

**MINUTES OF THE MEETING
OF THE
SENATE COMMITTEE ON FINANCE
AND THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS
JOINT SUBCOMMITTEE ON HIGHER EDUCATION/CIP
Seventy-Fourth Session
March 29, 2007**

The Senate Committee on Finance and the Assembly Committee on Ways and Means, Joint Subcommittee on Higher Education/CIP, was called to order by Senator William J. Raggio, Chair, at 8:10 a.m., on Thursday, March 29, 2007, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/74th/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

SENATE COMMITTEE MEMBERS PRESENT:

Senator William J. Raggio, Chair
Senator Barbara K. Cegavske
Senator Bob Coffin
Senator Bernice Mathews

ASSEMBLY COMMITTEE MEMBERS PRESENT:

Assemblywoman Sheila Leslie
Assemblywoman Barbara E. Buckley
Assemblywoman Heidi S. Gansert
Assemblyman John W. Marvel
Assemblywoman Debbie Smith

COMMITTEE MEMBERS ABSENT:

Assemblyman Morse Arberry Jr.

STAFF MEMBERS PRESENT:

Gary Ghiggeri, Senate Fiscal Analyst
Mark W. Stevens, Assembly Fiscal Analyst
Eric King, Program Analyst
Carol Thomsen, Committee Secretary
Patricia Adams, Committee Assistant

Chairman Raggio asked Gustavo Nunez, Manager, State Public Works Board (PWB), whether he would like to present opening remarks prior to addressing the Capital Improvement Program (CIP) projects listed on the Agenda ([Exhibit A](#)). Mr. Nunez replied that he did not wish to make opening remarks.



Chairman Raggio opened discussion of CIP 07-C52.

Peace Officers' Standards and Training

CIP 07-C52—Northern Nevada Emergency Vehicle Operations Course (EVOC)

Mr. Nunez explained that the project provided for the design and construction of the seven-acre emergency vehicle training course near the Northern Nevada Correctional Center (NNCC). The course was being proposed with the express permission of and, in cooperation with, the Division of State Lands and the Nevada Department of Corrections (NDOC).

Mr. Nunez called the Subcommittee's attention to page C-2 of the PowerPoint presentation ([Exhibit C](#)), which included a vicinity map that depicted the approximate location of the facility. The map showed the location of NNCC in relation to the proposed site for the training course.

Chairman Raggio asked whether the Emergency Vehicle Operations Course (EVOC) was adjacent to the NNCC, which was located on state land, and therefore, there would be no land acquisition costs, and Mr. Nunez stated that was correct.

Chairman Raggio noted that the request was for approximately \$2.3 million to fund the construction of the EVOC. He pointed out that the project had been discussed during past sessions, and it appeared that the current allocation would fund the actual construction of the driving course. Mr. Nunez stated that was correct.

The PWB had submitted a revision to the project's cost to include the additional expense for paving that would withstand use by heavier emergency vehicles, and Chairman Raggio asked for clarification.

Mr. Nunez explained that the project originally anticipated only vehicular type traffic with no truck traffic, but because the PWB determined that future use could include such vehicles as fire trucks, it increased the depth of the base and asphalt to accommodate trucks utilizing the course.

Chairman Raggio noted that the budget revision submitted by the PWB increased the cost of the project to approximately \$2.6 million, and Mr. Nunez stated that was correct. Chairman Raggio asked Mr. Nunez to explain the \$597 expense for bond sale costs, because the project was funded with court assessment fees.

Mr. Nunez concurred that the funding for the project was through court assessment fees, and the \$597 for bond sale costs was an error that would be corrected by the PWB.

Chairman Raggio asked whether the project was appropriately funded with court assessment fees. Mr. Nunez stated that Mr. Clark from the Commission on Peace Officers' Standards and Training (POST) was present and could address that question.

Chairman Raggio pointed out that there were limitations in funding with court assessment fees, with approximately 51 percent of the fees retained by the court system, and 49 percent used by other agencies. The project would provide POST with a higher than normal allocation of court assessment fees.

Chairman Raggio asked whether the project represented a one-time enhancement of court assessment fees.

Richard Clark, Executive Director, POST, explained that POST was funded solely by court assessment fees, except for a small amount from registration fees for the POST academy. Mr. Clark stated that the CIP project was totally funded through court assessment fees.

Chairman Raggio asked when the EVOC would be ready for utilization, if the project were approved. Mr. Clark replied that POST hoped that the course would be ready by the end of the biennium. It was a two-year project and the one-shot funding was actually stretched over the two-year period. The cost in FY 2008 would be \$975,820, and in FY 2009 the cost would be \$1,688,938. Mr. Clark stated that, hopefully, the project would be completed at the end of FY 2009. The EVOC was not a complicated project and consisted of laying down several inches of concrete and asphalt.

Chairman Raggio asked why the project would take two years to complete. Mr. Clark said the time frame would ensure that the court assessment fees were received as anticipated. The initial work would be done during the first year of the biennium, and the funding would be available to complete the project during the second year of the biennium.

Chairman Raggio asked whether POST would charge other agencies for use of the EVOC. Mr. Clark advised the Subcommittee that POST had a simple business plan to compensate for minimal maintenance. The project was very simple, consisting of a surface of asphalt and concrete, along with fencing and lighting, for use by emergency vehicles. Mr. Clark stated that during the first two years, POST did not anticipate much in the way of maintenance costs, but there was an established system for agencies that used the course and did not contribute to court assessment fees to pay a higher fee for rental of the vehicles and the course.

Chairman Raggio asked Mr. Clark whether POST had a schedule of anticipated revenue from the course. Mr. Clark indicated that POST did not have actual figures. Chairman Raggio clarified that his question was about the agencies that did not contribute to court assessment fees and would pay a higher fee. Mr. Clark stated that agencies who did not contribute to court assessment fees would pay \$250 a day for rental of the POST vehicles and use of the EVOC.

Chairman Raggio asked whether there were other driving courses operating in the Carson City area that could be utilized. Mr. Clark replied that there was one course at the Regional Training Center, which was owned by a consortium of Reno, Sparks, and Washoe County. That facility was located in Reno, and was not being used by the agencies that would use the POST facility because of scheduling difficulties and cost factors.

Chairman Raggio asked whether the POST facility would be similar to the Regional Training Center. Mr. Clark replied that the facilities would be similar, but the POST course would be laid out on a flat surface with the use of cones, which could be restructured to set up different driving scenarios, such as collision avoidance, evasion, and pursuit management.

Originally, Chairman Raggio said, the project included a six-acre site, but that was changed to a seven-acre site, and he asked for clarification. Mr. Clark explained that POST anticipated paving seven acres immediately.

The project actually included ten acres which had been allocated to POST by the NDOC and the Division of State Lands. Mr. Clark stated that POST believed that seven acres would be the appropriate size for the EVOC to facilitate the various driving scenarios.

Chairman Raggio asked whether there were questions or further information to come before the Subcommittee regarding CIP 07-C52.

Assemblyman Marvel asked for clarification regarding the total amount of court assessment fees projected for the project. Mr. Marvel explained that an audit had been conducted several years ago, and the audit pointed out that the method of collecting assessment fees varied greatly throughout the court system. He pointed out that the collection of court fees was not stable and one of the recommendations from that audit was that the various courts standardize the method of fee collection. There were many different agencies that utilized court assessment fees, and Mr. Marvel wondered whether there would be sufficient funding to allocate to the various agencies if POST received a larger than normal share.

