, multi-millions in this project. I don't mind letting this project get hit again as
881 long as it is going to stay as we get in, since this is a Fiscal Year '05 -'06 project, as long as this
882 will then get the priority on the list to compensate for kind of giving up the money now to get '04
883 -'05 Fiscal projects completed. What, what's, I know there was some worksheet in here says
884 that if you take it from Alexander/Hualapai, we can do it.

885

886 **MARK VINCENT**

887 Well, and let me – expand on that. It's my – personal thought, for what it's worth, and you can
888 hit me over the head with it if you wish, is that I – think – we need, I'm – confident there's
889 components here that – are reimbursable under the SNPLMA money. I can't tell you precisely
890 what it is because frankly, we haven't done the estimate that way and we haven't prepared the
891 task order yet and ultimately, the task order has to be approved. A thought that we're having this
892 morning is that, an again the plans as I understand it, are only ninety percent so we still have
893 some work to do on the plans to get them bid quality, my thought would be that we – as soon as
894 we get the notice, which I'm thinking should be in the December, January, maybe January at the
895 latest, submit the task order, that we work on the task order right now and we get prepared to
896 submit the task order as soon as we can for a share of the SNPLMA, to make this estimate
897 whole. We put the, we put this project then out to bid at that time under the presumption that the
898 task order's going to be approved. To the extent that BLM takes exception with one or two of

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

899 the elements of that task order, then there might be a real shortfall. And then, maybe at that
900 point, we would come back to one of these other projects that actually has funding on it and use
901 – that as a way to keep that project whole. But I, there's no way for me to predict the success of
902 the task order, naturally with – the BLM. And, I think the concern would be with the work that
903 we've done so far with Centennial that we, I think staff feels at this point, it – would probably be
904 inadvisable to delay that any longer than we already have.

905

906 **COUNCILMAN BROWN**

907 So, we can move without moving money around, we can move forward from this meeting to a
908 later date and time?

909

910 **DOUG SELBY**

911 I'm not sure that's what Mr. Vincent is saying. Mark, why don't you talk about Centennial Hills
912 and SNPLMA money and what that might do to the shortfall?

913

914 **MARK VINCENT**

915 If we, again, if – with this six million that shortfall goes to about eight point two million. If we
916 can identify at least eight point two million of the SNPLMA money that could be used for
917 improvements that are outside of the building. I mean, that's one of the – basic definitions in the
918 SNPLMA is that it can be used for – parks and facility, parks and amenities that are outside the
919 building. And, we think that may include the outdoor pool, for example. But we won't know for
920 sure until we actually list it on a task order and submit it. But there's nothing that we can see in
921 the rules, at – this moment, that says outdoor pools are not eligible for SNPLMA.

922

923 **COUNCILMAN BROWN**

924 Can the RTC and the flood control component of that thirty seven million; is that already been
925 factored out of it?

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

926 **MARK VINCENT**

927 The RTC portion is only about, like eight hundred thousand, a little over eight hundred thousand
928 for the actual, the RTC for the actual street.

929

930 **COUNCILMAN BROWN**

931 That's about two million.

932

933 **MARK VINCENT**

934 The flood portion of it, I'm not sure, and I'd have to ask –

935

936 **COUNCILMAN MACK**

937 It's about two million.

938

939 **MARK VINCENT**

940 – there's no flood money, it's not a regional flood project –

941

942 **MULTIPLE SPEAKERS**

943 (Inaudible)

944

945 **COUNCILMAN MACK**

946 – it's – in there.

947

948 **MARK VINCENT**

949 – it's – a drainage issue for the park. So, that two million dollars, roughly, it's a little less but,
950 roughly two million dollars of thirty-seven is for a flood channel that's not a Regional Flood
951 project but it goes through the park. It needs to be addressed in the park. And, I think that will
952 be covered without question in my mind, it would have to be covered by the SNPLMA. It would
953 be part of constructing the park.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

954 **COUNCILMAN BROWN**

955 Is that, have we looked at using the local drainage fund from the RTC as reimbursement?

956

957 **JOHN McNELLIS**

958 Councilman, John McNellis for the record, I have talked with the City Engineer, we are pursuing
959 that right now. Up until a couple weeks ago, the – answer's always been that it was a local issue,
960 not regional, and therefore, flood district funding would not be available.

961

962 **MAYOR GOODMAN**

963 What is the assurance, if any, that we get the money that Secretary Norton says we're going to
964 receive?

965

966 **DOUG SELBY**

967 We will get the money; the question is what parts of this project are eligible for reimbursement.
968 That, that's the crux of the matter, so, if eight million dollars of this project is eligible for
969 reimbursement and that would be outdoor types of amenities, then this – balance is out.

970

971 **MAYOR GOODMAN**

972 I see, so she earmarked thirty six million to be applied towards this project if the project qualifies
973 for it.

974

975 **DOUG SELBY**

976 Right.

977

978 **MAYOR GOODMAN**

979 Would that be a fair statement?

980

981 **DOUG SELBY**

982 Right.

***SPECIAL CITY COUNCIL MEETING OF
NOVEMBER 1, 2004***

VERBATIM TRANSCRIPT

983 **MAYOR GOODMAN**

984 All right.

985

986 **COUNCILMAN BROWN**

987 Well, again, then the ten million, which I'll comment on later, of the Alexander/Hualapai, if –
988 you take the eight point something that you need for safety reasons, for the Centennial Hills, is
989 that the action that we need today?

990

991 **MARK VINCENT**

992 I – think yes. I do think we do need to address these two as well. I think these two, we've got a,
993 again, we need, what we need address today is really everything above this dotted line 'cause
994 these are all projects that were scheduled for action, award and construction in Fiscal Year '05.
995 So, we've got a couple small issues here that we need to deal with.

996

997 **COUNCILMAN BROWN**

998 I'd like to make it easier and then open it up to the Council. So, that fourteen one shortfall –

999

1000 **MARK VINCENT**

1001 Candy, why don't we put – up your spreadsheet and we'll do this –

1002

1003 **COUNCILMAN BROWN**

1004 – on Centennial Hills.

1005

1006 **COUNCILMAN MACK**

1007 It's only eight two.

1008

1009 **COUNCILMAN BROWN**

1010 So it's eight two.

1011 **MARK VINCENT**

1012 Right.

1013

1014 **COUNCILMAN BROWN**

1015 So, it's eight?

1016

1017 **MARK VINCENT**

1018 Hang on a second, Councilman, we're going to put up the spreadsheet so we can keep track of
1019 the numbers while you –

1020

1021 **COUNCILMAN BROWN**

1022 And as she gets that, the reason why I'm – willing to just, this Alexander/Hualapai, if it's built
1023 for twenty eight million then there's something not only wrong with the system, there's
1024 something dramatically out – of keel. It's just, it's impossible for that project to be built for
1025 twenty eight million. You're – up to eight – hundred thousand per acre on a very simple,
1026 although, I don't think out of the ordinary, park. So I – feel very comfortable that that ten
1027 million that you have in the red beside Alexander/Hualapai, if that's needed to fund these
1028 significant four, to give you the safety net to move forward on those, let's do that now.

