

BOARD OF COUNTY COMMISSIONERS, WASHOE COUNTY, NEVADA

TUESDAY

1:00 P.M.

MARCH 18, 2003

PRESENT:

Jim Shaw, Vice Chairman
Jim Galloway, Commissioner
Pete Sferrazza, Commissioner*
Bonnie Weber, Commissioner

Amy Harvey, County Clerk
Nancy Parent, Chief Deputy Clerk
Katy Singlaub, County Manager
Leslie Admirand, Deputy District Attorney

ABSENT:

David Humke, Chairman

The Board met in regular session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Following the Pledge of Allegiance to the flag of our Country, the Clerk called the roll and the Board conducted the following business:

03-290 **AGENDA**

In accordance with the Open Meeting Law, on motion by Commissioner Galloway, seconded by Commissioner Weber, which motion duly carried with Chairman Humke absent and Commissioner Sferrazza temporarily absent, Vice Chairman Shaw ordered that the agenda for the March 18, 2003 meeting be approved. County Manager Singlaub advised that under Agenda Item 18, Emergency Items, staff would present an update on the County's role relative to an emergency and the possible state of war, and this presentation would be made between Agenda Item 5, Commissioners'/Manager's Announcements, and Item 6, Introduction of new Washoe County employees.

03-291 **PUBLIC COMMENTS**

Darren Bue, California resident, stated the tragedy of 9/11 has been used by the current U. S. Administration to manipulate popular consent toward a war that is not a response to that tragedy.

***1:10 p.m.** Commissioner Sferrazza arrived at the meeting.

Mr. Bue said the Washoe County Commissioners have declined to allow the issue of an anti-war resolution to appear on upcoming agendas and urged the Board not to remain silent on this issue.

Sam Dehne, Reno resident, stated a discussion about the war with Iraq should be placed on the Board's agenda. He played the guitar and sang "America, The Beautiful" in honor of everyone concerned about the war.

Robert Rea, Reno resident, advised he mailed a letter to the Board members and sent e-mails regarding an issue he wants addressed. He advised he has not been allowed by the front office to contact the Commissioners and presented a letter requesting the matter concerning denial of his work card permit be placed on the Board's agenda.

MANAGER'S/COMMISSIONERS' COMMENTS

Commissioner Sferrazza said he has been asked several times about the war issue and requested the matter of whether or not the Board should support a resolution in favor, against, or remain neutral concerning the war be placed on the Board's agenda. He then requested the Board meet with the Reno City Council to discuss any possible cuts in the Health Department Budget, as they fund part of that budget.

Commissioner Shaw advised he was in Washington, D. C. last week representing the County as a member of the Regional Transportation Commission (RTC), and the effort to obtain appropriations for local roadway needs was successful. Commissioner Sferrazza stated the lobbyist and Senator Reid confirmed that RTC was successful in obtaining the monies requested for Spanish Springs and flood control.

Commissioner Sferrazza advised he has requested a motion to reconsider the methodology for the appointment of the Sparks Justice of the Peace at the next Board meeting. He stated that Sparks Justice Court is in Commissioner Shaw's District, and he was not present last week to participate in the discussion and decision on that methodology.

03-292

EMERGENCY ITEM – POSSIBLE STATE OF WAR – COUNTY'S ROLE CONCERNING EMERGENCY ITEMS

Press Clewe, Washoe County Emergency Management Program Manager, reported on the imminent United States lead military action against Iraq and its implications on Washoe County. He said staff would like to receive Board direction concerning the conditions under which Washoe County would follow Federal threat requirements that suggest closing down County offices. Mr. Clewe advised that Washoe County would follow the lead of the Governor and the State Division of Emergency Management in their determination of crisis management issues, and would look toward law enforcement, which is part of the crisis management organization, to determine whether to move into a heightened state of readiness or response. If Washoe County were to be in the midst of a natural or manmade event, an operation center would be established and, at the time of a request by the Federal Government or the Governor to take further steps in response to a terrorism event, the public would be informed through

the Public Information Officers and the Emergency Alert System as to what types of actions the public should take.

Assistant Sheriff Lopey discussed issues regarding Homeland Security and provided an update of the Sheriff's education, training, and planning process to address emergency issues. He advised a Citizen Homeland Security Council has been formed and several members are present today. This group would be utilized to plan, educate, and help the community prepare for the advent of a terrorist event and/or natural manmade disaster.

