

MINUTES OF THE

COMMISSIONERS' COURT

PUBLIC HEARING - JULY 14, 2020

On the 14th day of July, 2020, there was a Public Hearing of the Commissioners' Court in the Commissioners' Courtroom, 2840 Hwy 35 N, Rockport, Aransas County, Texas, with the following members present: C. H. "Burt" Mills, Jr., County Judge; Jack Chaney, Commissioner, Precinct 1; Leslie "Bubba" Casterline, Commissioner, Precinct 2; Charles Smith, Commissioner, Precinct 3; Wendy Laubach, Commissioner, Precinct 4; and Valerie K. Amason, County Clerk.

Other County Officers present in person, via YouTube, or via Zoom, were Kristen Barnebey, County District Attorney; Alma Cartwright, Treasurer; Pam Heard, District Clerk; Bill Mills, Sheriff; Diane Dupnik, Justice of the Peace, Precinct 1; Diana McGinnis, Justice of the Peace, Precinct 2; Lora Rios, Juvenile Case Manager; Tracy Orr, Administrative Assistant to the County Judge; Jacky Cockerham, Interim County Auditor; Tana Taylor; First Assistant County Auditor; John Strothman, Pathways Project Manager; Rene Butler, Facilities Director; Collin Jackson, IT Director; Linda Doane, Human Resources Director; Harry "Doc" Thomas, Constable, Pct. 1;

Long-Term Recovery Specialists: Will Whitson;

Members of Local City Government, Community Groups and other Interested Parties present:

PGAL/Architexas: Paul Bonnette, Principal/Project Manager;

Broadus & Associates: Colton F. Wood, Vice President - Broadus Defense; Michael Bishop, Senior Project Manager;

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Aransas County Citizens: Amanda Oster, County/District Attorney, Elect; Pat Rousseau, Commissioner, Pct. 3, Elect;

The Rockport Pilot Newspaper: Mike Probst, Editor and Publisher;

The Meeting was convened at 2:00 p.m. at which time a quorum was declared by Judge Mills, WHEREUPON, the following proceedings were had and done to wit:

ITEMS FOR DELIBERATION AND/OR ACTION:

1. Public hearing on the new Courthouse Project.

Will Whitson: Yesterday we made a presentation on one of the Core Recovery Projects which is the replacement of the Courthouse. Harvey was very rude, he came and destroyed your home. We've been working very hard with FEMA, your Insurance, and multiple other agencies to try and find resources necessary to put you back into a bigger, better, place and we think we are on track with that. Yesterday we had presented our kind of scaled down model based on what our projections were in the available budget. Thanks to Commissioners Court we have a little more room to operate and so now we are going back to the more full 55,000 to 56,000 square foot model. We are here to kind of talk about that and lay that out for you, Paul is going to walk you through that with PGAL. I'd like to make just a few comments before we get to that, first of all, when Paul finishes the core of his presentation, he and I are going to have kind of a Q&A Session to make sure that I bring out some of the points that the public may be interested in, some questions that people have asked from time to time, and so we'll have that dialogue. I'm also going to cover the NEPA requirements, which is the National Environment Policy Act. We are required,

for receiving federal funds, to get a NEPA compliance certificate on this effort, we do have a draft report and I'll be mentioning that. In addition I will want to ask the Commissioners if they have any questions, and then we will go to the public to see if they have any questions. Thanks to my new best friend, Collin, the IT Director, he said he's going to turn on the chat feature at some point in the meeting and people who have questions that are listening on-line they can chat their questions and we will take those questions one at a time and try to respond as best we can. If we don't know the answer we won't make it up, we will write it down and we will get back to you and we are going to post all of the Q's & A's from that session on-line. In addition, we've already posted some of the presentations that have been made and we are going to update them through tomorrow, I think there is also going to be a fact sheet that we have developed talking about some of the financing and some of the round points of the project, the time-lines, schedules, and things like that. So, our purpose here is to let people know how we are spending their money because we want to be wise stewards over those resources and because we want to do the very best job and deliver you a project that you will be very proud of for many, many, years. I'm going to turn it over to Paul and let him hit the highlights and then he and I will have a little dialogue on some of the key questions that we will want to clear up. Once I'm finished with that, Paul, we can go into the NEPA conversation, and then we will go to the Commission and then out to the public.

Paul Bonnett: Thank you William, Judge and Commissioners, and thank you again for having me here for this slightly amended presentation from yesterday. I'm going to go over some of the

design and where we are at this stage. As William mentioned, we presented yesterday about a 46,500 footprint square footage for the building and today we have some other plans here that were produced prior to that. They were around 55,000 to 56,000 square foot range and based on some of the comments yesterday from Commissioners we may be going back more to a square footage similar to that. Again, they are all in process and part of our process was to same things that we talked about yesterday in terms of overall work with all of the different departments, go over their needs, and try to meet their needs and we feel like that 55,000 square foot footprint did. All of those drawings were produced before the CM Agent got on board and so for the last six weeks or so that's what we've been going through in terms of pricing that and making sure we can get into the roughly \$20,000,000 project budget that we had before. These plans that I'm going to present today are around 55,000 square feet and we do need to update the exterior elevations because the ones I showed you yesterday were for a two story building. I will say that we learned a lot in going through that process and again with the CM Agent's assistance we really looked at ways where we can save money, looked at ways that we can still provide the wind resistance and storm resistance and the finished floor elevation of the building, while cutting some costs in other areas. I think as we move forward, if we are given the go ahead to move forward with that 55,000 square foot or thereabouts footprint we will still take some of those lessons in and use some of those things that we've learned to make it as economical as possible. So, Collin, if you can get the presentation started. This building is a project that PGAL and Architexas did, it was a renovation up in Harris County but

strangely enough it has some similar characteristics in the design. It was a historic restoration of the Leonel J. Castillo Community Center in Harris County but it gives a similar flavor to some of the elevations that we presented yesterday. (Back to Aransas County Site Plans) (SEE INSERTS)