1029 I think there's a lot that can be done with Alexander/Hualapai between now, final design and the
1030 next budget cycle that will make that project work in its current, conceptual design.

1031

1032 **COUNCILMAN REESE**

1033 Okay, Your Honor, if I could?

1034

1035 **MAYOR GOODMAN**

1036 Yes.

1037

1038 **COUNCILMAN REESE**

1039 Mark, if you could also mention the discussion that you and Mr. McNellis had with myself on
1040 the Freedom Park pool, I think that's some potential also here.

1041 **MARK VINCENT**

1042 Yes, what we, the discussion we had is, I still think that this – estimate is – probably fairly good.
1043 The problem is, though, that when we put this particular project out to bid, we shortened the
1044 construction by, period, by twenty two percent, which in my opinion's gonna cause the bids to
1045 come in high. At the moment, we're only aware of two bidders who would even bid on this
1046 particular project, which is also a – poor indicator of good, competitive pricing. And then
1047 thirdly, the condition that the plans are in, I think we had the last addendum we put out was a
1048 hundred page addendum with fifty-nine, perhaps minor, but nonetheless, fifty nine corrections.
1049 It's been our – decision, after we talked with the Councilman, was let's pull this back, pull the
1050 bid back, get the plans done right, make all the changes correctly, put it back out to bid. Perhaps
1051 even try to qualify some other pool contractors so we can expand the number of possible bidders.
1052 If we can do all that I – still think that price probably is – a fair price.

1053

1054 **COUNCILMAN REESE**

1055 So what – you're still looking at –

1056

1057 **MARK VINCENT**

1058 But that's –

1059

1060 **COUNCILMAN REESE**

1061 – is two thousand five finish working in two thousand six. And, I was going to name the pool
1062 Centennial Pool, we – can, we'd make it the Centennial One pool.

1063

1064 **MARK VINCENT**

1065 The problem we have with it, Councilman, is it obviously won't be open for the start of the
1066 school year. And the problem, the start of the swim year, the problem is with the condition that
1067 the bid package is in right now, I'm not sure we'd make it anyway. But I do think we can award
1068 the contract this fiscal year as soon as we get the plans revised –

1069

1070 **COUNCILMAN MACK**

1071 Councilman Reese –

1072

1072 **MARK VINCENT**

1073 – I still would like to –

1074

1075 **COUNCILMAN MACK**

1076 – for – eight point two million I'll let you name it Centennial Hills pool.

1077

1078 **MAYOR GOODMAN**

1079 Mark, I should have asked –

1080

1081 **COUNCILMAN REESE**

1082 Name is Centennial Hills (inaudible) –

1083

1084 **MAYOR GOODMAN**

1085 – this question during – my briefing Wednesday but, how did we get to the significant eight?

1086 How – what was that determination made, based on?

1087

1088 **MARK VINCENT**

1089 It's a concept, it's actually a quality concept called the Pareto Principle it's a –

1090

1091 **MAYOR GOODMAN**

1092 A what?

1093

1094 **MARK VINCENT**

1095 The Pareto Principle, it's the concept that there's always a significant few that are causing the

1096 major problem. So what we did is we went through the list of ninety-four projects and really

1097 tried to identify those projects that were really contributing towards the bigger shortfall. It's just

1098 that, it's the concept of, you know, ten percent of the people cause ninety percent of the problems

1099 kind of a thing. But it, that's the principle we applied in this case that, we couldn't, there's no

1100 way we could focus on all ninety-four projects it would have been –

1101

1102 **MAYOR GOODMAN**

1103 No, and I appreciate that.

1104

1104 **MARK VINCENT**

1105 But that's how we identified them.

1106

1107 **MAYOR GOODMAN**

1108 But I'm thinking to myself, like the Big League Dreams. I know that Councilman Brown,
1109 Councilman Mack have seen it, they think it's great, it's discussed that the potential location for
1110 it would be in Councilman Reese's Ward, he hasn't even seen it. So, I was wondering why that
1111 would be one of the eight significant projects.

1112

1113 **MARK VINCENT**

1114 Well, it's, it is significant if it stays – a project. If Council gives us direction to just eliminate the
1115 project, then obviously it – goes away, but no one's given us direction to eliminate the project
1116 yet. So, it still – seems to be – a concept that although expensive, could be viable and my
1117 opinion is it depends on how much Big League Dreams wants to participate with revenue. They
1118 could certainly make this a much more viable project. The dilemma we had with Big League
1119 Dreams, not to belabor the point, was the first site was a BLM site and that caused us problems.
1120 We would of had to bought, we would had to buy the land and that would have made this, that –
1121 land cost is not in that figure. That could have been another eight million dollars.

1122

1123 **MAYOR GOODMAN**

1124 I see.

1125

1126 **MARK VINCENT**

1127 Eight, probably eleven million dollars at that site.

1128

1129 **COUNCILMAN MACK**

1130 The shared revenue concept wouldn't work there as well.

1131

1132 **MARK VINCENT**

1133 Yeah, but they'd – have to be willing to share more revenue to get my, to help me service my
1134 debt service 'cause the construction costs in a park like this is significantly higher. It's – almost
1135 three to four fold higher than what a normal baseball field would be.

1136

1136 **COUNCILMAN BROWN**

1137 And – to take the Vincent principle further, is two wards are primarily responsible for these
1138 large, large amounts of capital because primarily with Ward 2 and Summerlin doing a lot of their
1139 own park construction the land has been available out in Wards 4 and 6. And we've done these
1140 massive projects because the land's there. And a lot of the – Council support is gone to like the
1141 Bettye Wilsons and the Buffalo/Washingtons and the Centennial Hills because of the land
1142 already under BLM/City control. And, what, at least through my briefings and in talking to
1143 some of my colleagues, when we go back and look at these major renovations with Freedom and
1144 Fountain and some of those, they become prime targets for the SNIPLMA money that we can
1145 start going back and taking the City owned masses of thirty, forty, fifty, seventy, ninety acres and
1146 it's a whole different mindset than it was six or seven years ago. So, just that, we've often, not
1147 often criticized but often commented, that most of these major projects and funding are going
1148 into the northwest and that's because there's nothing out in the northwest. And, Centennial Hills
1149 Community Center's a perfect example. It may be the largest in the – City's history but there's
1150 nothing out there for a hundred and thirty, a hundred and fifty thousand people. So, that – kind
1151 of, it's not equitable when you look at City wide funding but it certainly, from a priority/needs
1152 standpoint, has made sense the last few years.

1153 And now that we go full circle and start looking at some of these existing mature areas,
1154 SNPLMA money has become available the last few years that never was an option five, six years
1155 ago.

1156
1157 **MAYOR GOODMAN**

1158 I think – it's even more than that, I – really, any of these projects, even though they're in a
1159 particular ward, these are definitely regional projects. I mean, yesterday at the Bettye Wilson
1160 Soccer Facility we saw twenty five hundred youngsters from all over, not only from Las Vegas
1161 but from Henderson, from, where's Henderson? From Arizona, California, I mean, it was a
1162 wonderful – day for the City of Las Vegas and I – would imagine, like the pool over at the Y,
1163 that's – used by everybody, the Y over at the Meadows. And I think we have to look in terms of
1164 that too. It's not just a ward-based project.