Maud Naroll, Chief Assistant Planner, Budget Division, indicated that she did not have the figures available at the meeting, and she would provide that information to the Subcommittee later in the day.

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), explained that administrative assessment revenue projections had recently been reviewed by another subcommittee. Information received by that subcommittee indicated that the court recommended an increase in the projection for administrative assessment fees. Mr. Stevens did not recall the total amount of the administrative assessment fee revenue that was collected, but that amount would likely increase from the amount currently included in The Executive Budget.

Chairman Raggio asked LCB staff to compile the information regarding court assessment fees and provide the information to members of the Subcommittee when available.

Mr. Marvel asked Mr. Stevens whether the courts had standardized the method of fee collection. Mr. Stevens replied that standardization was a past recommendation of the Legislature, and the Administrative Office of the Courts recently hired an auditor to oversee the collection of administrative assessment revenues. Mr. Stevens believed that the process of standardization could now begin.

Chairman Raggio commented that he had talked with Chief Justice Maupin a few weeks ago, and Justice Maupin indicated that the courts were enjoying excellent compliance with administrative assessment fees.

Chairman Raggio asked whether there were further questions or testimony to come before the Subcommittee regarding CIP 07-C52 and, there being none, closed the hearing.

The Chairman opened the hearing on CIP 07-C22.

Department of Public Safety

CIP 07-C22 – Replace Campos Office Building and Parking Area

Mr. Nunez explained that the project was a continuation of CIP 05-P08, and CIP 03-P02, which funded the design of the replacement facility. Mr. Nunez said that Major Kevin Tice, Department of Public Safety, Southern Command, Parole and Probation Division, was present to assist with questions from the Subcommittee.

Mr. Nunez explained that CIP 07-C22 would provide for the demolition of the existing Campos building and replace it with a five-story, 78,700 square-foot building, and a 105,000 square-foot parking garage. Mr. Nunez referred to [Exhibit C](#) that showed a vicinity map of the location of the existing facility, which was also the location of the new building. The exhibit also contained an aerial view that depicted where the building and parking structure would be located.

Mr. Nunez stated that the building and parking structure were 100 percent state-funded and would be constructed on state lands. There were no items to be declared, as the project cost included fixtures, furnishings, and equipment (FF&E).

Chairman Raggio noted that in June 2006 the Interim Finance Committee (IFC) approved enlargement of the proposed building, and he asked whether the building was now consistent with the size approved by IFC. Mr. Nunez replied that the size of the building was consistent with previous IFC action.

Chairman Raggio asked about the date of occupancy for the new building. Mr. Nunez indicated that he did not have the exact date, but assuming the project received approval and the funding became available July 1, 2007, the PWB would begin bid advertising that date. He anticipated that construction would take approximately 15 to 17 months from the date of the bid award. Mr. Nunez believed that if the PWB advertised the project in July 2007, the bid should be awarded in August 2007, with a notice to proceed issued in early September 2007. The building construction would take 15 to 17 months to complete, and occupancy would require at least one additional month.

Chairman Raggio said it appeared that the date of occupancy would be early in 2009, and Mr. Nunez said that would be his best guess. Chairman Raggio asked whether the parking area would also be completed at that time. Mr. Nunez explained that it was a parking structure, and it should also be completed at the time of occupancy.

Chairman Raggio asked about the cost of removal of contaminated soil and groundwater, and the agreement between the city of Las Vegas and the PWB to stockpile the soil at the site and pipe the groundwater to a temporary holding tank. Apparently, the contamination was caused by leakage of diesel fuel from a nearby fire station.

Mr. Nunez explained that because of the soil conditions at the site, the foundation would extend down into the groundwater. The groundwater was contaminated from a diesel fuel spill that occurred at the firehouse adjacent to the building site, which was the responsibility of the city of Las Vegas. Mr. Nunez stated that the PWB met with the city several times and it was determined that the PWB would be responsible for the foundation. While the foundation was being constructed, the contaminated groundwater would be

pumped into tanks provided by the city of Las Vegas. The water would be disposed of at the city's expense.

Chairman Raggio noted that the project had been discussed over a number of Legislative Sessions, and it was not a new project. It appeared that the project would be built at the same location as the existing building site. There was discussion in the past about the location of the building because of freeway access, and Chairman Raggio asked whether that issue had been resolved.

Mr. Nunez answered that the PWB had coordinated the project with the Nevada Department of Transportation (NDOT) design division. In addition, it was the desire of the Parole and Probation Division to retain the downtown location, which was close to the court system.

Chairman Raggio questioned demolition costs, which were estimated at \$638,623. Mr. Nunez believed that site demolition costs were actually estimated at \$491,400. Chairman Raggio pointed out that the cost had increased to \$639,623, including inflation, and Mr. Nunez agreed that was the correct figure. Chairman Raggio asked why the cost to demolish a 35,000 square foot building was so high, and whether that was normal cost for demolition. Mr. Nunez replied that the figure represented the average cost for demolition of a building. Chairman Raggio asked about the existing structure, and Mr. Nunez replied that the existing building was reinforced concrete. Mr. Nunez reported that the cost included the removal and disposal of materials.

Chairman Raggio referenced risk management costs and asked how the estimated cost for risk management was determined. Mr. Nunez explained that the risk management cost was being revised down to \$97,641. Chairman Raggio noted that there had been discussion of a "new concept" in project cost estimates, and he asked what was covered by the risk management costs. Mr. Nunez said that originally, the idea was to provide evidence-quality record retention by an outside consultant during the construction of a project.

Chairman Raggio asked what specific functions would be performed by an outside contractor under the risk management costs. Mr. Nunez explained that risk management included archiving all documents pertaining to the project, review of all documentation from a risk management perspective, and advising the PWB of any problematic areas.

Chairman Raggio asked, based on contract documents, whether risk management costs would obviate situations such as the settlement of the Veterans' Home case. Mr. Nunez replied that risk management would assist the PWB with cases such as the Veterans' Home. The scope of risk management had changed somewhat and now included the cost of mediation of disputes during the construction process, which would allow situations to be addressed immediately and not expand into a claim. Mr. Nunez said that a certain amount of risk management funding would also be used for partnering to ensure that situations did not ultimately end in a claim.

Mr. Nunez explained that the PWB hoped to purchase the software for an electronic record retention system, and also hoped that the Attorney General's Office would hire an attorney who was knowledgeable in the area of construction law.

Chairman Raggio noted that the project contained FF&E of approximately \$2.5 million, and he asked that Mr. Nunez provide LCB staff with a complete list of what was included in those costs. Mr. Nunez advised the Subcommittee that such a breakdown was available, and he would provide a copy to LCB staff.

Assemblywoman Buckley asked that Mr. Nunez provide the Subcommittee with a breakdown of services that would be provided by the outside contractor under the revised risk management cost estimate, further information about partnering, and a breakdown of line items. Mr. Nunez stated that he would provide that information to the Subcommittee.

Assemblyman Marvel referenced the demolition of the existing Campos building, and asked whether the building could be imploded, similar to the demolition of older clubs along the Las Vegas strip. Mr. Nunez said that he was unaware of the cost of imploding a building, but demolition of the Campos building would be reviewed, and the most cost-effective method would be utilized, whether that was implosion or some other type of demolition. Much of the cost involved in demolition was in loading and hauling the material to a disposal site. Mr. Nunez said that trucking expenses were quite high, and roundtrips to the disposal site would take over one hour. Mr. Marvel asked whether the demolition costs for the project had been finalized, and Mr. Nunez explained that those costs were estimated based on similar projects.