So again, in terms of the overall site plan and funding sources, the pink here up on the top is the Courthouse and it's site, with a Sally Port in the back on this side for prisoner transfer and then this parking area will be for Judges and Elected Officials. They are in green, both this parking area over here, as well as the community building and what we are calling Celebration Plaza, that is all in a separate funding source through CDBG-DR funding and the GLO. So that is, in essence, almost being treated as a separate project and then this is the City Hall in the blue down here as well as the storm water improvements that are being made along Concho Street. And then just another rendered site plan, we are looking at different landscaping elements and planting materials that can go in the Plaza there, the design for that is in process as well as looking at potentially different color for the paving surfaces, different colors of materials. Essentially the public will park here and then have a walkway across the street to get either to the Courthouse, the City Hall, or the Community Building. There is existing parking around that block right now, around the perimeter of it, that we are looking to maintain. So as I mentioned before, the floor plans that I presented yesterday, that was a two story building at about 46,000 square feet, so this is the first floor plan for a 55,000 square foot building. We have hard copies of these plans in the back part of the room here if you want to take a closer look after the meeting. (Paul

then went over the different floors pointing out where different offices and courtrooms are located). So again, this is kind of a Coastal/Mediterranean look to the building, we envisioned the base material to be a very durable masonry, potentially a Shell Crete product where you can see some oyster shells in the aggregate, we feel that would be regional material that we could use. We have the archways tied to the main entry tower and obviously we will need to revise this for the three story scheme, but I feel it's come a long way and we went through several different schemes on the exterior elevations and I think this is very appropriate for this area. So this is the side that is facing the water, the east elevation, potentially on that three story scheme for the Grand Jury Area, it could also potentially be used for other uses, but to have a nice window and the balcony on that side of the elevation in keeping the same themes from the front elevation. Material wise this envisions stucco for kind of this light crème colored material and then a standing seam metal roof. Very similar elevation here on the west, so this would be facing the parking area, and this is the North elevation. There were some comments yesterday about taking a closer look at the elevations from the street and potentially looking at this North elevation to making it a little bit more detailed, more inviting, so we will work on that as well. (Judge Mills left the meeting at 2:15)

And then again, these are the same more 3D Views I showed you yesterday, this would be a view from the Southeast looking into the Plaza this would be the Community Building which hasn't been advanced and designed as of yet, it will be developed here shortly. This is the front elevation as you approach the County Courthouse. So yesterday we talked about the schedule, we are just at the end

here on schematic design, I think we have a little bit of work to do to make sure that we get a sign-off on our schematic design level. We will modify that elevation to the three story option and make some plan modifications based on your comments. Once we get approval on that we will move into design development and construction documents and I anticipate being through with construction documents in the first quarter of 2021. I also anticipate at least a 2 month bidding and negotiation process with the general contractors, potentially a little bit longer than that, and then an 18 month construction duration. So you will be moving into your new building at the end of 2022. So that's the end of my presentation, William you had some other things?

Will Whitson: Yes. Paul, talk a little bit now about the team that you have brought together that's doing this project, there are three different folks that are working on it? Your team and Architexas.

Paul: Sure, so as you know we went through the process of submitting for RFQ's and interviewing with you a little while back. The team that we have working on this project from the design standpoint is the team that we presented, so PGAL and Architexas are partners on the architecture side. PGAL is the contract holder and Architexas is known for doing Historic Courthouses across the State of Texas and they have a lot of experience. We have a lot of experience in working with them so we are working in conjunction on the exterior design, as well as the interior design of the project. We also have just brought on the Broaddus which is the CMA Agent, Michael Bishop and Colton Wood are here with us today. As I mentioned, they over the last 6 or 7 weeks, they've been on board and they have really jumped right in and given us accurate,

as possible, costs data on this project. They were pricing the drawings that you see in the background here along with some specification information, what we anticipated at the time in terms of those interior finishes, the exterior materials, and things of that nature. They will be continuing on in that role and also pushing the schedule and making sure we are all doing our job. William?

Will Whitson: And then you have the Long Term Recovery Team which is John Strothman, who has the bulk of the work on this project; Deana Spruce, the PIO (Public Information Officer); Auditor's Office; the Attorney; we are like one big happy family working together with this team. So, the other thing I wanted you to talk about, Paul, was the best way to think about the project funding for this three pieces. One piece is held by the County, which is a grant from GLO (General Land Office), and then there is the County's piece for the Courthouse, and then the third piece would be for the City Hall. You want to talk a little bit about that?

Commissioner Smith: You mentioned the grant from GLO, isn't that a FEMA grant?

Will: No sir, it is not. We have FEMA grants for the actual Courthouse project and then there is a separate grant for the Celebration Plaza. The actual Courthouse is a combination of Insurance, FEMA, and other private sector donations.

Paul: William, I know you have been much more involved in the financial funding part of it than I have, so if I have questions, maybe you can answer them. From the design standpoint we have a contract with the County for Courthouse and the Celebration Plaza piece, as well as the Community Building, and then we have a

separate contract for the City Hall. All along the whole process we are keeping track of the time we are spending and our fees completely separately and I know that is one of the things Broaddus is going to help us with in terms of how we procure this project and make sure that any general contractor out there knows that we have these funding sources that they are also going to need to keep track of throughout construction. It is quite a complex arrangement, William and I talk about that frequently, and make sure that we are all on the same page, but we need to keep track of those funding sources and where the money is spent all along the way.

Will: So, one of the things that you mentioned and this was a big impression, you know, that you laid out when you got the job, was this isn't your first rodeo, you've been doing Courthouses all over the state. So, talk a little bit about what kind of services and needs are going to be provided for in this project and how that compares with some of your other experience around the state.