1165

1166 **COUNCILMAN REESE**

1167 Okay.

1168 Page 40 of 66

1168 **MULTIPLE SPEAKERS**

1169 (Inaudible)

1170

1171 **COUNCILMAN WEEKLY**

1172 Your Honor. Your Honor?

1173

1174 **MAYOR GOODMAN**

1175 Yeah, and –

1176

1177 **COUNCILMAN WEEKLY**

1178 I just want to say, you know, I appreciate the comment that Councilman Brown indicated in
1179 reference to the possibility of SNPLMA funds being available for the more mature parts of the
1180 City. And, I think it's great to hear conversations like that being that, Brown you, and Mack, sit
1181 on those committees. I mean, you know, I, when I first got on this board, being extremely naïve
1182 thinking wow, we get a chance to discuss issues in everybody's ward. But I – just have to be
1183 perfectly honest with you, I think in past years I think this – Council has been very territorial
1184 with – just making sure that I get what I get for my area and I've casted (sic) votes to support
1185 huge projects in the other wards. But, you know, to hear now that there are funding sources
1186 available to come in and help out these older – portions of our City. I mean, you guys have that
1187 accessibility and having that type of information and sharing that kind of information with us,
1188 that represents Wards One, Three and Five, I mean, that makes the journey a little bit easier
1189 because again, to have someone come in and allocate thirty six million dollars, and I understand
1190 that that's BLM land, it's government land, but, you know, to allocate that kind of money, you
1191 know you sit here and you go wow.

1192 And I'm looking at it and I'll be honest with you, Lorenzi Park is a mess, you know. And, I very
1193 seldom hear, unless I talk to Larry a zillion times about what can we do with parks like that. You
1194 know, we have parks that have been established, we have residents who, you know, continue to
1195 say, hey, we paid taxes for a very, very long time and it's so disgusting and so discouraging that
1196 the City just continues to overlook the mature parts of the City. And so, I'd like to have
1197 information like that so that, you know, we can engage in that type of dialogue with our
1198 constituents and say, there is some relief out there, you know, there are some other resources that
1199 we could also benefit from, you know. And, you know, again, I used to get discouraged in the

1200 past where anytime we talk about projects in my Ward, it always has to be grant driven, you
1201 know, and that is foolish to me because, you know, I have constituents that pay taxes as well.
1202 And I think that, you know, we really do need to start looking at the City as a whole and as we
1203 look at Centennial Hills and our leisure center complex, you know, I've – always championed
1204 with Councilman Mack saying he doesn't have anything out there. They need to have things out
1205 there. But I'd also like to continue to hear conversations like this where we also start looking at
1206 other areas of town and start looking at other – folk's wards. Being that some of you guys sit on
1207 boards where you have conversations with those type of resources that we are not privy to. And
1208 I appreciate that, very much.

1209

1210 **MAYOR GOODMAN**

1211 Councilman Mack?

1212

1213 **COUNCILMAN MACK**

1214 Thank you, Your Honor. I share a lot of the sentiments that Councilman Weekly just – spoke of,
1215 regards to SNPLMA funding and I think our staff's done, we've done a great job in turning
1216 around our request for SNPLMA funding and seeing the thirty six million come into Centennial
1217 Hills, I think this is the third funding source we've seen from SNPLMA going into Centennial
1218 Hills. But the basic concept of SNPLMA funding is for trails and open space and I think we
1219 have to explore the scope of how – we can take that to the next level. I heard that North Las
1220 Vegas is looking at an outdoor pool for SNPLMA funding and, I mean, you can only gold plate a
1221 – trail so many times and the funding that's coming out of these BLM land sales is huge and only
1222 getting bigger. And, I agree that we need to look at some of the older parks; the Lorenzis and
1223 Freedom Parks, for the funding because they're – great applicants for that source.

1224 I don't – know how I can plea to this Council. We established a priority list; I think that this
1225 Council has been diligent on looking at the community as one big community. And we look
1226 beyond the boundaries of the City of Las Vegas. I know that the Mayor, you often say you're
1227 the Mayor of the whole valley –

1228

1229 **MAYOR GOODMAN**

1230 No, I don't say it; other people say it, Councilman.

1231

1231 **COUNCILMAN MACK**

1232 You know what? It – really –

1233

1234 **MAYOR GOODMAN**

1235 I'm happy being the Mayor of Las Vegas.

1236

1237 **COUNCILMAN MACK**

1238 We – serve a greater need than just the City of Las Vegas, I know that if you go into the Doolittle
1239 or you go into the Veterans or into the Durango Hills, they don't check your ID and see if you're
1240 a City of Las Vegas resident. We serve everyone and this Centennial Hills Community Center
1241 has been on the priority list, I think, going on four years. The scope of the project, you know, I
1242 hear fifty thousand, we always imagined it being a larger project than the typical, I think the fifty
1243 thousand that we started with as a model from the Durango Hills and the Veterans site. We
1244 found that building a facility of greater scope would serve a bigger need and there probably isn't
1245 gonna be too many large facilities like this built in the future so, rather than going and making
1246 change orders like we are, I know that we look at, after we build a facility, we look at making
1247 changes, let's go in a build this thing right. Let's build it with two gyms. We learned a lot with
1248 Doolittle, having two gyms makes a lot of sense. I, when we were looking at the project, said
1249 how can this function more like a 24-Hour Fitness? Why can't we have an indoor swim,
1250 swimming pool and teaching pool? And also, from a cost recovery, how – can this recreational
1251 center bring back the funds. Never is a full cost recovery but a – greater percentage. So, I have
1252 statistics here, second quarter of 2004, of all the wards, in single family new homes, there was
1253 twenty nine hundred and three permits, two thousand nine hundred and three permits in the
1254 whole City of Las Vegas, and two thousand one of them came out of Ward 6. Of new apartment
1255 multi-plexes, we had a total in the City of two hundred and twelve and a hundred and forty nine
1256 thousand came out of Ward 6. Another, just quick, statistic by valuation only, seventy percent of
1257 all single family new in – the second quarter came out of Ward 6. So, I don't know how hard I
1258 need to plead –

1259

1259 **MAYOR GOODMAN**

1260 I don't – think it's a question of pleading. I – think the only issue was that we have to be kept
1261 advised that when we're talking about a project that's fifty thousand square feet and the project,
1262 by necessity, grows to ninety thousand, we have to be in the loop. That's all.

1263

1264 **COUNCILMAN MACK**

1265 And I think – when we – approved this last summer, last May, it was, the scope of the project is
1266 what we're looking at today.

1267

1268 **MAYOR GOODMAN**

1269 No problem. All right, Councilwoman Moncrief.

1270

1271 **COUNCILMAN MACK**

1272 I'm not –

1273

1274 **COUNCILWOMAN MONCRIEF**

1275 Thank you, Your Honor.

1276

1277 **COUNCILMAN MACK**

1278 – I'm not done yet.

