

**BOARD OF COUNTY COMMISSIONERS, WASHOE COUNTY, NEVADA**

TUESDAY

1:00 P.M.

FEBRUARY 17, 2004

PRESENT:

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

**Amy Harvey, County Clerk**  
**Katy Singlaub, County Manager**  
**Melanie Foster, Legal Counsel**

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:

**04-129      AGENDA**

In accordance with the Open Meeting Law, on motion by Commissioner Humke, seconded by Commissioner Sferrazza, which motion duly carried, Chairman Shaw ordered that the agenda for the February 17, 2004 meeting be approved with the following amendments: **Delete** Item Nos. 18, an interlocal agreement concerning operation of the Regional Public Safety Training Center; and 19, concerning a Resolution to create the Regional Public Safety Training Center Special Revenue Fund.

**PUBLIC COMMENTS**

Al Hesson, Reno resident, stated George W. Bush would not be re-elected, and he voiced his disapproval of the Bush television ads. He said 539 soldiers have come home from Iraq in body bags. He spoke against the ability of Barbara Bush to raise her children.

Sam Dehne, local resident, stated Al Hesson should be the front-runner for the Democrats. He said it would be unacceptable for the City of Reno to stop televising the Reno City Council meetings and only have the City Manager give an over-view of each meeting.

**COMMISSIONERS'/MANAGER'S ANNOUNCEMENTS**

Commissioner Humke said he had received word concerning the 9<sup>th</sup> Annual Prudential Spirit of Community Awards that honor youth for outstanding

volunteer contributions. He stated Joel Zink from McQueen High School was selected as the top high school youth volunteer for 2004, and Elyse Anderson and Breanden Benschott from Galena High School would also be honored as top volunteers. He requested a resolution be read to honor these youth volunteers at an acceptable date for the youth and their parents.

Commissioner Weber requested a future agenda item for discussion regarding the funding of the lobbyist for the Regional Planning Governing Board.

Chairman Shaw announced the Joint Meeting with the South Truckee Meadows General Improvement District Local Managing Board on February 17, 2004 at 7:00 p.m.

**04-130            INTRODUCTION OF NEW WASHOE COUNTY EMPLOYEES**

Chairman Shaw invited approximately 17 new Washoe County employees to come forward and introduce themselves to the Board. The Board members welcomed the new employees.

**04-131            RESOLUTION OF APPRECIATION – SHARON GIBBONS –  
SOCIAL SERVICES**

On motion by Commissioner Humke, seconded by Commissioner Sferrazza, which motion duly carried, it was ordered that the following Resolution of Appreciation, which Chairman Shaw presented to Sharon Gibbons, be adopted and the Chairman be authorized to execute the same:

**WHEREAS**, Sharon M. Gibbons began her career with Washoe County government on August 30, 1976 with the Department of Social Services and will retire effective March 12, 2004; and

**WHEREAS**, throughout her tenure with the Department of Social Services Sharon has made many lasting improvements to the services provided to families in our community; and

**WHEREAS**, Sharon has been instrumental in the development and operation of the Kids Cottages, emergency shelter facilities for abused and neglected children; and

**WHEREAS**, Sharon researched, developed and implemented reimbursement programs through the federal government that directly impacted and improved services for families in Washoe County; and

**WHEREAS**, Sharon organized and worked tirelessly to successfully steward citizen tax initiatives, specifically "Question 10" to fruition to increase the work force; and

**WHEREAS**, Sharon has been recognized by the Child Welfare League of America as a national presenter and consultant on quality out-of-home residential care; and

**WHEREAS**, Sharon is directly responsible for the successful integration of the Child Welfare system programs at both the state and county levels to better serve children and families in that system; and

**WHEREAS**, Sharon participated, supported and served as an executive member for the Child Abuse and Neglect Task Force, developing the Kristine Nagy-Johnson Award in recognition of substantial contribution to the field which Sharon received in April 2003; and

**WHEREAS**, Sharon has worked entirely with the Social Services Department and has had great impact on the quality of services provided to families throughout the years; now, therefore, be it,

**RESOLVED**, That the Washoe County Board of Commissioners hereby expresses their appreciation to Sharon Gibbons for her many years of dedication to Washoe County and sincerely wishes her all the best in her retirement and any future endeavors she may pursue.

Ms. Gibbons thanked the Board, the County Manager, the department heads, and her follow employees for the recognition. She acknowledged the Board for their commitment and support to excellence in serving children.

Commissioner Humke commented he had known Ms. Gibbons since 1978 and he acknowledged her tireless work with the system for the benefit of children and youth in Washoe County.