Paul: Sure, we've done several other Courthouses, we have one under construction in Grimes County right now that's just started up in this past year. The departments and the arrangements of the building is very similar to some of the other counties that we've worked with, trying to create the one stop shop so that the public knows where they need to go to get records, to pay a fine, to do all of those things. So that's what we are trying to create here, keeping that first floor primarily where most of the public goes to conduct business, Keeping the courts up on the second floor. One of the other things that is very important, that I was talking to a couple of the Commissioners about before this meeting, was how do you get prisoners in and out of courtrooms? We want to

make sure that that is a very secure pathway to get them up to the court and back down to the jail in an efficient manner so that they don't come into contact or staff. So those are the primary things that we look at when we are designing a Courthouse. I think you've probably seen some of our other projects around the state and other courthouses that were not designed by us, they use those same principles. We are using our experience and Architexas' experience to create a floor plan that works well for you, and we do want to go back and confirm that with each of the departments that we talked to early on in the programming process.

Will: So the floor plans that are here are going to be tweaked a little bit and we are going to go back and talk with the departments again, right?

Paul: Yes.

Will: Ok, but you're basically using your experience from seeing the workflow all over Texas in this design, is that correct?

Paul: Sure, definitely, but that being said, each County works a little bit differently, functions a little bit differently, so that's why we want to have that close dialogue with you and each of the department heads to make sure that department works well for them.

Will: Ok, great. Let me just and ask you, we had some dialogue about parking yesterday, what is kind of the vision for the parking with this plan?

Paul: So I did go back and do a little bit more research, Commissioner, on the parking. We do meet, based on one parking space per 500 square feet, I believe, for the Historical District

guidelines, so we do meet that. But we do want to go back and take another look, based on your comments, making sure that it is enough parking for Jury Day and those high traffic days.

Will: Alright, and let me ask Broaddus to come forward here. We've been going back and forth on the numbers and we are trying to work them down as best we can, I think we are ending up somewhere around \$398 a square foot. Talk to everyone and just kind of let them know what the value engineering process is all about that we've been going through and our add/alternate approach is, we are going to use that to further drop down the prices.

Colton Wood: Absolutely, some of the things that we've looked at, as soon as we got our hands on the plans, is that the types of construction that were used, whether we were going with a metal frame with a stucco exterior, or maybe a split leaf block on the front, concrete tilt walls? And then we also had to look at what finishes were incorporated into the design plans, one of the things that we have in there now is, we have some really neat foundations and footings. In order to do that we are trying to build the resiliency, well, we just received the Geotechnical Report back late last week and now after we review that there may be some cost savings associated with that as well. So we are really looking at everything from the foundation all the way up to the roof on this. We looked at several different roofing options, one of the things that we found with the tiles, during a hurricane they are basically missiles. So we decided to take the least cost alternative with that and put a standing seam metal roof on there, that will give you longevity, it's not going to come off when a hurricane comes

through, it's going to be a good option. Doing all of those things, in combination with PGAL and Mr. Whitson, we've successfully gotten the project costs down, we've trimmed about \$7 - \$8 million dollars-worth of fat out of it. I got it down to where it needs to be and now we're going to go back and basically take in the finishes and things that we might have been doing without and putting those back in, and adding the square footage in all those different offices, re-doing a little bit of the programming phase on this whole project. Going to the bid alternates, there are some things that we may want in the project and we were uncertain of what those were going to cost, so on bid day we are going to put in bid alternates, at the end we may have 3 or we may have 10 bid alternates, on bid day we will see exactly how much those options cost. If we come in and we have a really good bid day, the contractor is hungry, and he comes in and we get a better price than what we initially thought, maybe we can get 4 or 5 of those options. So, that is just something we are going to continue to look at and work with the team to figure out exactly where we are now and where we need to be, come bid day.

Will: Because at the end of the day we don't really know the price of this project until the bids come in.

Colton: That is correct.

Will: But we can use our experience to estimate. Talk a little about your model that we've been working with and what we are doing to drive that down, and get all of the savings that we can.

Colton: Absolutely, what we are trying to do, using the model that we use, is that we have, within the Broddus Company, we have 5 different companies, one of those happens to be an at

risk construction company, so we are using our estimator, that not only works on our program management and our CMA side, but he also works with our general contracting side. That way we are getting real time prices on projects that we are actually bidding, we can reach out to sub-contractors and we can see exactly, you know, what's more expensive now, is it steel, is it concrete, what those materials are and what the cost of labor is. We've done several projects, both from the PM side and the from the construction side here, in the area locally, and we can take those figures that we received from our sub-contractors and be able to apply the appropriate regional allowance for those factors. Because a project here is going to be different than a project in San Antonio, or Corpus Christi, there's certain regional factors that you have to take into consideration when doing that and that's what we've been doing to date.

Will: Alright, can any of you think of anything else that you think is important, that the public might need to know before I go on?

Paul: I've got one, just recalling the question that you had about funding. Knowing that the idea all along was to have this same design team, design for both the Courthouse and the City Hall, the same contractor hopefully will build both buildings to kind of get some economies at scale, so to kind of get the best bang for your buck, that would be the preferred method of procuring the general contractor for this. So, we are going to work with Broaddus, and obviously, the City and the County, to get all of the projects, including the Celebration Plaza and the Community Building to bid out at the same time. Knowing that they are going to be two separate contracts, what we may need to do is ask for separate bids on the City and the County portions, but then potentially a

a deductive alternate, a deduct to combine the two if the same company gets both of them. That's what we've been talking about internally and I think that is what our approach is going to be as we get this ready to go out to bid.