1279

1280 **MAYOR GOODMAN**

1281 Oh, I'm sorry, pardon me.

1282 **COUNCILMAN MACK**

1283 I'm sorry.

1284

1285 **COUNCILWOMAN MONCRIEF**

1286 Oh, okay.

1287

1288 **MAYOR GOODMAN**

1289 Yeah, Councilman's not done

1290

1290 **COUNCILMAN MACK**

1291 I think also, what we need to look at when we're – building projects, and I think Mark's brought
1292 this to our attention, is the operating and maintenance of these projects because the facilities
1293 themselves, they're a fixed a cost, they're, you know, they do change over – the scope of –
1294 building it but once they're built, they are what they are and operating and maintenance, see how
1295 we can become more creative I think, has always become an issue. And I think that we've, we
1296 showed that direction on this Council.

1297 Ward 6 has a, we're, you know, we're approaching a hundred and thirty, a hundred and forty,
1298 whatever, thousand people. We have no community center; we have a tiny little senior center. I
1299 know the residents have been waiting a long time, as I've been pleading to this Council. But, I
1300 know that the SNPLMA money is a source for this eight point two million, but I'd beg for the
1301 Council to look at funding the Centennial Hills project fully today with either funding from the
1302 City Hall East Tower or some other encumbrance. I talked to Mark this morning, maybe we can
1303 use the SNPLMA money but I want to have a guarantee to the residents out there today that we
1304 can start this project as soon as possible.

1305

1306 **MAYOR GOODMAN**

1307 Thank you, Councilman. Councilwoman.

1308

1309 **COUNCILWOMAN MONCRIEF**

1310 Thank you, Your Honor. Trying to come up with the numbers and figure out how we're gonna
1311 get these numbers to equal out. I'm looking at the Big League Dreams and as we all know we
1312 don't even know where exactly it's gonna go, if it's gonna go, it's all kinda iffy and that's two
1313 point four million funded. If you look at number, lines two and three, Ed Fountain, Freedom
1314 Park, that's almost exactly the same number, is what two point two million compared to two
1315 point four. I don't know, but can we take that funding for the Big League and complete those
1316 two projects? At least they would equal out and we would clear two.

1317

1318 **MARK VINCENT**

1319 There are some costs we've already incurred there is –

1320

1320 **COUNCILMAN MACK**

1321 About six hundred thousand had been incurred, nine hundred –

1322

1323 **MARK VINCENT**

1324 Yeah, I'm trying to remember what the source –

1325

1326 **COUNCILMAN MACK**

1327 Nine hundred was allocated, Mark, we got about three hundred thousand left.

1328

1329 **MARK VINCENT**

1330 The problem is going to be that one and a half million, where one and a half million is at is

1331 Residential Construction Tax money so that's peculiar to Ward 6.

1332

1333 **COUNCILMAN MACK**

1334 Mark, jumping in real quick though, we have five hundred thousand for Mountain Ridge Phase

1335 IV that hasn't been allocated that could possibly be used. And I know that we have nine hundred

1336 thousand of unrestricted funding for the vo, for the Big League Dreams as well and I know a

1337 good portion of it's been used by the Big League Dreams contract. Maybe a portion of that

1338 could be used?

1339

1340 **MARK VINCENT**

1341 Possibly. What I was gonna suggest was if – oops, escape, escape, just escape, what I, if Council

1342 will allow me, what I was going to suggest, picking up on what Councilman Brown offered,

1343 what I'd – like to suggest is that we take, just so we can reflect a commitment here, I'd like to

1344 reduce Alexander/Hualapai based on what Councilman Brown suggested –

1345

1346 **COUNCILMAN MACK**

1347 Mark, before you jump there, can we talk about City Hall East Tower?

1348

1349 **MARK VINCENT**

1350 Sure – City Hall –

1351

1351 **COUNCILMAN MACK**

1352 We haven't even – assembled all the land to move that.

1353

1354 **MAYOR GOODMAN**

1355 Well, I'm gonna – do this very gently, I'm just gonna real almost like jelly, okay? It's, or –
1356 pudding or – custard. I don't want anybody to get too excited about this but, there was a little bit
1357 of a birdie that whispered in my ear that we might wanna consider the 61-acre site with the
1358 Related Company as a home for our new City Hall and that's something that I'm sure Dr.
1359 Selby's gonna want to address when we head down and talk to these folks in West Palm and see
1360 what kind of a Civic facility they have there. It might be a very interesting way that maybe
1361 Related will build us a new City Hall and we'll make this into a wonderful either high-rise
1362 condominium project for City Hall employees to buy affordable units, or teachers or nurses or
1363 something like that but, let's – just play it very, very quietly, very mushy and if there are any
1364 members of the fourth estate here, I hope they close their ears.

1365

1366 **MARK VINCENT**

1367 Perhaps I could talk a little bit about this – funding, on, thirty, twenty five million of that is
1368 bonds that were specifically, originally were sold for a parking garage that we had to spend
1369 additional money with their bond – council in a Phase to get reprogrammed, if you will, for a
1370 City facility, not eligible for parks. There's a – some building – City facilities funding that's
1371 allocated here, there's also Nickel Tax revenues that would be allocated here. The Nickel Tax
1372 revenue is a revenue that could be used elsewhere.

1373

1374 **DOUG SELBY**

1375 Traffic mitigation?

1376

1377 **MARK VINCENT**

1378 Traffic mitigation money, I think there's about six million that we would not, I don't believe
1379 we'd be able to use for parks and recreation. I don't know what that number's up to yet in my
1380 head. I get the point I'm making is – that I – hear what the Mayor's saying and we probably
1381 need to be patient and let's see what comes out. At some point though, I'm gonna have to deal
1382 with the twenty five million dollars in bonds and either defease (sic) them or find some other

1383 purpose for them. And - I wouldn't recommend investing for a second time or a third, what
1384 would be a third time to redirect those bonds to a parks project. It would just, to my mind; it
1385 wouldn't be worth the money we've already invested into it.

1386

1387 **COUNCILMAN BROWN**

1388 Well, if we're ready for direction and/or a motion for this sig four –

1389

1390 **MARK VINCENT**

1391 Right here.

1392

1393 **COUNCILMAN BROWN**

1394 Apparently from what Mr. Vincent has indicated and with the Alexander/Hualapai, if that would
1395 handle the safety net that we're looking for then **I – would move to follow that**
1396 **recommendation.**

1397

1398 **MARK VINCENT**

1399 Candy, could you do, do me this? Would you put right here negative – ten point four. Five
1400 hundred thousand here, put five fifty here, five fifty. A million seven and add eight point two
1401 million onto the six. I think you're going to be in a balance by fifty thousand. Change that to
1402 four fifty.

1403

1404 **COUNCILMAN REESE**

1405 Your Honor, if I could, I would just like to ask Mr. Selby a question. Do you think after Tuesday
1406 that this SNPLMA money would still be available?