**04-132            SEXUAL ASSAULT MEDICAL CARE PAYMENT – DISTRICT ATTORNEY**

Pursuant to NRS 217.280 to 217.350, on motion by Commissioner Humke, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that payments with funds from the District Attorney's account designated Sexual Assault Victims Expenses be authorized for 35 sexual assault victims in an amount of \$4,437.90 for initial emergency care, and in an amount of \$3,622.00 for follow-up treatment, totaling \$8,059.90 as set forth in a memorandum from Lidia Osmetti, Office Manager, District Attorney's Office, dated February 2, 2004 and placed on file with the Clerk.

**04-133            EXPENDITURE FOR REFRESHMENTS – COUNTY-SPONSORED  
PUBLIC MEETINGS - COMMUNITY RELATIONS**

Upon recommendation of Kathy Carter, Community Relations Director, on motion by Commissioner Humke, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that an expenditure of no more than \$1,500 to provide refreshments for County-sponsored public meetings and events for fiscal year beginning 2003-04 be approved.

**04-134            FURNITURE PURCHASE - JAN EVANS JUVENILE JUSTICE  
CENTER – PUBLIC WORKS**

Upon recommendation of Roger Van Alyne, Capital Projects Division Director, through Tom Gadd, Public Works Director, on motion by Commissioner Humke, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the furniture purchase for the Jan Evans Juvenile Justice Center from the authorized ModuForm dealer, The Meyers Group, be approved. It was noted that funding would be provided from Account No. PW92415 in the amount of \$51,036.68.

**04-135            REVISED EQUAL EMPLOYMENT OPPORTUNITY PLAN –  
SHERIFF'S OFFICE – HUMAN RESOURCES**

Upon recommendation of Joanne Ray, Human Resources Director, on motion by Commissioner Humke, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the revised Equal Employment Opportunity Plan for Washoe County and the Equal Employment Opportunity Plan for the Sheriff's Office be approved.

**04-136            ADJUSTMENTS TO REMEDIATION FEE – CENTRAL  
TRUCKEE MEADOWS REMEDIATION DISTRICT – WATER  
RESOURCES**

Upon recommendation of Jeanne Ruefer, Water Resources Planning Division Manager, and Chris Benedict, Remediation District Program Manager, through Steve Bradhurst, Water Resources Director, on motion by Commissioner Humke, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that Central Truckee Meadows Remediation District remediation fee refunds, totaling \$78,936, be approved.

It was noted that these refunds are for remediation fees calculated based on water use records that have subsequently been determined to be in error. Refunds due to errors in water use records for the 2003 water year totaled \$75,301. Water use record errors for years prior to the 2003 water year were also identified for several of these parcels. Additional refunds due to errors in water use records for 1998-2002 water years for these parcels totaled \$3,635.

**04-137**

**WATER RIGHTS DEED – WATER SALE AGREEMENT –  
UTILITIES, INC. OF NEVADA – WATER RESOURCES**

Upon recommendation of John Collins, Utility Services Division Manager, through Steve Bradhurst, Water Resources Director, on motion by Commissioner Humke, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the following actions be taken in support of 128 residential lots within Woodland Village Phase 12, and 127 residential lots within Woodland Village Phase 13:

1. The Water Rights Deed for a portion of groundwater rights from Permit 65058 in the amount of 145.35 acre-feet between Utilities Inc. of Nevada, as Grantor, and Washoe County as Grantee be approved;
2. The Water Sale Agreement between Utilities Inc. of Nevada and Washoe County in connection with the conveyance of the water described above be approved;
3. Chairman Shaw to authorized to execute the Water Rights Deed and the Water Sales Agreement; and
4. The Manager of the Utility Services Division be directed to record the Water Rights Deed and the Water Sale Agreement with the Washoe County Recorder.

**04-138**

**AMENDMENT TO "PROTOCOL AGREEMENT" – CITY OF  
SPARKS – COMMUNITY DEVELOPMENT**

Upon recommendation of Bob Webb, Planning Manager, on motion by Commissioner Humke, seconded by Commissioner Galloway, which motion duly carried, it was ordered that an Amendment to the Interlocal "Protocol Agreement" between Washoe County and the City of Sparks, providing for Washoe County to review and issue all discretionary permits for aggregate mining operations within the sphere of influence until a property is annexed into the City of Sparks, be approved and Chairman Shaw be authorized to execute the same.