Colton: Yeah, let me tie that together, when he mentions the economies at scale, we bid this and we get one price from the general contractor, the way it will be set up is we will have three separate bid tabs. The bid tabs will be one for the City Hall and then one for the County Courthouse, and then the third one will be for the Plaza that kind of draws the projects together. Doing it that way we are able to get economies at scale, if we are doing the constructability the same on the City Hall and the County Courthouse, when he comes in with his sheetrock contractors or his framing contractors, they are going to be able to order their supplies in bulk. The more they can order the better their price is, the longer they can keep their guys on site the better our price is going to be. Those are all of the things we are doing to keep the projects more efficient and more effective. So, I think the more we can all work together as a team, the better off we are going to be.

Will: So, to summarize how the team is working, the County's working with PGAL on design, using all of their experience. Broaddus is helping us do the testing of prices, the estimating. They are also, once the design is done and you are finished with all of your work, these guys are going to scrub it, and when they put that bid out it's going to be squeaky clean. We try to drive down, we won't eliminate them all, but we will drive down the need for change orders, so that basically, when we get that price on bid day we are going to be pretty darn close to what we ultimately will pay. Once that contractor is hired and on the job and

working, these guys are going to be our little soldiers that go out there and look over their shoulder, make sure they are doing everything right, all the QA work, along with PGAL, and then we will definitely be working the administrative side with Jacky, and Broaddus will be helping us make sure we keep all of the funding correct in spending Federal money. So that's how the team is put together and that's how we are proceeding to make sure we have the best product that we can get at the best price.

2. Discussion of draft National Environmental Policy Act  
(NEPA) Report.

Will: So let me just mention a few other things that we are obligated to talk about today. One, as I mentioned earlier, is the NEPA process, the National Environmental Policy Act, and that is where we are trying to make sure that we have a good clean site, and I believe we do. We already have the draft report in hand, Mott MacDonald was procured for that purpose. They do not have a representative here today but that is okay because we know what they are doing and we actually have a copy of their pamphlet and brochure about that. The pamphlet will be placed on-line on the County's website and possibly the City's website and then copies will be made available in the Judge's office and any member of the public can come by and pick one up and look it over anytime they like. And obviously, if you have questions the Long Term Recovery Hotline number is still active and open and working. That number is (361) 790-9496 and if you call that number, if you have any questions about this project, about NEPA, or any other matter, we will be more than happy to

try and find out the answer and get back to you as soon as we can. We will also have a fact sheet that we are drafting for this project and we are hoping to post that on-line tomorrow. We were talking a little bit with the financial advisor, right now I think your tax rate is around 5.3 cents and the potential impact, if you went to the full \$24,250,000 bond, would be around 6.9 cents, so 1.5, 1.6 cents, depending on where you ended up and where you directed that it go, Commissioners. So, I think that we are pretty good shape there, that closes the gap between Insurance, Federal Funding, and the cost of the project, so now it's all kind of queued up and in the public's hands.

Will: And with that, I'd like to see if there are any questions from the Commissioners and then we'll go to the public, and then we will see if we can respond to any of the chat line questions that have come up.

Commissioner Smith: You throw out these numbers but what size building are we building? Are we talking about 55,000?

Will: 55,000 to 56,000 square foot, yes sir.

Commissioner Smith: So everything that you've mentioned here today is based on a 55,000 to 56,000 square foot building?

Will: Yes, sir, as of yesterday.

Commissioner Smith: On a site layout, is there any particular reason why the Courthouse, where we hold court for the prisoners, is farther away from the jail than the City Hall?

John: We own it.

Commissioner Smith: Well, we could sure trade property with the City, because it's in the same lot. Why would we move it way down on the far end?

John: That's where the Judge wanted it.

Will: It was the ownership that drove the design decision.

Commissioner Smith: Well they've already acquired the property and we could swap properties with them, I don't see why that would be a problem.

John: Sheriff, do you have a problem with where the Courthouse is?

Sheriff Mills: I've raised that issue once before, it was more in line, if we swapped the properties it would put us almost at the Sally Port area and it would make the opportunity to look at the enclosed walkway, or something, a whole lot more reasonable.

Commissioner Smith: Exactly, what is the reason, the only reason that I can see is because we didn't own that property. But the City has acquired it and we could flip it around, which brings up another question I have. Is the architecture on the City's comparable to our architecture?

Will: Yes.

Commissioner Smith: It would be the same basic design?

Will: Yes, and if we were to swap properties, it would certainly change some of the work you've done, is there any impact from that?

Paul: We did look at several different configurations on the overall site, whether the Courthouse would be on the original Courthouse block, we looked at several different configurations and this is just the one that the group decided on, including the Judge.

Commissioner Casterline: I have a question, because the utilities that run in the street that the City's on, I would think that they are going to take the utilities out between the Courthouse and the City Hall there is an existing street that has utilities, and where would that fall if the Courthouse is bigger than theirs?

John: Commissioner, the only thing in the Concho Street right-of-way is a 42" storm drain and the City is going to remove that and re-locate it. Because right now if you look at the City's plan it is right up onto our half of the ownership of the Concho right-of-way. They've moved their building right up to that spot.

Commissioner Casterline: What is the difference in inches?

John: Theirs is only a half of the property lot, plus half of the right-of-way. Ours is 2-3 acres or 4 acres?

Commissioner Casterline: Yeah, I would think that would be the problem.

John: And we wanted the County Building to be on County Property.

Commissioner Smith: It would be on County property if we swapped.

John: It's a smaller lot, we're better off where we are at.

Commissioner Smith: No, no, no, I'm talking about a swap to take care of that, an equal swap. They could put theirs on the same amount of ground that they currently have. And I would suggest that the property that we are giving is a better piece of property.

John: Mm, I'll talk to you about that.

Commissioner Smith: Well, there was a comment made by Commissioner Casterline, why not have us facing north than south? The only way you see the front of our building is if you come around from behind it right there and walk to it, more than likely.

Paul: Well, the focus is really on the Plaza in this design.

Commissioner Smith: I understand, the Plaza's not going to move one way or the other.

Paul: But to have a place for the community to gather and to be able to see the front of all three buildings was...