1407

1408 **DOUG SELBY**

1409 After Tuesday? I, she signed; the Secretary signed the paperwork on it so I don't think they can
1410 retract that.

1411

1412 **COUNCILMAN REESE**

1413 Okay.

1414

1414 **MARK VINCENT**

1415 Again, just to be clear, this is – allowing us to cover the encumbrance for Centennial Hills in the
1416 – event that there's elements of the task order that B, BLM doesn't approve. And then,
1417 ultimately what I heard Councilman Brown indicate was that – whatever the – right estimate is, I
1418 tend to agree with Councilman about the twenty nine million being high. But whatever that right
1419 estimate is that the anticipation is that Alexander/Hualapai would be made whole to that.
1420 Whatever that right estimate is as we get –

1421

1422 **COUNCILMAN BROWN**

1423 Between now and –

1424

1425 **MARK VINCENT**

1426 – when we –

1427

1428 **COUNCILMAN BROWN**

1429 – going through the budget cycle for next year that's I –

1430

1431 **MARK VINCENT**

1432 This would solve – our problem for '05. And again, with recognizing that hopefully as much as
1433 eight point two million would be coming from SNPLMA.

1434

1435 **COUNCILMAN MACK**

1436 And how would that eight point two reflect back down in, if what, say we were to get the eight
1437 point two through the SMPLMA funding?

1438

1439 **MARK VINCENT**

1440 Then – I would put eight point two million back to Alexander/Hualapai from whence it came.

1441

1442 **MARK VINCENT**

1443 That would be my, that's what I think the direction is.

1444

1444 **COUNCILMAN MACK**

1445 I think so too.

1446

1447 **MARK VINCENT**

1448 If you feel otherwise, tell me.

1449

1450 **COUNCILMAN MACK**

1451 That would be good.

1452

1453 **MAYOR GOODMAN**

1454 Very good. Mayor Pro Tem?

1455

1456 **COUNCILMAN REESE**

1457 Yes, I – have some interest in that first slide we seen where you wanna have a funding balance

1458 left over.

1459

1460 **MARK VINCENT**

1461 Sure, wanna go back to that?

1462

1463 **COUNCILMAN REESE**

1464 And, I – think it's important, or prudent, that we all support Mark's recommendation for that

1465 overage that we might – come up with. The amount, I think, should be set at least five or six

1466 million dollars a year and I think – it should be one of those funds that is kept year after year,

1467 year after year –

1468

1469 **MARK VINCENT**

1470 The one above it.

1471

1472 **COUNCILMAN REESE**

1473 – so that we don't have – these types of problems and stuff on some of the projects. I also think

1474 that there should be a percentage set up to whereas it may be a little bit of a variable, but I also

1475 respect what Councilman Weekly said about not being able to take the full amount and put it on

1476 one, in -- one project. I think there should be a limit on how much money can go out of that
1477 reserve to -- certain projects. I mean, you shouldn't be able to take the whole six point three
1478 million dollars or however much is left there and complete one project. I think there should be
1479 another mechanism used to find that much money but I think there should be a percentage used
1480 to -- complete some of the overages and stuff. And to me, that's what the idea of the
1481 recommendation so **I would make a motion to -- make something like that.**

1482

1483 **MAYOR GOODMAN**

1484 And -- the staff would determine what the appropriate percentage would be.

1485

1486 **COUNCILMAN REESE**

1487 Yes.

1488

1489 **MAYOR GOODMAN**

1490 And then -- bring that back to us.

1491

1492 **MARK VINCENT**

1493 Yeah, I -- would suggest, well, that'd -- be fine. I was gonna, I was thinking in my head maybe I
1494 would, certainly wouldn't go higher than ten percent and what I was thinking is if the bid comes
1495 in ten percent higher than our estimate, that to the extent money was available, we'd go here. If
1496 it was more than ten percent, or if money wasn't available, then we'd have to come back to
1497 Council.

1498

1499 **MAYOR GOODMAN**

1500 If that's practical.

1501

1502 **MARK VINCENT**

1503 I -- think that's -- we certainly can come back at a later time but I think that's what I'm thinking
1504 about right now.

1505

1506 **COUNCILMAN BROWN**

1507 Ten percent of the project or ten percent of the reserve?

1508

1508 **COUNCILMAN REESE**

1509 Ten percent of the reserves.

1510

1511 **MARK VINCENT**

1512 Ten percent of the reserve, with, the pers, ten, the problem with ten, using a percentage of the
1513 reserve would be a project like, for example, Centennial Hills, that's thirty seven million dollars,
1514 it's not, you know –

1515

1516 **COUNCILMAN REESE**

1517 The – reserve to me, though, is not gonna be able to handle that – amount of – shortage or
1518 whatever. But I'm talking about some of the small, the reserve, to me, should be used for some
1519 of the smaller projects and stuff like that, where you come up with anything less than a million
1520 dollar shortage or something.

1521 **COUNCILMAN MACK**

1522 They got reserves coming out of all the projects.

1523

1524 **MARK VINCENT**

1525 Well the, all the – pro, all of our CIP by virtue of these closures up here in projects (inaudible)
1526 contributing to this, my thought, the reason why I picked a ten percent, and it certainly could
1527 even be lower, Councilman, was looking at the thirty seven million for Centennial Hills, ten
1528 percent of that would be three point seven million. So, based on what I'm proposing, staff could
1529 reach into here to the extent of three point seven million to keep Centennial whole.

1530

1531 **MAYOR GOODMAN**

1532 Then if you needed additional monies, you'd have to come back to us.

1533

1534 **MARK VINCENT**

1535 If it was more than ten percent, we couldn't come here, we'd have to – ask your permission. So,
1536 the ten percent would be relative to the project estimate, not relative to the reserve.

1537

1537 **COUNCILMAN WOLFSON**

1538 But under that, excuse me, under that proposal though, with these figures, that would allow staff
1539 to spend fifty percent of the reserve without coming back to the City Council. I'm not sure if
1540 that's prudent in the sense that it might be money well spent but if we use fifty percent of the
1541 reserve on one project, it leaves us with fifty percent. Shouldn't we be at least allowed the
1542 opportunity to decide whether we should spend all ten percent on one major project like that?

1543

1544 **MARK VINCENT**

1545 Perhaps we need a two-tiered threshold then? Perhaps ten percent as long as – that ten percent is
1546 not more than some percentage of this and I don't, I'm not sure what that is. But, what I – guess
1547 one of my thoughts is we could – two thoughts, we could always just bring it back to Council
1548 case by case. The only issue with that is at most we'll get a two-week delay and being a two to
1549 three week delay in being able to award a bid, but if Council can live with that, I certainly can
1550 live with that.

1551

1552 **COUNCILMAN WOLFSON**

1553 If I can state, Mayor –

1554

1555 **MAYOR GOODMAN**

1556 Certainly.

1557

1558 **COUNCILMAN WOLFSON**

1559 Unless the two-week delay is a problem, I would prefer that all of these things, save and except
1560 nominal amounts and we can decide what that is, come back before the City Council.