Commissioner Galloway stated he would not want to close down government the way it occurred after 9/11. He would consider a shutdown if there was specific knowledge or a clear pattern of incidents that would indicate a threat directed at a County facility. However, he would not want to give anyone the satisfaction of shutting down government, and is willing to take the chances that anyone else in the community would be taking.

Sam Dehne, Reno resident, said he is happy with how this matter is moving along. He suggested, if an emergency happens, the Board use its emergency powers to take over the radio and television stations.

Discussion was held concerning the conditions that would exist to justify closing down County offices. County Manager Singlaub advised that, if there is knowledge and confirmation of a direct threat to Washoe County facilities or facilities critical in the Washoe County area, an Emergency Operations Center would be opened, and the Chairman of the Board or, if necessary, the Vice Chairman, would be contacted for direction before any County facilities would be closed. Law enforcement and the rest of the crisis action team who are emergency responders would also be contacted.

INTRODUCTION OF NEW EMPLOYEES

Approximately seven new Washoe County employees introduced themselves to the Board. Vice Chairman Shaw welcomed the new employees.

03-293 RESOLUTION OF APPRECIATION – ROBERT BRICCA

Vice Chairman Shaw read the Resolution of Appreciation and presented it to Robert Bricca for his service to the Organizational Effectiveness Committee (OEC).

James Covert, OEC Chairman, stated he has large shoes to fill as incoming Chairman and expressed appreciation and gratitude to the Board for all the work they have done.

Stephanie Cruz, Vice Chair of the OEC, commented that Mr. Bricca is a hunter and she presented an orange vest with a bull's eye on the back as an

acknowledgment that Mr. Bricca has had to take the lead on projects that were challenges to the OEC.

Mr. Bricca said it has been his pleasure to serve on the Committee and extended an invitation to citizens to volunteer and be involved in local government.

On motion by Commissioner Galloway, seconded by Commissioner Weber, which motion duly carried with Chairman Humke absent, it was ordered that the following Resolution be adopted and Vice Chairman Shaw be authorized to execute the same:

RESOLUTION OF APPRECIATION

WHEREAS, Robert Bricca has worked with great diligence and tireless effort as the Chairman of the Organizational Effectiveness Committee (OEC) of Washoe County; and

WHEREAS, Mr. Bricca was appointed Chairman of the OEC before the beginning of time (or at least it seems that way to him)...; and

WHEREAS, Mr. Bricca is recognized for his many hours of effort devoted to Quality Process Improvement, Strategic Planning and the Personnel Compensation Practices, all of which have greatly benefited Washoe County; and

WHEREAS, Mr. Bricca served as the Committee's liaison on the Task Force to Reorganize County Government and assisted in the selection process of the County's Internal Auditor; and

WHEREAS, The Organizational Effectiveness Committee has valued Bob's sense of humor and could always count on him to move the agenda along with great dispatch and energy; and

WHEREAS, Mr. Bricca could always be counted on to eat an occasional Krispy Kreme at every meeting of the OEC but would always, er usually, leave some for others to enjoy; and

WHEREAS, Mr. Bricca has scrutinized many Comprehensive Financial Reports and internal services audits during his tenure as Chairman of the Washoe County Organizational Effectiveness Committee, utilizing his extensive "bean counting" background; and

WHEREAS, His devotion to serving Washoe County and his high standards of professional expertise and conduct in the performance of his duties has ensured that the interests of the public and the County have been honorably and faithfully served; now, therefore, be it

RESOLVED, That the Washoe County Organizational Effectiveness Committee and the Washoe County Commission do hereby commend and congratulate ROBERT BRICCA for his faithful service to the Washoe County Organizational Effectiveness Committee.

**03-294 REAPPOINTMENTS – BOARD OF MASSAGE EXAMINERS –
COMMUNITY DEVELOPMENT**

Upon recommendation of the Washoe County Board of Massage Examiners, on motion by Commissioner Galloway, seconded by Commissioner Sferrazza, which motion duly carried with Chairman Humke absent, Vice Chairman Shaw ordered that Jim Eaglesmith and David Lewis be reappointed to the Washoe County Board of Massage Examiners with terms to expire on March 31, 2006.