Commissioner Casterline: Well you kind of have to weigh, and probably somebody can do it better than us, is "Do you like it better when you see the front of the Courthouse when you drive by or when you actually have to walk down to the Plaza to get that view"? If you drive around the block it's no different than if you live here, you drive down this road that goes behind the building. Is that what you want to see when you are driving down the street?

Commissioner Smith: Ok, the third floor plan that we have right here, are all of these floors of the same size?

Paul: The first and second floors are approximately the same size, the third floor is smaller.

Commissioner Smith: So it's going to look completely different than the rendition that you have right here?

Paul: It will look different, yes. We are going to take the design that we did for the two-story version and we are going to update that to the three-story and we will come back and let you look at that.

Commissioner Chaney: Before we leave the subject of the Sally Port, one thing I thought about, is it going to be covered or substantially fenced, just basic issues?

Paul: The current plan, the way we've shown it, it's not covered but it will have a fence around it and be completely separate from the Judge and County Officials.

Commissioner Chaney: If we do swap with the City, and it's not going to cost a whole lot, I think that's a good idea. There may be more factors than what I am aware of but, the aspect of public safety and prisoner security, it makes a lot of sense to

do that. Also the fact of people coming down 35 into town would not be seeing the back of our building. If it's going to cost another million dollars though, I'm not interested in doing it, but that is something we need to look at. And then, in the question of the Sally Port, are we going to have a separate elevator for the prisoners?

Paul: Yes.

Commissioner Chaney: Is it going to be like a freight elevator, where we could bring freight up, or is it required to be a special type of elevator?

Paul: I think generally for the prisoner elevator, you don't want to mix that population with anybody else, not with freight, or particularly staff.

Commissioner Chaney: Are we going to have a freight elevator?

Paul: The Judges and Elected Officials typically doesn't get used as much or as often as the staff elevator, so that could potentially double as a freight elevator.

Commissioner Chaney: What areas in the floor plan have been expanded with removal of the Commissioners Court? For an example, has District Clerk and County Clerk been given greater amounts of room?

Paul: Yes, I believe so.

Commissioner Chaney: And you have a larger JP Courtroom, or at least it's shaped different?

Paul: Correct, really to get down to the square footage that we showed yesterday, we had to cut from each department.

Commissioner Chaney: So we put some of that back?

Paul: Yes.

Commissioner Chaney: Ok, how big is the Commissioner's Courtroom going to be, relative to this building?

Paul: I think it's about 2,000 square feet, if I remember right, in the three story plan.

Commissioner Chaney: So that's not a lot more than what we had in the old courthouse?

Paul: I'll have to go back and look at that.

Commissioner Smith: It's approximately the same size, probably a little bigger in the original building than what we have over here.

Commissioner Chaney: It's not going to be much bigger.

Paul: It's not going to be as big as this room.

Commissioner Chaney: Of course we can move whenever we have things, but you've been here a few times and can see that when we have Commissioners Court, we have a lot of people in here. But again, I think the Commissioners Courtroom needs to be the key to the Courthouse, I don't think it needs to be treated like a secondary room.

Commissioner Smith: Commissioner, the plans that they've got there, they show that the seating capacity for the two District Courts and the other court, 53 people, now I don't know how big because I haven't looked at the plans for the top floor, but the Commissioners Courtroom, is it the same comparable size?

Paul: It's a little bit smaller than the District.

Commissioner Smith: Those two rooms you were figuring around 1,650 square feet, if that's like what I saw?

Paul: Let me get you numbers on those, I think what I should do is come up with a comparison of what was in the old courthouse, what your current situation is in terms of square footage on rooms and departments, and then what's in the new plan. Then we can go through and compare, and if you have adjustments that you want to make we can do that.

Commissioner Chaney: I have a couple of other questions, what is a standing seam roof?

Paul: A standing seam roof is a metal roof, basically.

John: Plumbed up on every two feet.

Paul: It's a very durable roof.

Commissioner Chaney: On your bidders, when you go out for bids, whenever you go out for requests for qualifications, I realize that anybody has the right to bid on that, but for this community that is a major expense and it's going to be here for a long time, God willing. Before you make a decision are you going to go and physically see 2 or 3 of the projects that they have done, that you will select which projects to go see? You know, I want us to get a highly qualified bidder, and you know to spend 47 or 50 million, or whatever it is that we are going to end up spending, I want to see what they did in Harlingen, or someplace.

Will: Yeah, we have to follow our own bid rules and State and Federal bid rules. We are going to have a two part bid process, we will have the initial bids that will come in and then once we dwindle it down, I think we can then do some interviews, go look at projects and things like this. In the specifications we are going to ask them to send photos and all that kind of thing in, gentlemen, does that sound consistent with how you've done it before?

Colton: So, bidding with the new CFR and everything, you have to take in the lowest and best bid. In order to do that you can't make it "qualifications only" based. What you can do is: No. 1, they have to have the bonding capacity to be able to bid the project, you know this is a larger project, you're not going to get your residential guy or someone that's not qualified to do it.

They are also going to have to carry a certain level of insurance, some of the people who are less qualified, they may not have that level of insurance. We can put in things like, you have to have past experience with certain types of structures. The one thing that is unfortunate is that we are not actually able to do interviews or go meet with the projects or anything like that. We can write our specifications in a manner to say...

Commissioner Chaney: If you can't go look at a project, then how can you say the lowest and best bid, because the best, to me, would be to look and see what they've done.

Colton: That's how we would love to do it but per Federal Regulations, using the phones, we are not allowed to do that.

Commissioner Casterline: A few years ago, the Judge and I went with a group of people to one of the newest Courthouses, at that time, in the State, in Zapata. So we went down there, it was a few months old, we walked in and the first thing that we saw was a marble floor with a crack going across it, brand new and it had a crack running completely across the main lobby. And then we found out that it wasn't big enough the day they moved in, and they said the bidder that got it was historically all over the State of Texas, they picked the low bidder and that's what they got. I mean, I don't know how you protect against that but, that's what happened.