1561

1562 **MARK VINCENT**

1563 That would be okay with me, as well.

1564

1565 **MAYOR GOODMAN**

1566 No problem?

1567

1567 **COUNCILMAN REESE**

1568 I have no problem with that, never have had.

1569

1570 **MAYOR GOODMAN**

1571 Okay. All right. So that's, I think that's the direction, do we need a motion to –

1572

1573 **COUNCILMAN REESE**

1574 **That would be my motion.**

1575

1576 **MAYOR GOODMAN**

1577 That's the motion, all right. Every, yes?

1578

1579 **COUNCILMAN BROWN**

1580 Does that motion include the direction from Hual, Alexander/Hualapai?

1581

1582 **MAYOR GOODMAN**

1583 Yes, everything that we've discussed. All right, let's vote on that. All those in favor say aye.

1584

1585 **MAYOR GOODMAN, MAYOR PRO TEM REESE, COUNCILMAN BROWN,**

1586 **COUNCILMAN MACK, COUNCILMAN WEEKLY, COUNCILWOMAN MONCRIEF,**

1587 **COUNCILMAN WOLFSON**

1588 Aye.

1589

1590 **MAYOR GOODMAN**

1591 Opposed. Motion carries. **(Motion carried unanimously)** All right, I just want to say this, it

1592 really is a fairly, to me, I think it's remarkable that discussion like this takes place with the

1593 collegiality that was shown by the Council and the respect for the positions of one another. I, in

1594 – light of what Councilman Weekly was saying, I think that it is an extraordinary Council and as

1595 long as we have the mindset that we have to look at the City as a whole, I think that these kind of

1596 meetings are very, very helpful. And I appreciate the Manager's office for bringing this to our

1597 attention and including us in the discussion because this could have unraveled and down the road

1598 we would have been saying, what happened? And, I just got through being in San Diego for two

1599 days and tell you what, if there's a lack of communication between the Manager and the Council,
1600 only a disaster can take place. And – that's what's happening down there. They – are in a
1601 position right now that the – City's about to fall apart because of the fact that they don't talk to
1602 one another and that – is something that we don't worry about here.

1603

1604 **COUNCILMAN WOLFSON**

1605 May I quickly, Mayor?

1606

1607 **MAYOR GOODMAN**

1608 Sure.

1609 **COUNCILMAN WOLFSON**

1610 First of all, aren't two or three of those persons under indictment?

1611

1612 **MAYOR GOODMAN**

1613 Only two, one passed away.

1614

1615 **COUNCILMAN WOLFSON**

1616 Secondly, in – a more serious note, I have said during my recent campaign, as well as just since
1617 then, that I feel I have a loyalty to two entities, number one, I have a loyalty to my Ward Two
1618 constituents but equally, I have a loyalty to all of the residents of the City of Las Vegas. And, I
1619 listened to what you said, Councilman Weekly, and I agree with some of your comments. I think
1620 we need at the same time to serving the needs of Councilman Mack's constituents and they are
1621 great, we equally have a responsibility to service the needs of some of the older Ward's
1622 constituents as well.

1623

1624 **MAYOR GOODMAN**

1625 Very good.

1626

1627 **COUNCILMAN BROWN**

1628 Mayor?

1629

1629 **MAYOR GOODMAN**

1630 Councilman.

1631

1632 **COUNCILMAN BROWN**

1633 I'm gonna, I know Mr. Selby's got some more to say but, I'm gonna ask to be excused, I just did
1634 – want to put some brief points on the record so as you develop direction from now through the
1635 budget cycle. And, a couple things, the list, I think we've had dialogue on the list and trying to
1636 get back to some type of priority system entering next years budget cycle. So, we have a better
1637 comfort level on the Council how those projects are in fact prioritized. The SNPLMA money
1638 also, as Councilman Weekly indicated, I think we need to communicate with the Council more,
1639 as far as the potential for the use of these SNPLMA dollars. We have the – background and
1640 some of the projects that have been identified, but taking a look at those and getting a little bit
1641 more creative as some of our other public agencies have to define almost a priority list of
1642 potential SNPLMA funding events. Also, the scope, and – I've talked to Dr. Selby about this, as
1643 well as some of my colleagues, this could be, amount to a changing of the mindset, here but I
1644 think we, perhaps need to develop, between now and next cycle, a whole different approach to
1645 projects themselves. We – spare no expense to build some of the nicest facilities in the City and
1646 – that's evident by some of the ones that have been constructed by, go back to Bettye Wilson
1647 from the more functional, practical standpoint, that, at the time, it still remains one of the most
1648 cost effective projects and yet still is considered one of the best in the southwest. If we could
1649 start looking at defining, as Doug said earlier, defining the scope of the project on the front end,
1650 a very detailed scope, and even when we go out and get these architectural firms to come in, that
1651 is the scope of the project. They can't build it bigger, nicer, more expansive, they need to live
1652 with the budget or the scope that we set. And from that point, if it doesn't look like we can do it,
1653 then we have to start thinking the opposite, not adding things but taking away from the scope and
1654 living within our means. Because it's gonna get far more competitive as far as not only the
1655 projects among the Council but the projects in southern Nevada. So I would ask that that issue
1656 be looked at.

1657 And, my final issue on the record, is it's great to look at the CIP and borrow from Peter to pay
1658 Paul within the CIP, but I'd also suggest going into the next year's budget cycle, we look at other
1659 options and, if there are other ways that we can identify funding or dollars outside the CIP, and
1660 that includes, as we've often talked about, looking at our budget citywide, not just Capital

1661 Projects but where there are ways to become more efficient in generating more dollars from the
1662 budget cycle. And that's certainly in personnel. I'd like to revisit the whole position request
1663 program. It's also programs and services that are currently offered and the effectiveness or
1664 effici, efficiency of those. And, just some of the things that we've traditionally done because
1665 we've traditionally done them. Let's start focusing where our priority, our, not only CIP, but
1666 citywide. And that falls to our strategic plan and all that other good stuff. That's my comments,
1667 thank you.

1668
1669 **MAYOR GOODMAN**
1670 All right, thank you. Are there any other comments from the Council at this time? All right
1671 folks, this is the time, did you want to?

1672
1673 **DOUG SELBY**
1674 I just – wanted to say a – few things –

1675
1676 **MAYOR GOODMAN**
1677 Please –

1678
1679 **DOUG SELBY**
1680 – if I may, Mayor?

1681
1682 **MAYOR GOODMAN**
1683 Please, certainly.

1684
1685 **DOUG SELBY**
1686 To try and help us from getting back here again.

1687
1688 **MAYOR GOODMAN**
1689 Certainly, maybe we should have waited for the motion.