Chairman Raggio asked about the cost of relocating the Division of Parole and Probation's staff during construction. Major Kevin Tice, Deputy Chief, Southern Command, Division of Parole and Probation, explained that staff would be moved to 620 Belrose in Las Vegas. The building had been retrofitted with carpet and cubicles, and the Division planned to occupy that facility until demolition and construction of the new building was complete.

Chairman Raggio said it appeared that demolition and construction would take at least 18 months, and he asked whether the building at 620 Belrose could be used for that period of time. Major Tice reported that Division staff were very excited about the new building and were willing to sacrifice to accommodate construction of the new building.

Assemblywoman Buckley asked whether the Belrose building was retrofitted so that staff would be able to utilize computers. Major Tice stated that computers had been accounted for, and information technology costs had been expended to ensure that technology was part of the retrofitting.

Ms. Buckley then asked whether officers would be able to utilize their computers and access information. Major Tice said that there might be a few "bugs" in the system, but the Division had planned for moving the computers. Ms. Buckley commented that operational computers were vital to the Division.

Chairman Raggio asked whether there were further questions or comments to come before the Subcommittee about CIP 07-C22 and, there being none, closed the hearing.

Chairman Raggio opened discussion on CIP 07-C29.

Department of Public Safety

CIP 07-C29 – Southern Training Academy & Highway Patrol Substation

Mr. Nunez stated that the project provided for the design and construction of a multi-use building that collocated the Department of Public Safety Training Academy and a Highway Patrol substation. Mr. Nunez referenced [Exhibit C](#), which depicted an aerial map of the facility site in North Las Vegas.

Chairman Raggio asked whether the land for the project was owned by the National Guard, and Mr. Nunez replied that was correct. Chairman Raggio said that because the building would be constructed on state-owned property, there would be no property costs associated with the project. Mr. Nunez stated that was his understanding.

Mr. Nunez indicated that the project consisted of a 27,000 square-foot facility that was funded 84 percent with Highway Fund dollars and 16 percent with state funding. Mr. Nunez further explained that half of the facility would be funded 100 percent with Highway Fund dollars and the other half would be funded 32 percent with state funds and 68 percent with Highway Fund dollars. The average would be approximately an 84 percent Highway Fund and 16 percent state fund split, which was somewhat different than the original funding plan. Mr. Nunez indicated that the facility would be built on state land, and the FF&E would be deferred and requested in the CIP program for FY 2009.

Chairman Raggio asked who would use the facility. Colonel Christopher Perry, Department of Public Safety, Nevada Highway Patrol (NHP), stated that it was a joint facility for the Training Division and the Highway Patrol. Chairman Raggio asked whether it would be substation or a full-service office. Colonel Perry explained that half of the building would be a working substation to service the residents in the northern half of the Las Vegas Valley, and the other half would be used as the training center for the Department of Public Safety. Chairman Raggio asked for clarification regarding the substation. Colonel Perry explained that the facility would be a full-service NHP office.

Chairman Raggio asked whether additional staff would be needed for that facility. Colonel Perry stated that NHP had requested additional staff in its current budget, and those positions would assist in staffing the substation.

Chairman Raggio asked whether the project was still in the planning stages or whether it was in the planning and construction stage. Mr. Nunez replied that the project was in the planning and construction stage. Chairman Raggio asked about the date of occupancy. Mr. Nunez replied that the PWB had to select the architect and conduct the design and plan check, which would take approximately one year from the date of selection, and the construction would take approximately one year.

Chairman Raggio asked when the NHP substation would be available for use. Mr. Nunez said the FF&E would be included in the CIPs for the next biennium and immediately after that the NHP could move into the facility.

Chairman Raggio asked about the staff requested by the NHP in its current budget, and Colonel Perry indicated that the NHP would utilize that staff to cover the northern half of the Las Vegas valley. Colonel Perry said the staff would be located in the current NHP building in the southern half of the Las Vegas valley.

Chairman Raggio asked how the square-footage would be split between the NHP and the training academy, and Mr. Nunez replied that the space would be split approximately in half. Chairman Raggio stated that the Subcommittee would require a more accurate analysis of how the funding was split between Highway Fund and General Fund dollars. Chairman Raggio asked whether the 84 percent/16 percent split was the most current review of the funding. Mr. Nunez said that the percentage was reviewed as of March 28, 2007.

Chairman Raggio noted that there had been some discussion that other law enforcement agencies might also utilize the training facility. Colonel Perry explained that there was a good possibility that other agencies would use the facility. The NHP was attempting to collocate in a facility that would allow various police and fire departments within the Las Vegas Valley to utilize the training facility. The primary resident of the building would be the Department of Public Safety, but classes offered by the Department would be open to other law enforcement agencies within the Valley.

Chairman Raggio asked whether those agencies would share in the costs of constructing the facility or pay for usage. Colonel Perry said it was likely that seats would be offered to other agencies in classes that were offered by the Department. Should other agencies ask to use part of the facility, then those agencies would be charged. Chairman Raggio said it appeared that there was no basis on which other agencies might want to contribute to the project's cost. Colonel Perry agreed that there was no basis at the present time for other agencies to contribute to construction costs.

Chairman Raggio asked whether there were further questions from the Subcommittee.

Assemblywoman Buckley asked about the term of the land agreement with the National Guard. Mr. Nunez said that, typically, such agreements were not short-term. Ms. Buckley asked whether it was something along the lines of 99 years. Mr. Nunez said that Ms. Wilcox with the Division of State Lands could address that issue, but the term definitely would not be for less than the life of the building, or approximately 45 years.

Chairman Raggio asked about the \$2.4 million cost for landscaping three acres of land. Mr. Nunez explained that the cost was not for landscaping, but was for land development, which included roads, parking, and other development. Chairman Raggio asked that the PWB submit the details of the development to LCB staff. Mr. Nunez stated that he would provide that information.

Ms. Buckley asked Ms. Wilcox to describe the terms of the land agreement with the National Guard. Pam Wilcox, Administrator, Division of State Lands, explained that the land was being acquired from the Bureau of Land Management (BLM) under a recreation/public purpose program. The land was currently under lease, and under a recreation/public purpose program, the State first had to file a plan of development and then take the land under lease. When the construction project was completed, the State could move to patent the land. Ms. Wilcox stated that once construction started it would be very simple to extend the lease if necessary. The BLM would not want land back on which the State had constructed a building. Ms. Wilcox said the only procedure the Division would go through was to amend the plan of development to show the new building, and that was a fairly routine administrative matter.

Assemblyman Marvel asked whether the State would receive a deed to the property with a reversion clause. Ms. Wilcox stated that recreation/public purpose program deeds were restricted to the use for which they were granted, and there was a reversion clause included. However, the State would eventually secure a deed to the property with "strings" attached.

Chairman Raggio asked whether there were further questions regarding CIP 07-C29 and, there being none, closed the hearing.

The Chairman opened the hearing on CIP 07-M43.

Department of Conservation and Natural Resources
CIP 07-M43—Kyle Canyon Traffic Signals

Chairman Raggio stated that the project was to install a traffic signal for the state-owned, Division of Forestry, Kyle Canyon Fire Station. Mr. Nunez stated that in 1998, the front portion of the fire station had to be extended to accommodate larger vehicles, and as a result, the fire station was located very close to the roadway and was creating a dangerous situation. The fire trucks actually had to access part of the roadway before getting a good visual of the traffic. Mr. Nunez explained that the project would provide a signal that could be activated in the fire station to warn vehicles when fire trucks were leaving or returning to the station, and would facilitate the safe operation of vehicles from the Kyle Canyon Fire Station. Mr. Nunez indicated that Mr. Anderson was present and could provide additional information to the Subcommittee.