Colton: We can ask for references, for past projects, and we can call. We can't do it like we would love to with the CMAR process, where we can actually sit down and..

Commissioner Chaney: Well the Commissioners can go do it, can't they?

Colton: Sir?

Commissioner Chaney: Commissioners can go see what projects are?

Colton: Yes sir.

Commissioner Smith: Why are we restricted on this particular building to Federal regulations, is that because of the FEMA money?

Will: FEMA money controls.

Commissioner Smith: 2.6 million dollars out of 22 million?

Will: And GLO.

Commissioner Smith: Well, GLO's the Plaza, I'm talking about the building.

Will: The building has to follow the FEMA model.

Colton: If there's any FEMA funds tied to it, or any Federal funds tied to it, that's what you have to do, it's not ideal but it's the regulations.

Commissioner Chaney: If FEMA was out of it, would there be no Federal funds tied to it?

Colton: Exactly right, we could do it however we wanted to.

Commissioner Casterline: That's just something you have to weigh before the bid process.

Commissioner Smith: Do you consider that a serious flaw in the process, having to take the lowest bidder, irrespective of what their qualifications are?

Colton: My personal opinion is yes, I like using a CMAR, you get the contractor on board earlier, he helps through the design process and you're getting real pricing that he is going to be stuck to all the way through. I understand why they put it in place at the Federal level, but I like the state laws that we have in Texas, allowing us to use the Construction Manager at Risk.

Commissioner Smith: Is there any chance that we could get FEMA to back off of that requirement?

Will: No, we made this choice years ago and we have to follow through. Now we can ask for plenty of illustrations and we will. I apologize, I thought we had a bibracteate process, but if we have to take it on what they submit then we've done this plenty of times and we know what to ask for.

Colton: One of the things about lowest and best, just to kind of explain that, you know, we can ask for litigation history, pending litigation, do they have any other projects that were under litigation. Even though they are the lowest that does not exclude them from being the best bidder.

Commissioner Chaney: How do you check that?

Colton: We make them submit that information and it's notarized.

Commissioner Smith: I went through the presentation yesterday and talking about a 46,000 square foot building it's going to cost between \$21 and \$22 million dollars, today you're saying that we can build a 55,000 square foot building for \$22,000,000. What happened over night?

Will: We never said that for \$22,000,000, we said there is going to be an up-charge from that estimate and it could be as high as \$10,000,000 but we don't know, we are going to go back through our model and go do the value engineering, and it may end up being \$5,000,000, I don't know.

Commissioner Smith: You stated \$398 a square foot earlier, in your presentation today, at 55,000 square feet that's \$22,000,000.

Will: No, you have to add it on top of the figure that was yesterday's, so it would be \$22,000,000 plus another, whatever that number is, it would be at least be another 5 or 6 million.

Commissioner Smith: So when you used the \$398, that was referring to the cost on the 46,000 square feet?

Will: Yes.

Commissioner Smith: See, I tried to clarify that earlier when I made the comment, you start throwing out different numbers and I don't know what the conditions are.

Will: The best estimate we have is \$398 a square foot, we are going to do our best to design this project to drive that number down, but that's our best estimate at this time.

Commissioner Smith: Ok, let's take the \$398, let's round it off to \$400, and at 55,000 that's \$22,000,000

Will: That's construction costs, then you have to add your soft costs, engineering, architect, other allowances for equipment.

John: In the \$398 you've got overhead, Architect, CMA, plus there's overhead for the General Contractor, plus in this currently there is a contingency because this is unknowns! So those numbers came up to the \$398, that's how the \$398 evolved. So what we are going to do is, we are going to start with the new 55,000 square foot building and we are going to use the finishing specs that we applied to the 46,000 square foot building. Then we are going to look at our number, we are going to look at it and go back and evaluate it, then what can we add back to this building and still stay within the budget. So that was going to be the plan going forward, that is what we are going to start doing in the next couple of days.

Will: But the price is built in later, it's hard construction costs, then you have to add your soft costs, furnishings, IT

equipment, if you go back to my slide from yesterday it was all broken out.

Colton: \$366 is for construction only and \$398 with the soft costs added in.

Commissioner Chaney: Whenever we asked our bond counsel yesterday, we asked him to look at \$10,000,000 more than what the initial estimate was. So your initial estimate included all known costs?

Will: For 46,000 square foot, yes. And then you add..

Commissioner Chaney: And then we add another \$10,000,000, so we are looking at, what did you say it was Commissioner, how much was it?

Commissioner Smith: Actually yesterday what we did was a notice of intent to issue certificates of obligation, not to exceed \$24,250,000, that's the official notice that went out.

Commissioner Casterline: Yeah, but part of that deal was to refinance the existing one.

Jacky: That was only a little over 3,000,000.

Commissioner Smith: I'm sorry, that was the project that was over \$34,000,000, but that doesn't include the 9.9 and 9.6 that we are getting on the other one.

Colton: We don't have the exact cost on the 55,000 square foot building yet, we're working through that, we were at \$398 on the 46,000 square foot building, I don't think that we are going to need the entire \$10,000,000. We're going to look at it but we're not going to spend any more than we have to. That's part of our due diligence in running the estimates at every stage along the way to figure out exactly what our costs are and now that the change has gone to 55,000 square feet, you know, I

can't say that it is going to stay at \$398, I don't know what it's going to be.

Commissioner Smith: Well, that brings us to my last question. The timing situation, Paul you mentioned, the complete plan ready to go out for bids on construction was at what time?

Paul: In the first quarter of next year.

Commissioner Smith: That's when we start construction.

Will: No, that's when the plans are out for bid.