**03-295 APPOINTMENT – BOARD OF TRUSTEES - VERDI TELEVISION
DISTRICT**

This item was continued from the February 18, 2003 County Commission meeting. In response to questions asked at yesterday's caucus meeting, County Manager Singlaub advised that the County Commissioners are required to make these appointments because no one filed to run in the election for the Board of Trustees of the Verdi Television District.

Upon recommendation of the Verdi Television District, on motion by Commissioner Galloway, seconded by Commissioner Sferrazza, which motion duly carried with Chairman Humke absent, Vice Chairman Shaw ordered that Howard Zunino and Vincent Balik be appointed to fill two vacant positions on the Board of Trustees of the Verdi Television District with terms to expire the first Monday in January 2007.

**03-296 PURCHASE – PLANT EQUIPMENT VESTA WORKSTATIONS
AND VESTA MAGIC SOFTWARE PACKAGE – 911
EMERGENCY RESPONSE ADVISORY COMMITTEE**

Upon recommendation of Lt. Brent Lee, Chairman, 911 Emergency Response Advisory Committee, on motion by Commissioner Galloway, seconded by Commissioner Sferrazza, which motion duly carried with Chairman Humke absent, Vice Chairman Shaw ordered that the purchase of two additional Plant Equipment Vesta workstations and the Plant Equipment Vesta MagIC Software package from Verizon, California, in a not-to-exceed amount of \$95,926.07, be authorized.

It was noted that the equipment is for the purpose of expanding the E-911 call taking capacity of the Sparks Dispatch Center and to allow for improved management of 911 personnel, system performance monitoring and tracking of 911 calls being processed through the Center.

**03-297 AWARD OF BID – UNINTERRUPTIBLE POWER SUPPLY - BID
NO. 2377-03 – PURCHASING/CRIME LABORATORY**

This was the time to consider award of a bid for an Uninterruptible Power Supply (UPS) for the County Detention Facility Crime Laboratory, on behalf of the Facility Management Division of the Public Works Department. A Notice to Bidders for receipt of sealed bids was published in the *Reno Gazette-Journal* on February 5, 2003. Proof was made that due and legal Notice had been given.

Bids, copies of which were placed on file with the Clerk, were received from the following vendors:

Town & Country Electric, Inc.
Network Electric Company
McKinney Electric
Arnold Electric Company
Power Electric, Inc.

Upon recommendation of John Balentine, Purchasing and Contracts Administrator, on motion by Commissioner Galloway, seconded by Commissioner Sferrazza, which motion duly carried with Chairman Humke absent, Vice Chairman Shaw ordered that Bid No. 2377-03 for an Uninterruptible Power Supply (UPS) for the County Detention Facility Crime Laboratory on behalf of the Facility Management Division of the Washoe County Public Works Department be awarded to Town & Country Electric, Inc. in the base bid amount of \$68,798.00 plus \$4,632.00 for Add Alternate #1, the service bypass panel and maintenance bypass switch, for a net award of \$73,430.00. It was further ordered that the Purchasing and Contracts Administrator be authorized to execute an agreement with Town & Country Electric, Inc. to perform the work. It was noted that the UPS is a funded capital improvement (CIP) project.

**03-298 WATER RIGHTS DEED – CAPURRO-QUILICI INVESTMENTS -
AGREEMENT – CONVEYANCE OF WATER RIGHTS - NEVADA
TRI-PARTNERS – WATER RESOURCES**

Upon recommendation of John Collins, Manager, Utility Services Division, through Steve Bradhurst, Water Resources Director, on motion by Commissioner Galloway, seconded by Commissioner Sferrazza, which motion duly carried with Chairman Humke absent, Vice Chairman Shaw ordered that the following actions be taken in support of future development in Washoe County:

1. The Water Rights Deed between Washoe County, Grantee, and Capurro-Quilici Investments, a Nevada general partnership, Grantor, for 200.00 acre-feet of surface water rights from Claim 472, as changed by permit 64697, and Claims 470 and 472, as changed by

Permit 64847, be approved and Vice Chairman Shaw be authorized to execute the same.