Pete Anderson, State Forester Firewarden, Nevada Division of Forestry (NDF), stated that the existing fire station was located on a very small lot that backed up to a steep slope. The long-range plan was to consolidate with the U.S. Forest Service in Clark County, which was already in the design and engineering phase of an interagency station closer to the mouth of the canyon. Mr. Anderson indicated that NDF hoped that station would provide sufficient room for the operation of all agencies. Mr. Anderson believed that the traffic signal would assist with the situation at the current fire house until the NDF could occupy space in the U.S. Forest Service building.

Chairman Raggio asked whether the proposed traffic signal was the result of a feasibility study approved by the 2005 Legislature. Mr. Nunez stated that during the feasibility study, it was discovered that the U.S. Forest Service was planning on constructing a fire station, and at that point, the study determined whether there were any life-safety issues that should be addressed at the Kyle Canyon Fire Station prior to the completion of the U.S. Forest Service facility. Therefore, in lieu of building a new state facility, the recommendation was to install a traffic signal.

Chairman Raggio asked whether there was currently a traffic signal in the vicinity of the Kyle Canyon Fire Station. Mr. Nunez replied that there were no signals in the vicinity. Chairman Raggio asked whether the proposal was for an automatic signal that would be operated by the fire station to allow its vehicles to enter and exit the station. Mr. Nunez replied that was correct.

Mr. Anderson clarified that the traffic signal could be operated from both the fire station and the fire trucks upon return. Chairman Raggio asked whether the proposed traffic signal would be similar to the signal at the fire station located on the Mt. Rose Highway in Washoe County. Mr. Anderson said that was

correct, and another good example was Carson Fire Station No. 1, which controlled traffic at the intersection of Fifth and Stewart Streets.

Chairman Raggio asked whether there were further questions regarding CIP 07-M43 and, there being none, closed the hearing.

The Chairman opened the hearing on CIP 07-M49.

Department of Conservation and Natural Resources
CIP 07-M49—Sierra Front Interagency Dispatch Center Repairs

Mr. Nunez stated that there had been very little maintenance of the facility since it was built in 1991, and as a result, there were 16 essential repairs and upgrades that needed to be completed. Mr. Nunez indicated that an extension of the hanger was constructed in 1997 and, since that time, the State Fire Marshal had been assured that the fire sprinkler system would be extended into the addition "at a later date." That item was addressed under the 16 essential repairs that were needed.

Also, the upgrades included the installation of a monorail crane, which Mr. Nunez said was necessary to provide a safe and stable lifting mechanism for repairs to the helicopters. The existing structure was not designed to handle heavy loads on the chain hoist attached to the framework.

Chairman Raggio asked whether two new helipads would also be constructed, and Mr. Nunez replied that was correct.

Chairman Raggio asked for information regarding the fuel tank farm. Mr. Nunez explained that a secondary fuel containment wall would be constructed as required for the above-ground fuel tanks, which had been added since the original construction of the center.

Chairman Raggio commented that it was his understanding that the new helipads were required to comply with federal safety regulations. Mr. Nunez stated that was correct. Chairman Raggio asked whether the project contained duplication of maintenance items that were being funded by the NDF. Mr. Anderson replied that the maintenance projects were not being duplicated by the NDF. The construction of a private hanger near the existing helipad created a situation that required relocation of the helipads. Chairman Raggio again asked whether there was duplication of maintenance items. Mr. Anderson said there was no duplication of requests in the NDF's budget.

Chairman Raggio asked whether the \$1.4 million cost for the maintenance items was correct, and Mr. Nunez replied that it was correct. Chairman Raggio asked when the maintenance items would be completed. Mr. Nunez believed that the work could be completed within the next biennium.

Chairman Raggio asked whether there were further questions regarding CIP 07-M49 and, there being none, closed the hearing.

The Chairman opened the hearing on CIP 07-M50.

Department of Conservation and Natural Resources
CIP 07-M50—Elko Interagency Dispatch Center Repairs

Mr. Nunez stated that the project, if funded, would address a variety of building envelope problems and life-safety systems, including compliance with accessibility requirements of the Americans with Disabilities Act (ADA). In addition, the new helipad with a 110-foot diameter safety circle was required to comply with federal safety regulations.

Chairman Raggio asked why the center needed a 12,000 square-foot parking lot. Mr. Nunez explained that the 12,000 square-foot parking lot would be for overflow during the fires season and would be constructed with compacted type 2, class B base. Chairman Raggio asked whether the parking lot was really necessary. Mr. Anderson replied that during the last fire season, there were a significant number of vehicles in and around the dispatch center, along with two helicopters and the air tankers coming and going, which created a significant dust problem in the vicinity of the center. Chairman Raggio concurred that there had been significant fire activity in the Elko area, and he asked about the outlook for the current year. Mr. Anderson said the fire danger remained severe for the Elko area, because the area was only at about 40 percent of normal precipitation. There had been early fire activity across the State, both in northern and southern Nevada.

Chairman Raggio asked whether there were further questions from the Subcommittee.

Assemblywoman Gansert pointed out that the cost for helipad construction in CIP 07-M49 was approximately \$55 per square foot, and the cost for the helipad in CIP 07-M50 was \$75 per square foot, and she asked why there was a difference in cost.

Christian Chimits, Interim Deputy Manager, PWB, explained that the reason for the cost difference in construction of the helipads was because of the geographical location and higher construction costs in the Elko area.

Assemblyman Marvel asked whether the acreage destroyed by fire in the Elko area had been reseeded. Mr. Anderson stated that the BLM, the Department of Wildlife, the NDF, and the Department of Agriculture had pooled monies in a significant effort to complete as much reseeding as possible. When 1.3 million acres burned, Mr. Anderson explained that it was a major challenge for the agencies involved. Mr. Marvel asked whether the burned area would be restored. Mr. Anderson said that the lack of precipitation was a concern because much of the seeding that had been done over the past three months might not have sufficient root mass to support itself throughout the course of the summer. Mr. Anderson explained that precipitation was one of the greatest challenges for agencies in the Great Basin area.

Chairman Raggio asked whether there were further questions to come before the Subcommittee regarding CIP 07-M50 and, there being none, the hearing was closed.

The Chairman opened discussion of CIP 07-P04.

Department of Conservation and Natural Resources
CIP 07-PO4 – Natural Resources Facility

Mr. Nunez referenced [Exhibit C](#), which contained a vicinity map of the existing facility, along with an aerial view. The city of Las Vegas would assist the PWB in relocating the facility, so that the city could expand the adjacent Ed Fountain Park. Mr. Nunez said the project would allow completion of two appraisals on two separate properties under consideration and would provide for a site-suitability study.

Chairman Raggio noted that it was a planning project to determine whether it was feasible to relocate the facility, and he asked which agencies occupied the existing facility. Ms. Wilcox explained that at the present time there were three agencies occupying the facility, the NDOW, the Department of Conservation and Natural Resources (DCNR), and the NDF.

Chairman Raggio asked whether the facility was being moved to accommodate the city of Las Vegas. Ms. Wilcox referenced the aerial view of the facility in [Exhibit C](#) and explained that the state property on which the current facility was located was not large and, in fact, was less than two acres in size. Ms. Wilcox pointed out that the land surrounding the current facility on three sides was owned by the city of Las Vegas. Chairman Raggio asked what the feasibility study would accomplish.

