



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: August 19, 2025

DATE: July 18, 2025

TO: Board of County Commissioners

FROM: Dwayne Smith, P.E., Division Director, Engineering and Capital Projects
Community Services, 775-328-2043, desmith@washoecounty.gov

THROUGH: Eric Crump, Director,
Community Services, 775-328-3625, ecrump@washoecounty.gov

SUBJECT: Recommendation to authorize Plenium Builders, Inc., the project Construction Manager at Risk (CMAR), and approve the Guaranteed Maximum Price #1 Construction Agreement for the Washoe County Behavioral Health Remodel Project, [not to exceed \$6,422,445.00]. Pursuant to Nevada Revised Statute (NRS) 338.1685 to NRS 338.16995, the selection and award for contracts involving CMARs are exempt from the competitive bidding process. The Washoe County Behavioral Health Facility project located at 1240 East 9th Street, Reno, involves the comprehensive renovation of an existing 47,000 square foot building to provide a range of behavioral health services, with a specialized focus on children and adolescents. Budget for the Guaranteed Maximum Price Agreement #1 construction agreement has been previously approved, and work is anticipated to commence on or about September 2, 2025. (Commission District 3.) FOR POSSIBLE ACTION.

SUMMARY

The Community Services Department Engineering and Capital Projects Division is requesting the Washoe County Board of County Commissioners (Board) authorize Plenium Builders, Inc. as the project Construction-Manager-At-Risk (CMAR) and approve Guaranteed Maximum Price Agreement GMP #1 (GMP #1), to remodel the Washoe County Behavioral Health Facility (WCBH). The WCBH Facility Project, located at 1240 E. 9th Street, involves the comprehensive renovation of an existing 47,000 square foot building, purchased in March 2024, to provide a range of behavioral health services, with a specialized focus on children and adolescents. Key services include psychiatric residential treatment, crisis stabilization, respite care, and specialized services for Commercial Sexual Exploitation (CSE) victims, alongside outpatient support and dedicated training spaces. The Project is funded through a Coronavirus State and Local Fiscal Recovery Funds (SLFRF) subgrant award from the State of Nevada, that was approved by the Board on March 23, 2024, assigning responsibility for grant award and management to Washoe County.

AGENDA ITEM # _____

Approval of the GMP #1 Agreement will direct the CMAR to begin work on the WCBH Facility building under the negotiated project schedule and cost structure. GMP #1 includes General Conditions, Owner and CMAR contingency, as well as CMAR profit and associated construction bonds and insurance. GMP #1 represents the maximum price for the first phase of construction of this project.

Plenium Builders was selected for CMAR Pre-Construction Services on March 14, 2024, through a competitive CMAR RFP process and has participated in the development of the project through a pre-construction agreement, authorized by the Washoe County Purchasing and Contracts Manager on August 8, 2024, in the amount of \$62,548.00.

On August 19, 2025, under a separate agenda item, the Board will consider a related Agreement for Services between Washoe County and H&K Architects for the Washoe County Behavioral Health (WCBH) Facility project [in the amount of \$1,090,000.00], commencing on August 25, 2025, for final architectural and engineering design services necessary to complete the project. These services include architecture, civil, mechanical, electrical, and structural engineering design and construction administration support for bidding, project delivery and close-out.

Staff has verified in the System for Award Management Exclusions that no bidder is excluded from receiving federal government contracts as a result of being debarred; thus, none of the bidders is prohibited by NRS 338.017(2) from being awarded a public works contract.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability: Long-term sustainability.

PREVIOUS ACTION

On April 8, 2025, the Board approved an Agreement for Services with H&K Architects in the amount of \$675,000.00 for initial architectural and engineering design services for the Washoe County Behavioral Health Facility. This agreement encompasses architecture, civil, mechanical, electrical, and structural engineering design, as well as consultation with a specialty behavioral health advisor.

On January 31, 2025, the Purchasing and Contracts manager approved a professional services agreement with Plenium Builders in the amount of \$62,548.00 for CMAR Pre-Construction services.

On January 28, 2025, the Board received a presentation on the status of the project and provided input on several options provided by staff.

On December 17, 2024, the Board approved the allocation of State and Local Fiscal Recovery Funds to support the remodel of the Washoe Behavioral Health Center, in the amount of \$3,218,285.

On July 1, 2024, the Purchasing and Contracts manager approved a professional services agreement with H&K Architects in the amount of \$299,800.00 for Initial Programming and Feasibility study.

On March 23, 2024, the Board approved a Coronavirus State and Local Fiscal Recovery Funds subgrant award from the State of Nevada, for the West Hills Facility Rehabilitation, in the amount of \$14,500,000; no county match.

On November 28, 2023, the Board approved the allocation of an additional \$60,000 of SLFRF to cover acquisition closing costs for the purchase of 1240 E. Ninth Street, formerly West Hills Hospital.