2. The Agreement between Washoe County and Nevada Tri-Partners, a limited liability company, in connection with the conveyance of the water described above be approved and Vice Chairman Shaw be authorized to execute the same.
3. The Manager of the Utility Services Division be directed to record the Water Rights Deed and Agreement with the Washoe County Recorder.

**03-299 MEMORANDUM OF UNDERSTANDING – SHERIFF’S OFFICE
AND “A CHILD IS MISSING”**

Upon recommendation of Dennis Balaam, Sheriff, on motion by Commissioner Galloway, seconded by Commissioner Sferrazza, which motion duly carried with Chairman Humke absent, it was ordered that the Memorandum of Understanding between the Washoe County Sheriff’s Office and “A Child is Missing” concerning sharing resources, enhanced communication, training and technical support in the location and recovery of missing children and endangered missing adults be approved and Vice Chairman Shaw be authorized to execute the same.

It was noted that “A Child is Missing” is a non-profit organization and their assistance is free.

**03-300 INTERLOCAL CONTRACT – TITLE XIX FUNDING – STATE OF
NEVADA – JUVENILE SERVICES**

Upon recommendation of Leonard Pugh, Director, Department of Juvenile Service, on motion by Commissioner Galloway, seconded by Commissioner Sferrazza, which motion duly carried with Chairman Humke absent, it was ordered that the Interlocal Contract between Washoe County Juvenile Services and the State of Nevada Acting By and Through its Nevada Department of Human Resources, Division of Health Care Financing and Policy, concerning reimbursement to Juvenile Services for Targeted Case Management Services through Title XIX Funding (Medicaid), retroactive to July 1, 2002 to June 30, 2006 be approved and Vice Chairman Shaw be authorized to execute the same. It was noted that Juvenile Services would receive approximately \$180,000.00 annually in reimbursements from the State of Nevada.

**03-301 EMPLOYEE HOUSING AGREEMENT – COUNTY-OWNED
RESIDENCE IN GERLACH – GENERAL SERVICES**

Upon recommendation of Jean Ely, General Services Division Director, through Tom Gadd, Public Works Director, on motion by Commissioner Galloway, seconded by Commissioner Sferrazza, which motion duly carried with Chairman Humke absent, it was ordered that the Employee Housing Agreement between Washoe County

and Philip Condon, Deputy Sheriff, concerning provision of and residing in a County-owned residence in Gerlach be approved and Vice Chairman Shaw be authorized to execute the same. It was noted that Public Works, through its Facility Management Division, will provide on-going maintenance, and the resident Deputy will pay all utility expenses incurred for occupancy of the property.

03-302 RESOLUTION OF APPRECIATION – CITIZEN HOMELAND SECURITY COUNCIL - SHERIFF

Sheriff Dennis Balaam conducted a PowerPoint presentation and review of Homeland Security. He advised the Sheriff's Office has been a leading agency for Homeland Security and has been involved since the Y2K matter in 1998. He reviewed issues relating to disaster planning and advised a Citizen Homeland Security Council has been formed by the Sheriff's Office in conjunction with the Red Cross to train, educate, plan, and prepare for any type of disaster or terrorist event. The Citizen Homeland Security Council is made up of about 40 volunteers and their goal is for 300 members by the end of this year. He said his pledge to the County Commissioners is to continue to lead and participate in any measures and programs that will increase the safety of the citizens of Washoe County.

Sheriff Balaam invited the members of the Citizen Homeland Security Council to the podium. Commissioner Shaw read and presented the Resolution of Appreciation to Larry Martinez, Program Coordinator of the Council. Mr. Martinez thanked the Board and the Sheriff's Office for this recognition and eight Council members were present and introduced themselves to the Board.

Sam Dehne, Reno citizen, said this was a great presentation and commended the members of the Council for their volunteer efforts. He then stated his earlier comment that the Board take over the media in the event of an emergency was made a little tongue in cheek, but he does think the experts should have a far more important position within the media if there is an emergency event.

03-303 BUDGET PRESENTATIONS – CRIMINAL JUSTICE SYSTEM DEPARTMENTS

Dennis Balaam, Sheriff, conducted a PowerPoint presentation and discussed the statutory duties of the Sheriff, the increase in population, the programs of the Sheriff's Office, where budget cuts would have to be taken, and revenue sources. He reviewed their proposed budget actions and said the Sheriff's Office can live with \$1.6-million in budget reductions for Fiscal Year 2003-04, but further reductions would cause employee layoffs and reduce, delay and degrade services to the community. Sheriff Balaam responded to questions of the Board regarding their budget and proposed cuts.