Ms. Wilcox explained that once the city acquired the land to the west of the facility, it approached the Division of State Lands and asked whether it could purchase the state-owned property. The Division responded that it did not have the funding to relocate the current facility. Ms. Wilcox explained that the Division was moving forward under the concept that the city of Las Vegas would assist the Division in locating BLM land that would be suitable and available for relocating the facility.

Chairman Raggio asked how large an area would be required for the move. Ms. Wilcox said the Division was considering a 7.5 acre parcel, and the acreage would depend upon how the new building was designed. There were two other DCNR agencies in the Las Vegas area that occupied rented space—the Division of Water Resources and the Division of Environmental Protection. Chairman Raggio asked whether those agencies would be relocated to the new facility. Ms. Wilcox said that the state master plan, which was completed several years ago for Las Vegas, recommended that all DCNR agencies eventually be combined in one state-owned facility. The Division was looking at a site that would accommodate all agencies within the DCNR.

Ms. Wilcox noted that the two most difficult issues in the project were receiving local zoning approval, for which a site plan was necessary, and successfully completing the BLM process, for which a site plan was also necessary. The study proposed under CIP 07-PO4 would enable the Division to conduct a feasibility analysis of potential sites and develop a site plan that would enable the Division to secure the site, which was of utmost importance. Ms. Wilcox explained that construction could occur whenever funds were available, but the land had to be secured in the rapidly growing Las Vegas area.

Chairman Raggio believed that any available BLM land would be located a great distance from the urban Las Vegas area. Ms. Wilcox reported that there were a few BLM parcels scattered throughout the Las Vegas urban area, and those were the parcels upon which the Division was focused. That was part of the

drive to conduct the feasibility study, because if the Division could not secure one of the few remaining BLM parcels within the urban area very soon, the facility would be relocated a greater distance from the urban Las Vegas area.

Chairman Raggio said that the utilization of those agencies should be kept in mind, and the facility should not be relocated to a remote area. The master plan for the State did not envision the facility being moved. Ms. Wilcox indicated that the master plan for the State envisioned the existing facility remaining for use by the NDOW, with the DCNR agencies being moved to a new facility.

Chairman Raggio stated that the Subcommittee had to be mindful of the basic goals and purposes outlined in the mission statements of the agencies. Ms. Wilcox said that the Division of State Lands also had that in mind and needed to move rapidly to secure a site so that the DCNR was not relocated to a remote area.

Chairman Raggio asked Ms. Wilcox to keep the Subcommittee informed when the Division located a particular parcel of land that was identified as being appropriate and obtainable. Ms. Wilcox indicated that she would keep the Subcommittee informed.

Senator Coffin said there were two parcels of land being used by the State in Las Vegas that were not being utilized to the greatest extent, one of which was the area surrounding the Grant Sawyer Building on which two buildings were originally planned. Senator Coffin asked why there had been no advanced planning for the second building. The second area was around the Bradley Building, where there appeared to be a great deal of space for a high-rise building and parking. Those two areas were already owned by the State, and Senator Coffin believed that a building could be constructed at either of those two areas. Senator Coffin also voiced approval for the State acquiring any BLM land parcels within the Las Vegas Valley within five or six miles of the city core.

Ms. Wilcox explained that the Grant Sawyer Building site was planned for a second high-rise building. However, the DCNR was never identified as being the agency that would occupy the new building. There had been much discussion about the occupancy, with Business and Industry being one of the agencies selected to occupy the second building. Ms. Wilcox noted that the second building at the Grant Sawyer Building site would be more of a general purpose office building, as opposed to a natural resources building. Ms. Wilcox explained that the Division of State Lands had looked at the Bradley Building site, and there were additional constraints at that site, including the fact that the site was on School Trust land, and agencies located on that site had to compensate the School Trust for the value of the land. Therefore, it would not be a free site, but the Division had reviewed the Bradley Building site and it was a possibility, even though it was not an ideal location for the DCNR agencies.

Senator Coffin noted that a number of state agencies already occupied land in the Las Vegas urban area. Ms. Wilcox stated that was correct. Senator Coffin believed that the Division should start thinking vertical on every project, and the two areas previously discussed should be considered for CIP 07-P04.

Chairman Raggio asked whether there were further questions to come before the Subcommittee regarding CIP 07-P04 and, there being none, closed the hearing.

The Chairman opened discussion of CIP 07-C26.

Department of Health and Human Resources
CIP 07-C26—Desert Willow Treatment Center Addition

Mr. Nunez referenced [Exhibit C](#), which contained a vicinity map of the Desert Willow Treatment Center addition. Mr. Nunez explained that the site plan contained in the exhibit depicted the campus of the existing Desert Willow Treatment Center and also the approximate location of the addition. The proposed addition consisted of 7,500 square feet and would add 12 acute-care psychiatric beds to the existing facility. According to Mr. Nunez, the project was funded 100 percent with state funds and would be constructed on existing state lands. The project included total project costs, including fixtures, furnishings, and equipment (FF&E).

Chairman Raggio asked about the number of acute-care beds in the current facility. Dianne Comeaux, Deputy Administrator, Division of Child and Family Services (DCFS), explained that the Desert Willow Treatment Center currently contained 8 acute beds for younger children and 12 acute beds for adolescents.

Chairman Raggio noted that the average daily occupancy of the eight children's acute care beds was reported at 6.6 children, with an average length of stay of 39.8 days. He asked why there was a need for additional children's acute-care beds if the average daily occupancy was 6.6 children.

Ms. Comeaux explained that the average daily occupancy was less than 8 for the younger children; however, the additional 12 beds would be for adolescent or older children. Ms. Comeaux reported that on most days, there were as many as 21 adolescents on the waiting list for transfer to the Desert Willow Treatment Facility. As adolescent cases became acute, they were forced to wait in the hospital emergency rooms in Las Vegas.

Chairman Raggio stated that based on information that was reported to the Interim Finance Committee (IFC), for the period of October 2005 to September 2006, the average monthly number of children on the waiting for an acute care bed was 2.75, and the average wait time for an open bed was 175 hours. Chairman Raggio asked whether that was consistent with the current status at the Desert Willow Treatment Center. Ms. Comeaux replied that the information was accurate.

Chairman Raggio asked when the additional 12 acute care psychiatric beds for children and adolescents would be available if CIP 07-C-26 were authorized. Mr. Nunez replied that the PWB anticipated completion of the design and construction of the addition in approximately 24 to 26 months. He indicated that the requirements for selecting the contractor would take approximately four months.

Chairman Raggio indicated that LCB staff believed the addition to the treatment center might result in the loss of two existing bedrooms because the addition would block the outside windows. Mr. Nunez replied that the construction would eliminate two bedrooms in the existing treatment facility, but those rooms would be gained back once the addition was complete. The two existing rooms in which the outside windows were blocked could then be used for locked medication rooms and/or janitorial closets.

Chairman Raggio asked whether the PWB had confirmed that there was no additional space at the facility that could be utilized for additional beds rather than constructing the addition. Mr. Nunez replied that the PWB's review of the facility determined that fulfilling the need for additional beds would require an addition.

Senator Coffin commented that the construction cost amounted to approximately \$1,500 per square foot. Mr. Nunez concurred that the total cost for 7,500 square feet appeared to be approximately \$1,500 per square foot. Senator Coffin pointed out that for \$11.2 million, the State could probably purchase an existing acute care facility in Las Vegas that included more than 12 beds. Mr. Nunez said that was a good point, and he could neither confirm nor deny that statement. According to Mr. Nunez, the cost of the addition that would be built onto the Desert Willow Treatment Center would be \$11.2 million, based on the smaller square footage of the project and the fact that it was a hospital.

