

EUREKA COUNTY BOARD OF COMMISSIONERS
Special Meeting - April 24, 2014

STATE OF NEVADA)
 :ss
COUNTY OF EUREKA)

CALL TO ORDER

The Board of Eureka County Commissioners met pursuant to law on April 24, 2014, for a special meeting. Present were Chairman J.J. Goicoechea; Vice Chairman Jim Ithurrealde; Commissioner Michael Sharkozy; District Attorney Ted Beutel; and Executive Assistant, Jackie Berg. The meeting was called to order at 1:00 p.m. and began with the Pledge of Allegiance. The interactive video conferencing system was connected and utilized between Crescent Valley and Eureka for the entire meeting.

Public Works Director, Ron Damele; Mike Bennett, PE, of Lumos & Associates; Scott Bulloch, President of Legacy Construction & Development; and Dave Slack, Project Manager for Legacy Construction & Development, were also in attendance.

APPROVAL OF AGENDA

Commissioner Ithurrealde motioned to approve the agenda as posted; Commissioner Sharkozy seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Goicoechea opened the floor for public comments; there were none.

ROBINS STREET IMPROVEMENTS & UTILITY UPGRADES PROJECT

CMAR Method & Guaranteed Maximum Price: On February 20th, the Board selected Legacy Construction & Development, Inc., as the CMAR (Construction Manager at Risk) for the Robins Street Improvements & Utility Upgrades Project and signed a preconstruction contract. Legacy Construction & Development then advertised for bids from subcontractors and prepared a cost estimate. County Engineer, Lumos & Associates, studied the constructability reviews and prepared the engineer's estimate.

Lumos & Associates, Public Works, and Legacy Construction & Development met on April 17th to conduct a line-by-line review and to negotiate the GMP (guaranteed maximum price) for the project to be presented for the Board's consideration. The anticipated start date for this project is May 5th.

Mike Bennett, Lumos & Associates, submitted a letter recommending that the Commissioners approve the GMP and award the project to Legacy Construction & Development. Mr. Bennett based his recommendation on the following: the proposal adhered to the requirements of the preconstruction agreement; the proposal is based on a six-day work week as required; the proposal is within 7.1% of the engineer's estimate (within industry standards); cost and scope of work were negotiated and are deemed to be fair and reasonable; all services outlined in the preconstruction agreement have been accounted for; and appropriate statutes were adhered to when advertising for and selecting subcontractors.

Mr. Damele noted several items. The GMP includes a \$400,000.00 contingency for construction conflicts and additional work. This will cover unforeseen items which are not uncommon when excavating and constructing in residential areas involving major public utilities. A crusher and hot plant will be set up at the Eureka Landfill which will allow the contractor to produce good quality material in close proximity to the job, resulting in a cost savings. The County will have Legacy stockpile 2,000 tons of micropave sand for future projects. The upper approach to the School District's new gymnasium will likely be closed for 30-45 days until mid-

July. This is due to an elevation difference that will occur where the school's construction ends and the County's construction begins. The southern entrance will remain open.

Mr. Bennett relayed some of the benefits and cost savings that will result from utilizing the CMAR delivery method for this project. Since the contractor has a longer period to review specifications for the project (as opposed to the lowest bid method) and since all parties work together as a team (owner, contractor, engineers), there is greater opportunity to identify preferred methods in order to streamline and save costs. For instance, placement of a crusher and hot plant at the landfill will result in a substantially lower asphalt price. The project will require 24/7 coverage during the period that sewer bypass pumping occurs to ensure immediate response to any failure. This would have been an additional cost (of approximately \$170,000.00) in a low bid contract, but is being covered at no additional cost to the County because of Legacy's management plan for the operation. Other issues addressed through this process resulted in additional cost savings.

Mr. Bennett explained that the current GMP anticipates all paving upon completion of other phases of the project. Should an issue arise that causes the County to decide that paving should occur after each phase, there is a backup plan to cover this. It would result in a net increase of \$68,000.00 and can be paid from the contingency funds.

It was briefly discussed and the County agreed that Legacy will have the ability to provide asphalt to other parties.

Approval of Guaranteed Maximum Price: Commissioner Ithurralde motioned to accept the Guaranteed Maximum Price of \$4,345,517.50 as negotiated between the CMAR, Legacy Construction & Development; Public Works; and Lumos & Associates for the Robins Street Improvements & Utility Upgrades Project and to sign the Owner-CMAR Construction Agreement. Commissioner Sharkozy seconded the motion. Motion carried 3-0.

PUBLIC COMMENT

Chairman Goicoechea called for public comments; there were none.

ADJOURNMENT

The meeting was adjourned at 1:20 p.m.

Approved by vote of the Board this 19th day of May, 2014.

/s/ J.J. Goicoechea

J.J. Goicoechea, Chairman

I, Jackie Berg, Executive Assistant to the Board of Eureka County Commissioners, attest that these are a true, correct, and duly approved minutes of the April 24, 2014, meeting of the Board of Eureka County Commissioners.

/s/ Jackie Berg

Jackie Berg, Executive Assistant

I, Beverly Conley, Clerk & Treasurer of Eureka County, acknowledge and accept the attached minutes as approved by the Board of Eureka County Commissioners and attested to by the Executive Assistant of the Board.

/s/ Beverly Conley

Beverly Conley, Clerk & Treasurer