Richard Gammick, District Attorney, provided a PowerPoint presentation of the responsibilities of the District Attorney's Office and their proposed budget cuts. He discussed the Nevada Revised Statutes mandates of the department and advised the

District Attorney's Office answers to 37 courts and supports 72 law enforcement agencies in Washoe County. He reviewed the major functions of the department and discussed challenges faced by growth, loss of knowledge by many older employees retiring, burnout created by cutbacks in personnel, IT technology and hi-tech crimes. He presented a chart to demonstrate they have only been over budget one time in the last eight years and stated that 4 percent or 7 percent reductions are not possible. He then responded to questions of the Board concerning budget issues.

Mike Specchio, Public Defender, presented their Annual Report for 2002 and discussed statutorily mandated requirements of the department. He stated any service cuts would have to be made to their nonmandated services, such as representing citizens in family court, mental health, and drug court cases. He discussed the issues facing the Public Defender's Office and advised they have very little control over their caseload, which continues to increase substantially. Mr. Specchio advised they have done what they can to reduce the budget, and there is no other money to play with. He then responded to questions of the Board concerning budget issues.

Hal Albright, Administrative Judge, Reno Justice Court, provided documentation depicting their increasing caseload and budget information. He stated they run a very lean Court and do not have any extra personnel. Judge Albright reviewed the possible budget cuts that were submitted to the Finance Department, noting they represent very optimistic possibilities. He then responded to questions of the Board concerning their budget.

Janine Baker, Court Administrator, Sparks Justice Court, provided documentation outlining Sparks Justice Court programs and the low staffing at their facility. She advised they are trying to eliminate costs where they can and are working to increase their revenues wherever possible. Susan Deriso, Justice of the Peace, Sparks Justice Court, said there is no secretary for two judges, and she does her own orders and letters. She said they are not asking for the third judge position or any increase over last year, and she is not sure how they could cut their budget.

Jim Mancuso, Incline Village Justice Court, reviewed their services and the budget reductions they were able to find. He advised they have been successful in increasing their revenues, and he does not think there is an issue with their budget. County Manager Singlaub advised that Finance supports the proposed reduction plan of the Incline Village Justice Court. Judge Mancuso responded to questions of the Board concerning budget issues.

Kip Collins, Court Clerk, Verdi Justice Court, presented budget documentation and discussed their proposed budget cuts. He advised they have increased their warrant fees and implemented a late fee on citations to generate revenue. County Manager Singlaub stated that Finance supports the Verdi Justice Court's proposed reduction plan.

There was no present from Gerlach Justice Court.

Sandy Marz, Law Library, reviewed the benefits provided by the Law Library and their proposed four percent and seven percent budget cuts. Bruce Beesley, Chairman, and Judge Hardesty and Judge Breen, Library Board of Trustees members, were present. County Manager Singlaub advised that Finance is in agreement with the reductions proposed by the Law Library. Ms. Marz stated they believe a seven percent reduction would cripple their budget and would not be a good outcome for the Law Library and the service it provides. In order to provide the same service they are providing today, they would need a \$160,000.00 increase just to meet inflation costs.

Leonard Pugh, Director, Juvenile Services, conducted a PowerPoint presentation and discussed their mandated services, caseload increases, and proposed reductions for the 2003/04 fiscal year. He reviewed proposed reductions of 2.25 percent, four percent, seven percent and the above base budget requests related to the opening of the Jan Evans Juvenile Justice Center. Mr. Pugh responded to questions of the Board and advised that Finance understands the critical need of their services. He said Chief Judge Hardesty is not in agreement with the seven percent reduction because it would cripple the Court's ability to manage the functions they are responsible for. County Manager Singlaub advised that Finance has acknowledged it would be very difficult for Juvenile Services to make a seven percent cut. John Sherman, Finance Director, and Anna Heenan, Finance Department, discussed issues related to the Juvenile Services budget.