Senator Coffin remarked that Desert Willow Treatment Center was not an acute care "hospital" in the true sense of the word. He stated that he had visited the treatment center, which included a central core that required security, but the rooms did not include oxygen or gasses of any kind, electrical connections, or the other high-priced items that were usually found in an acute care "hospital." What the children at Desert Willow Treatment Center needed was safety, security, and care. Senator Coffin believed that the PWB was budgeting far too much for the construction of the addition to the treatment center. He believed that the figure should be challenged; the beds were needed, but Senator Coffin did not feel that the cost of \$11.2 million would be needed to bring the beds online and ready for use.

Mr. Nunez said that the Desert Willow Treatment Center was classified as a "hospital" that required licensure. When the PWB estimated the project approximately one year ago and projected the costs to mid-point of construction, an inflation factor of 14 percent per year was also figured into the cost. Mr. Nunez stated that if the PWB could predict that the Las Vegas area would no longer experience 14 percent per year inflation, the cost of the project could be reduced. Mr. Nunez indicated that he understood Senator Coffin's concerns, but \$11.2 million was the projected cost of the project.

Senator Coffin believed that the costs were simply out of bounds, and having been in the facility, he had not seen the type of equipment or facilities that justified the \$11.2 million cost. Senator Coffin remarked that the Desert Willow Treatment Center was a very important component of the children's care system in Las Vegas, and perhaps the state could increase the beds to 25 or 30 for the same cost of constructing the 12-bed addition.

Mr. Nunez indicated that he understood Senator Coffin's concerns and when he first saw the \$11.2 million figure submitted by PWB staff, he had the same reaction. Senator Coffin commented that the treatment center was not a scientific facility.

Chairman Raggio indicated that Senator Coffin raised a very interesting question. The Chairman asked Mr. Nunez to tell the Subcommittee about the costs per square foot in the Las Vegas area for custom housing, commercial buildings, research facilities, acute care hospitals, or university buildings.

Mr. Nunez stated that today's costs for office buildings would be approximately \$400 to \$450 per square foot, and for lab space construction and university buildings, the cost per square foot would be approximately \$500 to \$550. Mr. Nunez reminded the Subcommittee that was the cost for building today, but when construction was projected, inflation costs were added to the total project cost.

Chairman Raggio asked about construction costs for acute-care hospitals, and Mr. Nunez stated that it depended on the size of the building. Several factors contributed to the cost of construction for the Desert Willow Treatment Center. One factor was the size of the addition, the second factor was that remodels would be done to the existing building while the treatment center remained operational, and the third factor was that the treatment center required licensure. Mr. Nunez explained that the project would not be inexpensive, and the aforementioned factors promoted increased costs, but he noted that a large portion of the funding was projected because of inflation over the construction period.

Mr. Nunez stated that if the PWB had advanced planning revenue available from the 2005 CIP pertaining to the project, it could consult with a professional estimator in southern Nevada to check the accuracy the figures provided by PWB estimators and report back to the Subcommittee. Chairman Raggio believed that would be helpful. Mr. Nunez reminded the Subcommittee that the projections were completed by PWB staff approximately one year ago. Chairman Raggio stated if it was feasible and cost-effective, the Subcommittee would like to see figures from a professional estimator.

Chairman Raggio asked whether there were further questions regarding CIP 07-C26 and, there being none, closed the hearing.

The Chairman opened the hearing on CIP 07-C30.

Department of Health and Human Resources
CIP 07-C30—Consolidated Services Facility

Mr. Nunez referenced [Exhibit C](#), which depicted the vicinity map of the Northern Nevada Adult Mental Health Services (NNAMHS) campus in Sparks. The exhibit showed the proposed site plan for the consolidated facility portion of the request, which was for the design of a 100,000 square-foot consolidated building.

Chairman Raggio asked about the status of the NNAMHS campus, as many of the buildings were slated for demolition. Mr. Nunez reported that some of the buildings had been demolished. Building #9 had been demolished, and Mr. Nunez pointed out the site of the new building would allow all NNAMHS entities to be located north of North Street. Once the consolidated building was constructed, the area south of North Street, which was the current location of the NNAMHS campus, would become available for use by the Child and Family Services Division, Northern Nevada Child and Adolescent Services. Mr. Nunez explained that CIP 07-C30 proposed minimal remodeling of Building #8 for the addition of 24 to 30 new bed spaces for adolescent treatment services. Many of the older buildings that did not have historical significance would then be demolished.

Chairman Raggio asked whether the project was consistent with the master plan approved by the 2005 Legislature for the new consolidated facility at the NNAMHS campus in Sparks. Mr. Nunez replied that the project was the outcome of the study recommended by the master plan for the consolidated facility.

Chairman Raggio noted that there were a number of buildings not currently being utilized that would be demolished, and he asked when that demolition would take place. Mr. Nunez explained that the demolition from the last CIP project had been completed with the exception of one building, and once that building was no longer needed, demolition would proceed. CIP 07-C30 would also provide for the demolition of the central steam plant and Building #23 in which the plant was housed. Mr. Nunez pointed out that the steam plant was quite old and inefficient. The project would provide for interim boilers for the remaining buildings for a period of at least five years. Mr. Nunez stated that CIP 07-C30 only provided for the design of the consolidated facility, and the PWB would then approach the Legislature in 2009 to seek construction and FF&E costs.

Chairman Raggio noted that the current CIP request was for \$9.7 million for planning and for improvements to existing buildings located on the NNAMHS campus. Mr. Nunez stated that the PWB did plan on remodeling Building #8. Chairman Raggio asked whether Building #8 was still useable, and Mr. Nunez replied that Building #8 was kept in useable condition at the present time to meet the needs.

Chairman Raggio noted that CIP 07-C30 included advanced planning for the consolidated services building for NNAMHS, which would be included in the 2009 CIPs for construction costs. Mr. Nunez stated that was correct. Chairman Raggio asked when that building might be ready for occupancy. Mr. Nunez said it would be approximately five years before the building was completed. Chairman Raggio asked how the needs of NNAMHS would be addressed during that five-year period. Mr. Nunez said the needs of NNAMHS would be met through use of the remaining buildings on campus, which consisted of Buildings #2 and #2A and Buildings #3, #4, and #5. He pointed out that Building #1 was the administration building and was still in use.

Chairman Raggio stated that the second part of CIP 07-C30 was to move the Northern Nevada Child and Adolescent Services program from the University of Nevada, Reno (UNR) campus to the NNAMHS campus. Mr. Nunez said the remodel would not provide for that move, and in order to vacate the existing facility at UNR, the PWB first had to build the consolidated building and NNAMHS would then have to vacate Buildings #1, #2, #2A, #3, #4, #5, and part of Building #8 and move everything into the new building, thereby making the land available to Northern Nevada Child and Adolescent Services. The buildings would then have to be demolished to allow for new facilities to be designed and constructed for use by the Northern Nevada Child and Adolescent Services.

Chairman Raggio asked Mr. Nunez to explain exactly what would occur should the Subcommittee approve CIP 07-C30. Mr. Nunez replied that the project would: (1) provide for the design of the 100,000 square-foot building; (2) provide for the decommissioning of the central steam plant; (3) provide for boilers during the interim to provide heat to the buildings that NNAMHS would continue to utilize; and (4) provide for partial remodeling of Building #8.