On December 20, 2022, the Board approved the allocation of SLFRF to support the purchase of 1240 E. Ninth Street, formerly West Hills Hospital, in the amount of \$4,800,000.

BACKGROUND

The Washoe County Behavioral Health Remodel Project is a direct response to the region's escalating behavioral health needs, particularly among children and adolescents. Behavioral health disorders, including mental health and substance use challenges, have been identified as significant public health concerns in Washoe County, prompting a coordinated effort to expand and modernize service delivery infrastructure. The facility at 1240 E. 9th Street, Reno, was acquired by Washoe County with the intent of transforming it into a comprehensive behavioral health facility, building on a series of prior investments and planning initiatives aimed at strengthening the local behavioral health system. The project's development has been guided by extensive stakeholder engagement, including input from behavioral health professionals, service providers, and community representatives, to ensure alignment with community priorities and regulatory requirements. This engagement identified a critical need for specialized services such as pediatric psychiatric beds, psychiatric residential treatment for children, subacute psychiatric residential treatment for adults, and supportive housing for individuals with behavioral health challenges. The project also leverages the expertise of H&K Architects, selected for their experience with similar facilities and their role in the design of the Northern Nevada Public Health Tuberculosis (TB) Clinic, which is co-located at the same site. The funding model for the project, which includes a grant from the State of Nevada Governor's Office that requires no local match, reflects a strategic approach to minimizing financial impact on the County while maximizing service delivery capacity.

The funding structure for the WCBH Facility underscores its importance at both the state and local levels. The grant from the State of Nevada Governor's Office eliminates the need for matching funds, reducing financial strain on the County while ensuring compliance with state and federal guidelines for grant-funded projects. This approach mirrors the funding model used for other public health initiatives, such as the TB Clinic, which was similarly supported by a no-match grant from the State of Nevada Department of Health and Human Services.

After completing significant due diligence regarding the viability of the facility as a behavioral health resource for the community, the Board of County Commissioners approved the purchase of the facility in August 2023. Washoe County closed escrow on the facility on February 28, 2024.

On July 15, 2025, the CMAR received sub-contractor bids for all sub-contractor work packages drawn from a list of pre-approved sub-contractors and vendors. The CMAR provided transparent access to all bids and is awarding the various work packages to the appropriate responsive and responsible bidders. Washoe County participated in scope clarifications and negotiations with the sub-contractors and those work elements with associated costs were incorporated into the CMAR's Guaranteed Maximum Price Agreement.

The following table breaks out the various cost items for GMP #1, including both Washoe County's and the CMAR's contingencies and allowances. Owner allowances and contingencies are included in the event and additional scope items need to be added to the project or to support changes to specifications. Owner contingency is included in the event there are changed site conditions discovered during work and these funds may be used should actual costs exceed the programmed amount. Other items identified are the general conditions costs, costs incurred to manage and support the work as well as the CMAR profit. Also identified are the Project insurance and bond costs.

WCBH Remodel Project – GMP 1	
Cost of the Work (<i>excluding General Conditions</i>)	\$4,186,855
CMAR's General Conditions Cost	\$1,205,353
NEGOTIATED CMAR OVERHEAD w/overhead, profit, General Liability and P & P Bond	\$275,003
Builders Risk	\$48,168
Technology Fee	\$25,690
CMAR's Contingency 3%	\$161,766
Owner's Contingency 5%	\$269,610
Design Contingency	\$250,000
Total Guaranteed Maximum Price (GMP)	\$6,422,445

FISCAL IMPACT

Sufficient budget authority for this bid award and contingency is available in the FY26 Budget in the Capital Improvement Fund (402), in the West Hills Rehabilitation project (PW920609), Construction Contracts (781080).

RECOMMENDATION

It is recommended the Board of County Commissioners authorize Plenium Builders, Inc., the project Construction Manager at Risk (CMAR), and approve the Guaranteed Maximum Price #1 Construction Agreement for the Washoe County Behavioral Health Remodel Project, [not to exceed \$6,422,445.00]. Pursuant to Nevada Revised Statute (NRS) 338.1685 to NRS 338.16995, the selection and award for contracts involving CMARs are exempt from the competitive bidding process. The Washoe County Behavioral Health Facility project located at 1240 East 9th Street, Reno, involves the comprehensive renovation of an existing 47,000 square foot building to provide a range of behavioral health services, with a specialized focus on children and adolescents. Budget for the Guaranteed Maximum Price Agreement #1 construction agreement has been previously approved, and work is anticipated to commence on or about September 2, 2025

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "Move to authorize Plenium Builders, Inc., the project Construction Manager at Risk (CMAR), and approve the Guaranteed Maximum Price #1 Construction Agreement for the Washoe County Behavioral Health Remodel Project, [not to exceed \$6,422,445.00]. Pursuant to Nevada Revised Statute (NRS) 338.1685 to NRS 338.16995, the selection and award for contracts involving CMARs are exempt from the competitive bidding process. The

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