



Lee Gibson, RTC Executive Director, compared TRFMA's plan to the RTC's plan and reviewed RTC projects near the flood project, noting that the replacement of the Sierra Street Bridge is scheduled in 2022 to 2026.

Gibson also stated that the RTC can't pay for levees or flood channels; they can contribute to flood flow mitigation if it is related to their project. They are limited in what they can use the local funds for; there is some wiggle room with the federal funds. As TRFMA gets closer into design, we could have that discussion and make some reasonable assumptions. He suggested the FCPNC invite FHWA and/or NDOT to see what opportunities are available. RTC did contribute \$2 million to the Virginia Street Bridge because you couldn't drive a bus over it.

*Member Tyson Falk arrived at 9:18 am*

Amy Cummings, RTC stated Keystone and Arlington bridges are a higher priority because they are the worst bridge conditions in the state. Aldean noted that the capacity of Keystone and Arlington can pass a 100-yr flow, so they are not a high priority for TRFMA.

Kazmierski asked assuming that the flood project does not fund any bridges and RTC has this in their timeline, is the bridge redone to the flow requirements? Yes, per Lee Gibson.

In response to an inquiry from George Robison, Gibson explained that FHWA builds to 50-year, RTC plans for 20-year period and designs roads and bridges for 50 years.

Lee Gibson suggested:

1. There is some work RTC and TRFMA can do together to look at what the cost of congestion will be with respect to planning processes.
2. He spoke with Chairman Smith and suggests searching for cost savings by looking at innovative project delivery methods. Using Construction Manager at Risk (CMAR) deliver methods helped the first phase of the Southeast Connector finish 6 months ahead of schedule. At 15% design you are running a lot of risks with contingencies.

Dave Aiazzi thanked Lee Gibson for the work done. Aiazzi stated he found \$66 million in projects that could belong to RTC.

**3. Report and discussion on the bonding capacity of the current 1/8 cent sales tax revenue. Requested by Members Aiazzi (10/5/17) and Kazmierski (11/2/17) and continued from the November 16, 2017 meeting.**

John Sherman, Fiscal Solutions, LLC stated he has been working with a financial advisor regarding structuring debt obligations. Sherman reviewed his handout and said the goal was to lower the additional revenue requirement.

Sherman reviewed a chart presentation (copy on file). He noted that in accordance with the Interlocal Cooperative Agreement, when the TRFMA imposes a fee, it becomes obligated to pay the debt obligations the City of Sparks incurred to build the NTD.

Sherman also expressed concern about paying the Corps \$20 million in one lump sum, however, Jay Aldean said the Corps would be easily willing to do scenario two with payments to them of \$5 million per year. Aldean stated that the Corps' final accounting doesn't occur until after the entire project is complete.

4. **Report and discussion on the estimated cost for the design and construction of the Truckee River Flood Protection Project, including individual Project elements and the construction contingency. Discussion on ways that the cost of the Flood Protection Project may be reduced, including, but not limited to, modifying the eleven construction phases, altering the construction contingency, or removing project elements. Possible action to: (1) establish assumptions for estimation of the cost of the Flood Protection Project, including, but not limited to, modifying the eleven construction phases, altering the construction contingency, or removing project elements, (2) establish the estimated presumed cost of the Flood Protection Project for the purposes of recommending the amounts and durations of possible fees, rates, or taxes, or (3) provide direction to staff. Requested by Member Ratti (11/16/17). (For Possible Action)**

Jay Aldean, TRFMA Executive Director introduced Lee Frederiksen, Vice President, HDR Engineering, Inc. Frederiksen was responsible for the design of our local plan. Lee Frederiksen reviewed his presentation (copy on file) with a chronology of the cost estimating process.

Frederiksen answered questions received from Dave Aiazzi prior to the meeting:

1. *Are contingency costs also added on top of land costs?* Yes. Jay Aldean added the Corps does not value land until it's needed. If we finish the project 20 years down the road, the property could change in value. The Corps will take the value of the land at the time they need it. Aldean said we will have to look at that more closely because there are properties we will get from other entities. Aldean added we did not include any of the land we already own. Future land from government agencies were not looked at. Aldean said there is probably a significant amount of property we can get for nothing. Dean Schultz stated the airport can't make contributions to the community; all the revenue generated at the airport must be spent at the airport. They may be able to use some of that to offset the fees they are required to pay. Aldean explained when the Corps was designing their plan there are a number of ways the government will allow their properties to be held. But it still has to go into the cost estimate as a value. But for financing we need to go back and peel out those things we won't have to pay for and we will do that.
2. *We have been told that contingency costs are 35% but the spreadsheet shows 37.9%. That is a difference of \$5.7M.* Jay Aldean said we updated the

contingencies after HDR finished their plan and the Board had accepted their plan.

3. *Are the costs for the North Truckee Drain (NTD) included in our estimate? I don't see it on the spreadsheet.* Yes, NTD is included in estimate. Aldean said it is included in his financing model as an expense, but not a project element. John Sherman added the payment to the City of Sparks from the DBA fee is in the model. Aldean will produce another spreadsheet for that. Sherman stated the fee is imposed when building the part of the project that benefits that area.
4. *There is almost \$19M for "Habitat and Feeding" that is not in the Yellow Book. Could we get a better explanation of this line item?* That is required work for habitat mitigation to reestablish native vegetation.
5. *There is \$4.7M for "McCarran Levee/UNR (S) that is not in the Yellow Book. Could we get more clarification please?* Lee Frederiksen explained that this levee was not in the plan at the time HDR did the LPP but became necessary as the newer more accurate hydraulic model was developed. Aldean added the model we used to design our initial project is the same model the RTC used to design the SEC. TRFMA will be talking to the RTC about the SEC.
6. *Are the completed projects eligible for Army Corps funding? To put it another way, could we apply for part of that \$180M now?* Jay Aldean explained that they are eligible for Corps funding but not until we have a full partnership agreement signed by Corps and us. Then we would start immediately lobbying the Corps for reimbursement. Aiazzi if that's true can't we just lobby them to put that toward the \$20 million we owe? Aldean answered we can take care of that during the partnership agreement negotiations.
7. *Could we be provided with an overlay of the 1997 flood for downtown Reno?* Those maps have been included in the meeting packet. Aiazzi asked why we don't just buy the warehouses in Sparks. Are all these properties that get flooded worth \$24 million?

Aldean stated the Corps did a risk based analysis and lowered their contingency from 37.9% to an average of 28.55% that makes a difference of \$22 million. Also, the Walla Walla document says we owe \$13.5 million, so we can use \$13.5 million instead of the \$20 million in the modeling.

Aldean discussed the hydraulic restriction at Lake Street bridge noting that it has to come up seven feet. Replacing it would help, but not eliminate the flooding downtown. If we did Lake Street bridge early, we would have to add that block of administrative costs back in.

Aiazzi would like to see a cash flow scenario based on what we were told today taking out all the bridges, and pedestrian bridges and recreation components. Aldean clarified that the recreation component is just a trail, not really recreation.

Mike Kazmierski suggested going 50/50 with RTC on Lake Street bridge then scratch all the other bridges off.