Chairman Raggio asked whether there was any connection to the facility located on the UNR campus, and Mr. Nunez replied that there was no connection.

Chairman Raggio asked whether there were further questions to come before the Subcommittee regarding CIP 07-C40 and, there being none, the hearing was closed.

Chairman Raggio noted that there were a number of miscellaneous maintenance projects listed on the Agenda ([Exhibit A](#)), most of which the Subcommittee did not need to review in depth. Chairman Raggio asked about CIP 07-M28.

Department of Health and Human Services

CIP 07-M28—Southern Nevada Mental Health Door, Security, and Key Card Entry

Mr. Nunez explained that the project would upgrade the facility doors and hardware in Building #1. Chairman Raggio stated that the PWB had submitted a revision to the project's cost estimate that reduced the recommended project's total cost from \$2.5 million to \$1.4 million. Mr. Nunez stated that was accurate.

Chairman Raggio asked what would be accomplished under CIP 07-M28. Mr. Nunez explained that the project would replace all doors and hardware in Building #1, replace all doors in Building #3A, and install a 50-door access system for Buildings #3 and #3A.

Chairman Raggio asked whether the security upgrades for Building #3 were removed from the project. Mr. Nunez said that part of the work under CIP 07-M28 was being deferred to the 2009 CIPs. As a result of recent revisions and additional costs in other CIP projects, the PWB contacted all agencies and asked whether there were projects that could be deferred. Mr. Nunez said that some deferrals were voluntary, and the security upgrade under CIP 07-M28 was one of the voluntary deferrals. The DHHS indicated that SNAMHS could survive over the 2007-09 biennium as long as the remaining maintenance work outlined in the project was completed.

Chairman Raggio asked about CIP 07-M29.

Department of Health and Human Services

**CIP 07-M29, Northern Nevada Adult Mental Health Door Replacement
Dini-Townsend Hospital**

Chairman Raggio asked whether the hospital was still experiencing problems with the doors. Mr. Nunez stated that was correct. Chairman Raggio thought the doors had been fixed a few years ago. Mr. Nunez said there was an attempt to fix the doors, but the hospital was still experiencing problems with the wooden double-door sets. The intent was to replace the wooden doors with steel doors. Chairman Raggio asked about the durability of the steel doors. Mr. Nunez believed that, because the metal doors were not subject to warping like the wooden doors, the metal doors should be a permanent solution.

Chairman Raggio noted that CIP 07-M34 indicated that the PWB intended to spend \$442,040 to install a panic alarm system at the Dini-Townsend Hospital to be used by staff to notify other staff members of dangerous situations. Chairman Raggio asked why the alarm system was not installed when the hospital was built. Mr. Nunez replied that the facility was wired for the

alarm system, but it had not been installed. He believed that Dr. Cook could answer Chairman Raggio's question.

Harold Cook, Ph.D., Agency Director, Division of Mental Health and Developmental Services, NNAMHS, explained that the original facility design had included the panic alarm system, and in fact, the conduit for the system was installed. However, as construction progressed and costs increased, installation of the system was deleted as a cost-saving measure.

Chairman Raggio asked, if the conduit and wiring had been installed, why the cost was so high to install the system. Mr. Nunez explained that the conduit had been installed, but not the wiring. Chairman Raggio asked Mr. Nunez to provide LCB staff with documentation detailing the costs for the system.

Chairman Raggio closed the hearing on miscellaneous items and opened the hearing on CIP 07-P31.

Department of Health and Human Services

CIP 07-P31—Fifty Bed Forensic Treatment Center—Plan, Land Purchase

Senator Coffin asked that a PWB staff person meet him and Senator Cegavske at the Desert Willow Treatment Center to review and tour the project. Mr. Nunez asked when the Senators would like to tour the facility, and Senator Coffin said that the afternoon of Saturday, March 31, 2007, would be a good time. Mr. Nunez stated that a representative from the PWB would conduct a tour for the Senators on that date.

Chairman Raggio asked Mr. Nunez to explain the project. Mr. Nunez stated that the project would provide for the design and construction of a new 50-bed forensic facility in Clark County, consisting of approximately 65,000 square feet. The PWB was requesting the design and land acquisition portion of the funding. Mr. Nunez said that a final location had not yet been identified for the facility, and the PWB was looking for a location in the area of North Las Vegas. The preference of the PWB would be to locate the facility adjacent to, or near, one of the facilities that included an existing culinary facility that could serve the proposed facility. Mr. Nunez stated that would alleviate the cost of an additional culinary facility and necessary staff. If the project was approved, the PWB would be looking at locations and the availability of culinary support over the upcoming biennium.

Chairman Raggio assumed that the new facility would be similar to the Lakes Crossing Center in northern Nevada, and he wondered whether the PWB would be plagued with "not in my backyard" problems from residents who did not want a forensic facility built in the vicinity of their homes. Mr. Nunez agreed that the PWB might encounter such problems in its attempt to secure a location for the facility.

Chairman Raggio believed that Mr. Nunez was correct in his statement that the new facility should be adjacent to an existing facility or within reasonable proximity to the court system. Chairman Raggio noted that the new facility was being built to answer a federal lawsuit, and he questioned the status of the lawsuit. Mr. Nunez indicated that Dr. Neighbors could report on the status of the lawsuit.

Elizabeth Neighbors, Ph.D., Director, Lakes Crossing Center, reported that the federal litigation was still pending, and the Center was negotiating with the litigants. Chairman Raggio asked about the identity of the litigants. Dr. Neighbors explained that there were two litigants, with the first being the Nevada Disability Advocacy and Law Center (NDALC), which brought suit because of the waiting list and the amount of time individuals remained in detention centers waiting for admittance to Lakes Crossing Center. Dr. Neighbors stated that the Center was unable to move patients in or out of the facility as rapidly as would be ideal. The family of a client at the Center was also party to the lawsuit. Dr. Neighbors indicated that part of the lawsuit had been resolved, but the Center was still negotiating with the NDALC about the final terms of the agreement. The court was very interested in what was occurring in the Legislature to expand services for mentally disordered offenders.

Assemblyman Marvel said that the Legislature had run into a tremendous wall of resistance during past sessions when it suggested that a forensic facility should be constructed in Clark County. Mr. Marvel asked whether the public had been educated as to the need for a facility in Clark County.

Mr. Nunez explained that the issue was discussed during the planning and design for a psychiatric hospital in Clark County. Neighbors were concerned that the psychiatric hospital would become a forensic facility for the criminally insane. Even though the PWB assured residents that the psychiatric hospital on the West Charleston campus would not become a forensic facility, residents were very reluctant throughout the development of the project. Mr. Nunez hoped that residents could now see how the hospital was being operated, and hopefully, their concerns were addressed. At the time the psychiatric hospital was constructed, the PWB promised the residents that it would not construct a forensic facility on the West Charleston campus. Mr. Nunez said that from an administrative point of view, it would be better to have both facilities centrally located, but the PWB was aware that it was not feasible. Mr. Nunez explained that it would be better to explore land adjacent to the youth facility in North Las Vegas, because that facility included a culinary service. There was also a possibility of building the forensic facility in proximity to the Women's Prison, which also included a culinary service.

Mr. Marvel asked whether there was land available in the area of the Women's Prison in Clark County. Mr. Nunez said there were no state lands adjacent to the Women's Prison, but there was land available, and the PWB had appropriated funding to purchase land. Mr. Marvel asked who owned the land. Mr. Nunez said it was privately owned and appeared to be used for heavy equipment storage. Mr. Marvel asked what type of clients would utilize the proposed facility. Mr. Nunez said it was a forensic facility for the criminally insane.