James Hardesty, Chief Judge, Second Judicial District Court, stated he does not believe the Public Defender or Juvenile Services could sustain budget cuts, as it would create significant impacts elsewhere in the system. He then conducted a PowerPoint presentation and reviewed the District Court budget. He discussed the increased caseloads and their complexity, advising the Court's opinion is they cannot adequately operate the District Court with a seven percent budget reduction. Judge Hardesty reviewed methods by which the District Court is trying to generate new revenue sources, including a Day Reporting Supervision fee, establishing a DUI/traffic school, a legislative approach to adopt AB29 to create a stable funding source for Specialty Courts, and increasing bail forfeiture collections. He then discussed proposed budget cuts and the need for increased personnel. Judge Hardesty responded to questions of the Board regarding budget issues.

Gary Schmidt, County citizen, said he believes it is more appropriate for the County Commission to be represented by a Counsel of their choice instead of one assigned to them. He said this would require a change in State law, but he believes the Board and taxpayer would be much better represented, and it would be more economical.

**03-304 NOTICE OF INTENT TO AUGMENT BUDGET – RESOLUTION
TO AUGMENT PARK CONSTRUCTION TAX FUND – NORTH
VALLEY SPORTS COMPLEX**

Upon recommendation of Kim Carlson, Senior Fiscal Analyst, on motion by Commissioner Weber, seconded by Commissioner Sferrazza, which motion duly

carried with Chairman Humke absent, it was ordered that the publication of a Notice of Intent to Augment the Budget be acknowledged. It was further ordered that the following Resolution to Augment the Park Construction Tax Fund in the amount of \$1,043,818 be approved and Vice Chairman Shaw be authorized to execute the same; and that the Comptroller be directed to make the appropriate account adjustments.

RESOLUTION

A RESOLUTION TO AUGMENT THE PARK CONSTRUCTION TAX FUND (090)

WHEREAS, The Park Construction Tax Fund will experience an increase in appropriations due to costs associated with Phase II of the North Valley Sports Complex; and

WHEREAS, Additional resources are available from sale of water rights; now, therefore, be it

RESOLVED, BY THE BOARD OF COMMISSIONERS OF WASHOE COUNTY, NEVADA:

Section 1. That the budget of the Park Construction Tax Fund be augmented as follows:

Increase Revenues

090-90082-5891	Water Rights proceeds	1,043,818
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Increase Expenditures

090-90082-7140	Water Rights	1,673
090-9052308-7878	North Valley Regional Sports Complex	1,042,145

Section 2. This Resolution shall be effective on passage and approval and the augmentation will be effective upon delivery of an executed copy of this Resolution to the Department of Taxation pursuant to NRS. 354.598005.

Section 3. The County Clerk is hereby directed to distribute copies of the Resolution to the Department of Taxation, the Comptroller and the Finance Department.

**03-305 AWARD OF BID – NORTH VALLEY SPORTS COMPLEX,
PHASE 2 – PWP-WA-2003-100 – PUBLIC WORKS DEPARTMENT**

This was the time to consider award of a bid for the North Valley Sports Complex Phase 2 on behalf of the Public Works Department. A Notice to Bidders for receipt of sealed bids was published in the *Reno Gazette-Journal* on February 12 and 19, 2003. Proof was made that due and legal Notice had been given.

The following bids were received:

Contractor	Base Bid Plus Add Alternates 1 through 6
Highfield Construction	\$2,481,196.00
Atlas Contractors	\$2,499,503.00
Gradex Construction	\$2,315,248.20
Granite Construction	\$2,558,151.00
A & K Earthmovers	\$2,691,524.00
West Coast Contractors	\$2,558,395.00

Upon recommendation of Roger Van Alyne, Capital Projects Division Director, through Tom Gadd, Public Works Director, on motion by Commissioner Weber, seconded by Commissioner Sferrazza, which motion duly carried with Chairman Humke absent, Vice Chairman Shaw ordered that Bid No. PWP-WA-2003-100 for the North Valley Sports Complex Phase 2 on behalf of the Public Works Department be awarded to the low responsive, responsible bidder, Gradex Construction Company, Inc., for the Base Bid plus Add Alternates No. 1 through No. 6 in the amount of \$2,315,248.20. It was further ordered that the Chairman be authorized to execute the contract documents upon presentation.