Commissioner Smith: Well, in meeting with our County Auditor, we have a timing problem, in order to borrow money, yesterday we set that clock in motion by that intent, the notification in the newspaper. Jacky, how many days? I think that is 75 days to sell the bonds, to move forward and sell the CO's.

Jacky: 45 days, we are supposed to sell on the 31st of August.

Commissioner Smith: Ok, so we are in quite a position here, starting that process and not having a number, and probably won't have a number, now you're saying until the first quarter of next year?

Paul: Yes, not a hard good number, but as I mentioned, we are going to have estimates based on the progress of design at every stage.

Commissioner Smith: I don't mean to be rude or anything, but last year we got an estimate of \$265 a square foot, well we see where that went.

John: That was two years ago.

Commissioner Smith: That was last October.

John: Yes, but those numbers are what we were pulling from the contractors two years ago and things have gone up 30%.

Commissioner Smith: I understand that, but I'm telling you that the information flow has been a little bit spotty here, and

we've got problems because we are in budget time right now and we have time deadlines. We can't know by September 15th, right? We've got to come up with a number?

Jacky: Right.

Commissioner Smith: Ok, fair enough, I just wanted everybody to understand.

Will: We estimated high.

Commissioner Chaney: Good.

Commissioner Smith: Well, it's not good for the taxpayers.

Commissioner Chaney: Also, is the three story going to be a problem for the Heritage District, or whatever it is downtown? The reason I ask that is because, about 3 or 4 years ago we had, wasn't it an apartment complex or something that wanted to go downtown and they wanted to go three stories? So, is that going to be a problem?

Paul: Um, I don't think so, we will broach that subject with them, we haven't yet started our Heritage District review. Obviously the City has been involved in the process of designing the City Hall as well, so...

Commissioner Chaney: I have one last question, if the City and the County are going to use everything the same, what happens whenever there is a conflict? Because dealing with the City, and the City dealing with the County, there's always some issue that comes up and is a problem, who's going to be the mediator?

Will: We have an MOU with the City that provides for a management committee and a mediation process which we should be able to work out, so far it hasn't been a problem.

Commissioner Casterline: We talked about looking at this three story plan and the thing that I brought up yesterday is, the law tells us that when the County gets to 50,000 people the JP's

have to be in their own precincts. I personally think that we should look at the same time going with the two story building and build separate facilities for the JP's in their own precincts.

Commissioner Chaney: And build that out of this separate bond issue?

Commissioner Casterline: Yeah, well I mean, there is a potentially big difference in two story model and the three story model.

Paul: And as part of the process of looking at cutting costs and the less expensive building, we were kind of brainstorming some things to that effect. Are there departments that are in the Courthouse plan now that don't necessarily need to be there, or is there something else

Commissioner Casterline: We need to explain to the public, I think, if there are any other options. I said some time ago, and nobody else liked it, that our third option should be that we could buy this Shopping Center and expand to whatever we needed in the other buildings. The public might like the cost of that better than any of the other options. I just think we need to be open as to what the options are and that there are three real options, the three stories, the two stories with other facilities, or this building.

Paul: Sure, we can certainly look at that, and as we talked about before the meeting, if we build the Courthouse with the JP Courts in it now, when they do move out, that allows you for additional expansion in the building or allows you to bring the Tax Office into the building, or other departments that might work well in the Courthouse.

Commissioner Casterline: Once we hit that 50,000, we not only have to move them to their precincts, we have to go back to four JP's instead of two.

Paul: Right, well that's certainly something to look at.

Will: Ok, any other questions from the Commission? (None) Well, I'm going to turn and see if there are any questions from people here, and then Collin if you have questions that have come in from the chat we will take those next. So, any questions from the public here that would like to come forward?

Wendy Laubach: I just wanted to second everything Commissioner Casterline said, especially looking hard at the current space, I know it's not a popular option, it's too small. But that, being combined with some of the offices off site, it might be a much less expensive alternative, I mean this is an awfully expensive building we are talking about.

Pat Rousseau: I'm not sure if I should ask this of the Commissioners or William, when I first saw the diagrams yesterday, the façade of the front of the Courthouse, the Celebration Plaza, there are two nice grassy areas, planted areas, and there is a Community Building, that I'm not sure what it's dimensions are but it looks like it is going to totally block the façade of the lovely new Courthouse and probably the City Hall. What is the purpose of that Community Building and what are the dimensions of it? I understand that it is going to be paid with the grant with the Celebration Plaza, I think that's what William said, I'm just curious about it, thank you.

John: The Community Building which is set up to be a place for organizations, groups, and things like that, have a place to have a meeting. It is 3,500 square feet for the meeting area which should be a little larger than this space here and it will

have two bathrooms and a utility room. All of the utilities for the Plaza, the parking lot lights, irrigation, sprinklers, and stuff for the public area will be in that community building and that is totally separate from the Courthouse itself.

Commissioner Chaney: Wasn't that recommended by some Federal Agency to make our appeal for funds for the Courthouse more pleasing to them?

Will: Yeah, we received the 53.8 million dollar grant from the GLO through the CDBG-DR and by law, not one penny of that money can be used on the Courthouse or the City Hall, and so our dilemma was, how can we take advantage of at least a 4 million dollar, zero match, grant and make it work with what we were needing to do? And we found a way and the purpose, as John said, is to have a place for the public to meet, conduct its business, and also make a rather interesting area for the community to focus for future celebrations, so we kind of dubbed it at this point "Celebration Plaza".

Commissioner Casterline: Could you go into, I mean are there other possibilities for uses that people might not even think of, or maybe there are courthouse related functions that could.

Will: Yes, you have to be careful about that because of the government restrictions from the GLO money, but our desire is to have public functions in there and basically anything that you guys are involved in that is supported by the public. We will schedule it just like any other community space.

Amanda Oster: Since you are talking about limited use because of the GLO funds, will we be able to use it to select a Grand Jury?