Dr. Neighbors reported that the proposed forensic facility in Clark County would house mentally disordered offenders. She explained that most individuals housed at Lakes Crossing Center, both male and female, had pending felony charges and also suffered from a broad spectrum of disorders that were treated at the Center.

Chairman Raggio indicated that the PWB had to identify a site before design and planning could commence. Because the forensic facility would utilize auxiliary services from an adjacent facility, such as the culinary operation, planning could not begin until a site had been selected.

Mr. Nunez stated that the original request was for design and construction, but that was changed to design and land purchase.

Chairman Raggio said that because of the pending litigation facing Lakes Crossing Center, perhaps the project should be delayed; however, it appeared that the PWB would face many hurdles in the planning stages of the project. Mr. Nunez indicated that once the PWB identified the land, funding was budgeted for land acquisition, but the State had to conduct appraisals before purchasing land, which would take additional time. Chairman Raggio asked whether the project would require 7.5 acres, and Mr. Nunez confirmed that the project would require at least 7.5 acres.

Chairman Raggio asked the PWB to fully explore the situation before making a final decision about whether it was feasible to acquire land and whether zoning and public concerns could be addressed prior to construction of the forensic facility.

Senator Cegavske indicated that the aforementioned psychiatric hospital had been constructed in her district, at which time the PWB had made a commitment to her constituents. She asked the PWB to keep her apprised of the situation and to keep its promise to her constituents. The residents in the area of the psychiatric hospital originally believed that only school district buildings would be constructed on the property, and when the PWB planned to build a psychiatric hospital, the residents were very concerned. Senator Cegavske opined that there was not sufficient acreage surrounding the psychiatric hospital to build the forensic facility. Mr. Nunez agreed that there was not sufficient acreage, and the PWB had not considered building the forensic facility on the West Charleston campus: the PWB had promised the neighbors of the psychiatric hospital that a forensic facility would not be constructed on that campus.

Assemblyman Marvel asked what would be the worst-case scenario as a result of the lawsuit against Lakes Crossing Center. He wondered whether the State would be forced to build a facility. Dr. Neighbors explained that Lakes Crossing Center would be forced to accept a large number of commitments should they be ordered admitted to the Center without adequate space to house them. Under those circumstances, Dr. Neighbors stated, the Center would have little choice but to attempt to house those court-ordered commitments. According to Dr. Neighbors, the situation was a national phenomenon and was occurring in many states at the current time.

Mr. Marvel asked what action other states were taking when a court-ordered commitment was received, and what action was being taken to comply with the order. Dr. Neighbors indicated that other states were doing the same things that were being done at Lakes Crossing Center, such as searching for alternative housing and accepting commitments beyond the capacity of the facility; she noted that some states were being fined by the courts. Dr. Neighbors explained that at the present time, Lakes Crossing Center had annexed 20 beds in the civil hospital, which was also a common occurrence in other states.

Chairman Raggio asked about the present capacity at Lakes Crossing Center. Dr. Neighbors stated that the capacity at the main facility was 56 and the Center was able to house an additional 20 clients at the annex, although the annex was not a maximum security facility and had been retrofitted to a medium-security classification. The annex did not contain the square footage

or resources as the main facility and was much better suited for short-term clients.

Chairman Raggio asked about the average rate of occupancy. Dr. Neighbors reported that the rate of occupancy had been variable over the past 18 months, and since the additional beds in the annex were added, the highest census was 66 patients, which left 10 beds available at the Center. The occupancy at the Center had been lower over the past two months; however, Dr. Neighbors explained that the Center was experiencing a surge at the present time, and by next week, the population would increase to 63 patients.

Dr. Neighbors explained that the occupancy rate waxed and waned, but it was very clear that the courts would require the Center to receive and treat clients within a specified period of time, which appeared to be seven to ten days. Dr. Neighbors stated that when the Center was at maximum capacity, it could again be sanctioned by the courts because it could not accept commitment orders as received, which would again create a waiting list. The Center needed a certain amount of flexibility in the number of available beds and could not consistently operate at maximum capacity.

Chairman Raggio stated that he hoped the PWB could identify a site for the proposed forensic facility within the next two to three weeks. Chairman Raggio asked Mr. Nunez to report back to the Subcommittee regarding the location of an appropriate site.

Assemblywoman Buckley noted that Dr. Neighbors was working with other legislative committees on a conditional-release program for clients who would ultimately be released, to ensure that community supervision was available for those clients. Ms. Buckley asked how that program would impact the Center's population.

Dr. Neighbors reported that should the bill regarding the conditional-release program pass, it would have an impact on the Center's population. She explained that the Center would have to maintain a certain number of beds for individuals in the conditional-release program if those patients needed to return to the hospital for an unspecified period of time. Dr. Neighbors said there would also be individuals who qualified for the program, but who remained in the hospital for a period of time prior to accessing the conditional-release program, who would also add to the Center's population.

Chairman Raggio asked whether there was public comment to come before the Subcommittee regarding the CIP projects listed on the Agenda ([Exhibit A](#)). No persons came forward to offer public testimony.

Chairman Raggio asked Gary Ghiggeri, Senate Fiscal Analyst, LCB, to advise the Subcommittee about the meeting schedule for March 30, 2007, and Mr. Ghiggeri provided the requested information to the Subcommittee.

Senator Coffin commented that he had arrived after the meeting was underway, and he asked whether the Subcommittee had received a brief about the Governor's announced budget cuts. Chairman Raggio stated that the Subcommittee had not received a brief during the meeting. Senator Coffin asked whether there had been additional information from the Governor's Office that more precisely outlined the proposed budget cuts.

Chairman Raggio explained that members of Senate Leadership met with the Governor on March 28, 2007, at which time the Governor indicated that approximately \$111 million would need to be cut from the budgets as a result of declining sales tax revenues. The Governor indicated that the cuts would not come from K-12 education, child welfare, or transportation areas of the budget.

Senator Coffin asked whether higher education or mental health budgets were exempted. Chairman Raggio said it was his understanding that the only budgets exempted from cuts were K-12 education, child welfare, and transportation.

Chairman Raggio said that the numbers were consistent with the revenue projections from the Fiscal Analysis Division. Chairman Raggio commented that approximately \$80 million had to be added to the required budgets over the upcoming biennium for the Distributive School Account, and there would not be any reversions in FY 2007.

Senator Coffin stated that he wanted to more clearly understand the Governor's exemption of transportation. Chairman Raggio said the Governor indicated that because of the concern about infrastructure needs, no cuts would be proposed in the General Fund allocation to the transportation budget.

With no further business to come before the Subcommittee, Chairman Raggio declared the meeting adjourned at 9:55 a.m.

RESPECTFULLY SUBMITTED:

Carol Thomsen
Committee Secretary

APPROVED BY:

Senator William Raggio, Chair

DATE: _____

<u>EXHIBITS</u>			
Committee Name: <u>Assembly Committee on Ways and Means/Senate Committee on Finance Joint Subcommittee on Higher Education/CIP</u>			
Date: <u>March 29, 2007</u>		Time of Meeting: <u>8:00 a.m.</u>	
Bill	Exhibit	Witness / Agency	Description
* * *	A		Agenda
* * *	B		Attendance Roster
* * *	C	Gus Nunez, PWB	PowerPoint presentation