**03-306 REVISION OF GUIDING PRINCIPLES FOR CLASSIFICATION
PROCESS – REAFFIRM POLICY FOR PROCESSING REQUESTS
FOR RECLASSIFICATION – HUMAN RESOURCES**

Joanne Ray, Director of Human Resources, was present to provide information regarding this item.

Upon recommendation of Ms. Ray, on motion by Commissioner Sferrazza, seconded by Commissioner Weber, which motion duly carried with Chairman Humke absent, Vice Chairman Shaw ordered that the revised Guiding Principles for the classification process be adopted. It was further ordered that adoption of Option 1 for the processing of requests for reclassification, as amended, be reaffirmed. The Guiding Principles and Options for Process are outlined in the agenda memorandum dated March 7, 2003.

**03-307 OUTDOOR TOURISM AND COMMERCIAL COMPLEX – I-80 AT
TRACY-CLARK INTERCHANGE – PROPOSED ASSESSMENT
DISTRICT/SALES TAX INCREMENT LEGISLATION**

John Berkich, Assistant County Manager, discussed the proposal from The Rockland Group, LLC for an outdoor tourism and commercial complex on approximately 1800 acres located on either side of I-80 at the Tracy-Clark Interchange. He reviewed staff's proposal to pursue legislation to enable the County Commission to appropriate incremental sales tax receipts to facilitate construction of the project. He advised the site falls within the Sparks Sphere of Influence and the County has worked closely with the City of Sparks on the project. Mr. Berkich advised the I-80 project would be somewhat modeled after the State of Kansas legislation that was adopted to issue "STAR" bonds,

which are sales tax anticipated revenue bonds. He stated this revenue mechanism is growing in popularity, and five states are now working on similar legislations. Staff is proposing new legislation be developed to expand the current statutes authorizing the creation of a special assessment district to include the issuance of bonds backed by anticipated sales tax. The Rockland Group proposes to include a variety of world-class retail stores, lodging facilities and tourist attractions in a quality development that preserves the integrity of the Truckee River Canyon area. Once developed, the complex is expected to significantly contribute to Northern Nevada's economic development and provide a substantial increase in tourism.

Mr. Berkich then reviewed the proposed legislation outlined in the summary dated March 18, 2003 provided by John Swendseid, Swendseid and Stern, Bond Counsel, that responded to issues raised at yesterday's caucus meeting.

Commissioner Sferrazza stated he believes the 75 percent cap should apply to all of the sales tax income streams, not just to the school sales tax, and he is strongly opposed to any general fund backing or general obligation of County property. He does not think the general property of the County should subsidize this project. He is concerned about going to the Legislature before there is a project and questions whether this would comply with the Regional Plan. He believes a lot more analysis needs to be done relative to the fiscal impact to the County and to the Cities.

Commissioner Shaw disclosed that he had the opportunity to visit the site and can support this proposal to some degree.

Commissioner Galloway said Mr. Swendseid has cautioned there would be some impact on existing businesses and being consistent on the 75 percent cap would be a way to answer that objection. He stated one way to avoid the subsidy issue is to take out the unincorporated area restriction and the general obligation backing. He does not believe the law has to be tailored around specific projects. He said he would be comfortable with the proposed legislation if the general obligation backing is taken out, there is a 75 percent cap across the board, and at least one-half of the increased revenue would come from increased tourist spending. Commissioner Shaw stated he could support those suggestions.

Commissioner Weber said she would support the legislation, if a way could be found to make everyone comfortable.

Randy Mellinger, Assistant City Manager, City of Sparks, stated they believe this is a mechanism to create a new market for the State and would be applied to areas that currently have zero sales tax. He advised they agree with the 75 percent limit and stated this would probably be a model cooperative planning area project that would implement many principles in the Regional Plan.

Commissioner Sferrazza said he thinks the project does violate the Regional Plan because one of the principles of regional planning is to build a project

where the infrastructure exists. While the project is in an area where no sales tax is being generated, to the extent it takes customers from existing retailers, this retailer would be subsidized against other retailers in Washoe County, which he is philosophically opposed to. He would like to have an additional finding that the products they provide are unique to the project and not otherwise offered for sale within the County.

Mr. Mellinger noted that none of the existing retail in the Truckee Meadows really attracts from out of state as a destination and said he believes, because of the zoning, the nature of the existing designations, the emerging employment center and the transportation corridor, the project is consistent with the Regional Plan in this specific location.