Will: Yes, that was part of the other use, that you could do that, I mean if it's not always scheduled and not tied up all of

the time where the public can't use it. But yes, we could use it from time to time as an overflow.

Amanda: Great, and I just wanted to make one statement, I would encourage you to think forward, for the next twenty years, and I know that there is the argument that a two story building would help now, and I understand that the JP's at some point will have to leave, but if there are 50,000 people in this county, we will need more space in the Courthouse. So if we take the JP's out we can re-purpose that, we might need another Courtroom at some point so it would be good to already have that here. Thank you.

Valerie Amason: I have one question, when you talk about keeping this space, are you talking about this space that we are in or part of this other space down here?

Commissioner Casterline: The owner of the whole thing has approached me twice and I suggested to the Court that we look into it. This is one of the facilities that was on the tax rolls for two and a half million and they had raised his appraisal by eight million dollars and he is willing to sell it.

Valerie: I mean, just the part that we are in, or all of it?

Commissioner Casterline: All of it, the parking lot and all the way to the other end, everything.

Will: Alright, do we have questions on the chat line?

Collin: Nothing from the public, 20 viewers and no questions.

Sheriff Mills: I have a comment about this whole Shopping Center strip, while the price sounds attractive, we all know that this one has leaked like a sieve since we moved in and if the whole strip is like that because it is a 40 year old building it may not be where we want to put the money now either.

John: Yes, shopping centers are notoriously built cheap, if you look at the façade and the buildings, they are made to go up and only have about a 30 year shelf life. This building is 10 years past it's shelf life at this point, because people get tired of these things and they want to knock them down and re-build them in another configuration.

Commissioner Casterline: Just remember we work for the public, I'm just saying we need to tell them all of the options.

John: And part of that is giving the public good value for their money.

Will: Ok Commissioners, this is a challenging project, one that we've worked on for quite some time. There have been a lot of shifts and changes over time but we stayed after it, we are where we are, at the doorstep. Please feel free to get with the Judge if you have any other questions now and we will try to entertain them. If not, I don't know who needs to officially close this meeting.

Commissioner Casterline: I do.

Commissioner Chaney: I have another question, assuming everything goes as we've laid it out here today, what money have we received in our coffers that are paying the bills for this project?

Jacky: We have been awarded the FEMA money, that is a reimbursement, you have to spend it to get reimbursed. We also have insurance, they are waiting for us to have a contract before they issue the money to us, though at this point we have obligations, we have money that has been obligated, but that's about \$10,000,000.

Commissioner Chaney: But we will be reimbursed for any out of pocket?

Jacky: Yes, for up to what FEMA has in the project for us.

Commissioner Smith: Jack, to sum it up, based on the numbers that I've heard today, we are talking about a 55,000 square foot building. Let's just round it off and say it was \$500 a square foot, soft cost, hard cost, all of the costs, you're looking at \$27,500,000. Between the FEMA money that we got, the other grant monies that we received, and the insurance money, we've got about \$10,000,000, so that \$17,500,000 will be spent above and beyond the resources that we have. That's money that we will have to issue CO's on, now that's based on the numbers that I've heard today. It's a great time to be borrowing money, if you have to borrow it, but still it's a huge commitment. But I would say this, about 2 or 3 weeks ago in the newspaper, the City issued their intent to borrow a little over \$20,000,000, wasn't it Mr. Probst? (Answer was Yes from several different people.)

Commissioner Smith: They weren't blessed with as much insurance money as we got and they are only building half the size of a building as we are. You can look at it this way, if you had an old Courthouse 60 years old or older, it needed to go, it had all kinds of problems, the maintenance on it was horrendous every year, so at least we are going to finance it at a great time and we did get the first \$10,000,000 paid from grant money and insurance money, so that's the bright side of where we are right now.

Will: It's about a 40% - 45% discount for building.

Commissioner Smith: And it won't be finished until the end of 2022, right?

Will: The end of 2022.

Paul: We can work to improve that.

Commissioner Laubach: Can I make one more comment? I just wanted to say, when I said I agreed with Commissioner Casterline, I personally hope we will be able to build this thing, it looks beautiful and we'd rather have a new Courthouse, and I'd rather be able to plan for 30 years out. But I think Commissioner Casterline may have a point, that we owe the public an opportunity to review all of the options that we have, even if we don't think some of them are attractive, they might like them better than we do. So I just want to make sure that we don't leave any stones unturned and look into things like staying in the current offices. I don't want to stay in the current offices and I agree that the strip mall is not going to last forever, but everybody has the right to see what our options are and I just want to make sure they get analyzed and publicized.

Will: I couldn't have said it better myself, that's why we are holding this public hearing, this was one of the requirements of the federal money and also a requirement of NEPA, so we are trying to follow through on that. And of course the obligation, this is one of the largest decisions that you as a Commissioner's Court can make, one of the largest decisions that the public can make about where their home will be. Your home was destroyed by Harvey and now we are where we are, we've done the best with what we knew and what the process provided. So we are at that cusp of being able to do something like the project we have presented, and we'll certainly write up the other options and share those and have that dialogued, and we need to do it quickly.

July 14, 2020

Commissioner Smith: That 8 million dollars that Commissioner Casterline mentioned it's still going to stay on the Tax Rolls if we don't buy it.

Commissioner Casterline: Anything else?

Will: That's all I have sir.

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*No further business presenting, the Court adjourned at 3:35 p.m. on a motion made by Commissioner Chaney and seconded by Commissioner Smith.*

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A handwritten signature in black ink, appearing to read "C. H. Mills, Jr.", written over a horizontal line.

C. H. "BURT" MILLS, JR., COUNTY JUDGE



A handwritten signature in blue ink, appearing to read "Valerie K. Amason", written over a horizontal line.

VALERIE K. AMASON,

EX-OFFICIO CLERK OF THE

COMMISSIONERS' COURT