1690

1690 **DOUG SELBY**

1691 No – this is going forward. In – our eagerness to obviously build as many projects as we could,
1692 as quickly as we could, we didn't really put a lot of controls on what we were doing and that is
1693 systematic of what's happened here today, we see budgets getting higher, we see scopes
1694 changing. One of the – things I'd like to suggest is that I – bring back a resolution to the Council
1695 that you would support tightening up the process and – in doing it in three – ways. One is that
1696 we – take a little more time to plan the projects. And by that I mean we – developed a parks
1697 master plan for parks and trails. We didn't include recreation centers in there but we could easily
1698 add those in. And that plan probably should be the foundation for what we bring forward.
1699 Rather than us develop this list every year and we kind of bounce things around and don't really
1700 have good definition, develop it in the planning documents, tell us, we can't bring anything to
1701 the Council unless it's in that – plan. And that plan would be founded on the needs, 'cause we
1702 do needs assessments, it would be founded on input that you provide us and be founded upon,
1703 just some good planning. If – we don't do that, what happens is exactly what happened today,
1704 we get poor definition of projects, we get poor estimates because the projects are kind of
1705 developed quickly, and as I said, two or three lines are presented to you and we say we think it's
1706 gonna cost this and the reality is there no hope of building that project once it gets fully flushed
1707 out with the money that has been authorized. We risk doing something that Councilman Weekly
1708 pointed out and that's under serving an area. We create competition and then that's probably not
1709 always a good thing. But – with careful planning and more methodical planning, I think we can
1710 bring you better projects and better definitions so that we don't end up in this kind of a situation.
1711 Part two is develop some standards for our projects. We now develop every project, it's –
1712 custom, it's totally special, it's – totally new and contrast that to how we do fire stations, which
1713 have been projects that routinely come in within budget, routinely come in on schedule. We
1714 developed a prototype fire station that's been carefully thought out and is kind of the standard.
1715 That's what we design around. We modify it, obviously, for a different site and add little
1716 features here and there but it's kind of the standard footprint of a fire station. I'd like to suggest
1717 that, you know, we talk about how we can develop those kind of standards for rec centers, senior
1718 centers and more or less cookie cutter them, if you will, taking into account different
1719 architectural needs, but kind of the same basic floor plan and elements in every one of those, as
1720 well as, parks. Have certain different types of parks where if you tell us you're approving a
1721 category "A" park, we know that that park may, for example, just have picnic tables, one swing

1722 set and some other features. A category "P", "B" park might have some other things in it. And
1723 then we customize from there depending on the needs. So, that would be part two, set – some
1724 standards. That gives us also the ability to give you better budget estimates for the projects.

1725 The other thing is been mentioned here today is tighten up our project controls. Once you
1726 approve a project, we need to stick to the budget. We need to stick to the definition of that
1727 project and not let it creep, not let it get bigger or more complex, or more elegant than was
1728 originally authorized and approved.

1729 And finally, the idea of the bid reserve, come back to you with actually, a management plan,
1730 some, we, talked about it briefly here and I think we've got some good direction. But bring that
1731 back with the idea that, you know, there is this – reserve fund, now how do we use it best to
1732 accommodate projects without letting it become a fund that accommodates scope creep and other
1733 things that are within our control to manage.

1734 This would be a big departure from the way we do it today. It requires more discipline on our
1735 part as staff, more discipline on the Council's part and perhaps, more patience because what, in
1736 effect, I'm suggesting is we throw a little more bureaucracy into a process that we kind of let go
1737 in the interest of getting as much built as we could as quickly as we could.

1738 So those are my – recommendations and suggestions and if they meet with your approval, what
1739 I'd like to do is bring something like that back to you in the form of a resolution that would kind
1740 of be our agreement to you and your agreement with us as to how to approach these projects in
1741 the future.

1742
1743 **COUNCILMAN WOLFSON**

1744 Mayor Goodman?

1745
1746 **MAYOR GOODMAN**

1747 Councilman.

1748
1749 **COUNCILMAN WOLFSON**

1750 Thank you. Dr. Selby, I didn't hear you say anything or maybe I missed it dating back about an
1751 hour ago about apparently we don't have a process where we allocate certain funds for a project
1752 and then we send it out to bid but we don't tell how much money to the bidder (sic) we have
1753 available.

1754 **DOUG SELBY**

1755 Yeah, actually, yeah –

1756 **COUNCILMAN WOLFSON**

1757 I wasn't as articulate as I'd like to be but that didn't seem to be part of your – proposal.

1758

1759 **DOUG SELBY**

1760 Well, when I talked about project controls that's part of it. We – it's, architects, actually, we
1761 contract out with an architect and they'll design whatever we tell them to design without regard
1762 to the final cost and part of project controls would say, tell the architect, you design this project
1763 so that the bid comes in within the budget. So we – put the burden on those that we've hired to
1764 develop this for us. And, that – part of our discipline too is not to ask them to do things that take
1765 it over the budget.

1766

1767 **COUNCILMAN MACK**

1768 More clarity in the scope of the project.

1769

1770 **DOUG SELBY**

1771 Yes.

1772

1773 **COUNCILMAN REESE**

1774 Your Honor?

1775

1776 **MAYOR GOODMAN**

1777 Yes.

1778

1779 **COUNCILMAN REESE**

1780 Mr. Jerbic, would we be allowable then to just make hap, Doug put this on the City Council
1781 because this isn't, I don't think on for action today? Just ask Doug to put this on the City
1782 Council agenda item for – discussion or approval or – whatever?

1783

1784 **BRAD JERBIC**

1785 That's appropriate.

1786 Page 60 of 66

1786 **MAYOR GOODMAN**

1787 We allowed to discuss it?

1788

1789 **BRAD JERBIC**

1790 You're allowed to discuss it but I don't think you can take a motion on it because we're not
1791 agendad for it.

1792

1793 **MAYOR GOODMAN**

1794 Fine. My, I like – three out of the four very, very much. Though, out of the one that will cause
1795 us the biggest problem is the one that I – want to reserve my judgment on and that is the
1796 standardization. There's something nice about each ward having a project that's distinctive to
1797 that particular ward. With the fire stations I agree, I think that the cookie cutter affect has been
1798 very, very good and although we don't necessarily have to follow it to the "T". The renovation
1799 of the fire station up at Henson although it may look very much like some of the other fire
1800 stations really is a museum and has a distinction pertinent to that particular neighborhood. So, I
1801 – think that there has to be a little bit of a give and take, as far as the standardization so that the
1802 Councilperson from that Ward can say, look, I really would like to see this element in there and
1803 no we don't have it in Ward Three but we – should have it in Ward Five. Mark?

1804

1805 **MARK VINCENT**

1806 Mayor, one way we might be able to address that is we actually talked about – that amongst staff
1807 is that if we were to come up with certain types of parks, they wouldn't have to be standard
1808 across the board. What we would do is we'd establish certain – standard amenities, a
1809 playground, you know, that sort of stuff, but we would establish a unit value for that park per
1810 acre, per square foot that would provide in, at least in staff's opinion, enough leeway that you
1811 could customize within that budget.

1812

1813 **MAYOR GOODMAN**

1814 Right.

1815

1816 **MARK VINCENT**

1817 And so that we still have a budgetary control in this case –

1818 Page 61 of 66

1818 **MAYOR GOODMAN**

1819 And I appreciate that and –

1820

1821 **MARK VINCENT**

1822 – so that the parks can be unique from, ‘cause one neighborhood might want a volleyball pit as
1823 opposed to a skateboard, a skate – park. And so we would still allow that sort of a flexibility
1824 within the budgetary controls.