A representative of The Rockland Group stated they are creating a tourism project that will draw some people from the area, but the predominate source of visitors would be from outside Nevada. He stated the companies they are working with look to target people from 500 miles away, and they are creating something that is needed in Northern Nevada. He said he does not have a problem working with the 75 percent cap across the board.

Gary Schmidt, County resident, said a detailed study on this proposal should be done. He noted one of the issues to review relates to the sales tax revenue that would come from Nevada residents who would recreate locally instead of going elsewhere. He said he supports efforts to expand and improve outdoor recreational activities in all of Northern Nevada that are not gaming oriented.

Commissioner Galloway moved to direct staff to pursue passage of the assessment district/sales tax increment legislation to enable the Commission to appropriate incremental sales tax receipts, subject to a finding that the proposed project will enhance economic development tourism within the County and to the following amendments to the proposed bill: (1) there be a 75 percent cap on all the listed sales tax income streams, (2) in Section 2(ii) "substantial portion" be replaced by the word "preponderance," (3) in Section 6 change "will have the option of pledging its general fund" to "the County may not pledge bonds that are assessed pursuant to this legislation only," and (4) eliminate the restriction on the unincorporated area. Commissioner Weber seconded the motion.

Commissioner Shaw stated he could support the motion because he believes the guidelines are in place to make this a good piece of legislation.

Commissioner Sferrazza stated he could support the changes but still has some real concerns. He said normally when legislation is proposed, existing businesses in Washoe County are able to provide input. Mr. Berkich noted that the process would require public notice and hearings before the County Commissioners, the Nevada Commission on Tourism, and the Governor's Office. Commissioner Sferrazza stated he would like hear from other groups, including the Nevada Retailers Association, before he votes on this and could not support the proposal without having their input and expertise.

On call for the question, the motion passed 3 to 1 with Commissioner Sferrazza voting “no” and Chairman Humke absent.

Later in the meeting, Vice Chairman Shaw advised that Commissioner Galloway requested the Board return to this item for further discussion. Commissioner Galloway stated he brought up at this morning’s joint meeting that two bills had been introduced, but rather than address the particulars of those bills, he asked if the Board would be willing to make an expression of some general positions relative to the State revenue issue.

Following discussion, on motion by Commissioner Galloway, seconded by Commissioner Weber, which motion duly carried with Chairman Humke absent, it was ordered that the Board take a position to oppose, in principle, shifting property taxes and other revenues to the State that normally go to local governments; and that the Board acknowledges that the State has a need for new revenue sources and recognizes it is the role of the Legislature to determine what mechanisms are appropriate.

03-308 POSSIBLE CONSOLIDATION OF SERVICES

Tom Gadd, Public Works Director, provided an update on the Regional Animal Services Shelter that was approved by the voters in November. He reviewed the comprehensive interlocal agreement currently being drafted with the Cities of Reno and Sparks that details the specifics of that consolidation. He said, upon completion of the construction of the new facility, the County would assume all responsibility for providing the regional services. He advised that staff members of the three entities have been working on consolidation of their ordinances. Staff is suggesting that an Animal Services Board be created that would hear kennel permit appeals and exotic animal permits and also act in an advisory capacity to the Animal Services Manager. Agreements are being developed with the Nevada Humane Society who committed \$2.5-million toward the construction of the facility. Mr. Gadd stated staff believes the substantive issues are worked out, and the only pending matter concerns the suggestion that the County should do an early take over of the complete animal services responsibility. He said staff does not think that is a good idea, and the County should continue with the August 1, 2002 Interlocal Agreement, which is to take over once the new facility is constructed. He stated this position is based on liability issues and the fact the current facility is very deficient.

Commissioner Galloway said it appears some people had the impression the County was not doing what it said it would, but the County is doing everything it agreed to in the Interlocal Agreement. He stated the County never agreed to an early takeover of the facility for reasons of liability and trying to enforce three separate codes prematurely.

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There being no further business to come before the Board, the meeting adjourned at 7:35 p.m.

JAMES M. SHAW, Vice Chairman
Washoe County Commission

ATTEST:

AMY HARVEY, County Clerk
and Clerk of the Board of
County Commissioners

*Minutes Prepared by
Barbara Trow
Deputy County Clerk*