1825

1826 **MAYOR GOODMAN**

1827 It would be a monetary – standard as much as anything else.

1828

1829 **DOUG SELBY**

1830 Yes.

1831

1832 **MAYOR GOODMAN**

1833 Okay, that’s good, very good. All right, can, is there a motion or?

1834

1835 **COUNCILMAN REESE**

1836 Well, we can’t take any action.

1837

1838 **DOUG SELBY**

1839 No, I’m – proposing to bring this back.

1840

1841 **MAYOR GOODMAN**

1842 Please.

1843

1844 **DOUG SELBY**

1845 Just consider it informational.

1846

1847 **MAYOR GOODMAN**

1848 That’s excellent. All right. Time for Citizens Participation.

1849

1849 **COUNCILMAN WOLFSON**

1850 Your Honor, I'm sorry.

1851

1852 **MAYOR GOODMAN**

1853 Yes.

1854

1855 **COUNCILMAN WOLFSON**

1856 Before we go on to Citizens Participation, this is going to be somewhat of a selfish request on
1857 my part, but as I look at the list of ninety-four projects, I think that only one of them is unique to
1858 Ward Two and that's the Tenaya Park project. And I just feel an obligation to ask Mark, if you
1859 could, or Larry, if you could, Larry – there you are Larry, just for a status report on this project
1860 as far as the funding. Where're we at on the funding and where're we at on getting this project
1861 off it's feet and completed.

1862

1863 **MARK VINCENT**

1864 I'd be happy to start it, Councilman. As you know, we've got about a million one in funding
1865 we've allocated already. Some of that's been spent. I think there's about nine hundred thousand
1866 that's unspent. In addition to that, I believe you have about three hundred and ninety five
1867 thousand in your Ward's Residential Construction Tax that – could be allocated here. In my
1868 discussions with Larry, and again I'm not sure where we are in terms of a actual definition of
1869 what, how we're going to do that, I know we're working right now on doing an engineering plan
1870 for that as opposed to an architectural plan 'cause we feel, we feel we can, that's the level at
1871 which we need the services and it would be far cheaper. But at some point, I think we're gonna
1872 get ready and we're gonna look at it and we're gonna say it's probably gonna cost us more like a
1873 million seven than a million four or a million three.

1874 So, I'm – guessing that that park at some point when we get ready to – roll and that's gonna
1875 probably be short about four to five hundred thousand dollars, somewhere in that neighborhood.

1876

1877 **COUNCILMAN WOLFSON**

1878 Now why can't we say that we have one point five million dollars, because that's about what we
1879 have, and that's what we want to build the park for and scale down the project to what we have
1880 available? Can we do something like that Larry?

1881

1881 **LARRY HAUGSNESS**

1882 Yeah, Councilman, actually and we've – kicked this around, you know, started with staff a little
1883 bit, you know what we proposed – to do is actually go ahead and design the park, there are
1884 several elements in the park that could be added at – a later date, we can leave them off at this
1885 point. With a primary purpose to get – the turf areas, the playgrounds done, some of the fencing
1886 could be done at a later date, the restroom could be added at a later date, the parking lot. So,
1887 what – we would propose to do if we actually take it and – do some added, add alternates in the
1888 bid process and buy what we can afford to buy for the money we have available.

1889

1890 **COUNCILMAN WOLFSON**

1891 And finally, and then I'll shut up, Mayor.

1892

1893 **MAYOR GOODMAN**

1894 That's fine.

1895

1896 **COUNCILMAN WOLFSON**

1897 Just a quick little story, I grew up in the San Fernando Valley of Los Angeles and I grew up one
1898 block away from a park. And, this park was about the same size as the Tenaya Park project and
1899 it was nothing but grass, a few trees and a – backstand, or whatever you call it for a –

1900

1901 **COUNCILMAN MACK**

1902 Baseball.

1903

1904 **COUNCILMAN WOLFSON**

1905 – for, baseball, and this park was used by all the kids in the neighborhood. I probably went there
1906 for fifteen years and it can be basic and simple is my point. And I'd like to participate with you
1907 in the planning of this park. Thank you, Mayor.

1908

1909 **MAYOR GOODMAN**

1910 All right, thank you. Councilman Mack.

1911

1911 **COUNCILMAN MACK**

1912 Just a dovetail Councilman Wolfson's comments in talking about some of the comments that
1913 Councilman Weekly brought up. I'd like to maybe analyze the Residential Construction Tax, I,
1914 you know I go up and down my list and I see that there's eight, nine, ten million dollars
1915 available, of course I – would have loved to dive into that and throw that into the Centennial
1916 Hills Park. Maybe we can look at other municipalities, how far they've pushed the envelope
1917 with RCC, RCT dollars. And how we can become more creative. I know that we have been, but
1918 I know with SNPLMA and RCT dollars, we can utilize those dollars and then bring dollars, you
1919 know, for CIP to older wards that don't have, necessarily have that type of funding.

1920

1921 **MAYOR GOODMAN**

1922 Thank you. Anybody else? All right, thank you everybody. This is the time for Citizens
1923 Participation. The public comment during this portion of the agenda may be limited to matters
1924 within the jurisdiction of the City Council. No subject may be acted upon by the City Council
1925 unless that subject is on the agenda and is scheduled for action. If you wish to be heard, please
1926 raise your hand and state your name. I don't see any hands being raised. Yes, Sir?

1927

1928 **MELVIN HENKIN**

1929 I had a biopsy so I'm leaving the hat on. My name is Melvin Henkin and I live in Ward Six, but
1930 I've also traveled around the City and like Councilman Wolfson said, I've lived in Los Angeles,
1931 I also grew up in New York, in New Jersey. And I've watched parks grow into what they are
1932 today. And there seems to be, maybe we don't have to go a hundred percent all the way and
1933 leave room for the park to expand at a future date without building everything in one shot. But I
1934 know in Ward Six, there – is a need to do something. And, I feel we should go all the way up
1935 the back, no, I – shouldn't, I don't mean all the way, but build it up to a point and – see what's
1936 being done with that particular area. And then when money starts rolling in at a future date, you
1937 can go to each area and give them all and give all the areas some – matter of uniformity. True,
1938 or not completely uniform but for that area, so everybody feels like we've had a little piece of the
1939 pie.

1940

1940 **MAYOR GOODMAN**

1941 Thank you. Would anybody else like to be heard? All right, thank you everybody. Meeting's
1942 adjourned.

1943 **(END OF DISCUSSION)**

1944 /slc;ac

AGENDA SUMMARY PAGE

SPECIAL CITY COUNCIL MEETING OF: NOVEMBER 1, 2004

CITIZENS PARTICIPATION: PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE CITY COUNCIL. NO SUBJECT MAY BE ACTED UPON BY THE CITY COUNCIL UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED

MINUTES:

NOTE: A Combined Verbatim Transcript is made a part of the Final Minutes.

THE MEETING ADJOURNED AT 11:21 A.M.

Respectfully submitted:



STACEY CAMPBELL, DEPUTY CITY CLERK