**04-139**

**CORRECTION OF FACTUAL ERRORS –SECURED TAX ROLL -  
ASSESSOR**

Upon recommendation of Jean Tacchino, Assistant Chief Deputy Assessor, on motion by Commissioner Humke, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the following Roll Change Requests correcting factual errors on tax bills and the Order directing the County Treasurer to correct the errors be approved and Chairman Shaw be authorized to execute same.

<b>PROPERTY OWNER</b>	<b>PARCEL NO.</b>	<b>AMOUNT</b>	<b>ROLL</b>
Charles E. & Loretta E. Dailey, Tr	018-121-23	[-\$190.72] 2003	Secured
Charles E. & Loretta E. Dailey, Tr	018-121-23	[-\$192.54] 2002	Secured
Charles E. & Loretta E. Dailey, Tr	018-121-23	[-\$187.27] 2001	Secured
653 Brinkby Avenue LLC	019-380-06	[not available]	2004 Secured
Airport Authority of Washoe Co	020-241-01	[not available]	2004 Secured
Frank Lipera	021-270-28	[not available]	2004 Secured
Thomas E. & Norma J. Seltz	023-194-59	[not available]	2004 Secured
Ray C. & Rowena McNeil, Tr	023-722-02	[-\$64.06]	2003 Secured
Ray C. & Rowena McNeil, Tr	023-722-02	[-\$64.68]	2002 Secured
Ray C. & Rowena McNeil, Tr	023-722-02	[-\$64.68]	2001 Secured
A G Spanos Tr et al	030-241-82	[-\$434.87]	2003 Secured
A G Spanos Tr et al	030-241-82	[-\$428.66]	2002 Secured
A G Spanos Tr et al	030-241-82	[-\$407.29]	2001 Secured
Victor C. & Rosita G. Reyes	038-625-16	[-\$1,015.51]	2003 Secured
Victor C. & Rosita G. Reyes	038-625-16	[-\$1,022.48]	2002 Secured
Bradley L. Parker, et al	038-631-13	[-\$950.87]	2003 Secured
Bradley L. Parker, et al	038-631-13	[-\$957.44]	2002 Secured
Olinghouse Development Co.	079-150-36	[-\$373.82]	2003 Secured
Olinghouse Development Co.	079-150-36	[-\$376.52]	2002 Secured
H. Eugene & Carla A. Lemay, Jr.	160-300-19	[not available]	2004 Secured
Aaron Jensen, et al	204-514-03	[-\$1,171.70]	2003 Secured
Aaron Jensen, et al	204-514-03	[-\$1,182.94]	2002 Secured
Edson C. & Kimberly A. Normandy	204-542-02	[-\$1,046.78]	2003 Secured
Walter M. & Bette J. Johnson, Tr	208-093-02	[not available]	2004 Secured
Merrell Family Trust	218-043-11	[-\$45.79]	2003 Secured
Merrell Family Trust	218-043-11	[-\$46.27]	2002 Secured
Merrell Family Trust	218-043-11	[-\$44.96]	2001 Secured
Michael A. & Amy R. Yazinka	530-666-02	[not available]	2004 Secured

**04-140      ACCEPT WORKERS' COMPENSATION AUDIT REPORT - INTERNAL AUDITOR**

Bill Mikawa, Manager of Internal Audit, presented the Workers' Compensation Audit Report to the Board, reviewing the agenda memorandum dated February 17, 2004.

Mr. Mikawa stated the primary focus of the audit was on the potential estimated \$100-million liability that the County faces due to State law, which allows law enforcement officers who have at least five years of continual services to receive compensation for heart conditions. He reviewed the primary observations of the report and the recommendations presented by the Internal Audit Division.

Commissioner Sferrazza asked that a personnel session be scheduled to discuss this item. He said he would like to see, as previously requested, an off-setting

amount as to the cost that would not be charged to the medical insurance when employees are under workers' compensation to cover their heart condition. He inquired why the examining physician was not doing what was ordered under the statute in this situation. He asked for more realistic numbers because he said he did not believe that 20-25 percent of the population was filing claims. He stated he would like to pursue a statutory change.

Commissioner Galloway inquired if a law enforcement officer or fireman had a heart attack, would it be presumed to be workers' compensation because of his profession; and Mr. Mikawa confirmed that to be true. Mr. Mikawa verified there have been 17 cases since the statute went into force in 1980, and these cases have cost \$6-million. Commissioner Galloway suggested the legal issues would be too big for one county, but if the Nevada Association of Counties (NACO) or National Association of Counties (NACo) had a desire to deal with the issue, then something effective could be accomplished through the legislature. Commissioner Humke agreed that NACO would be the best sponsor of a bill to seek a remedy for this situation.

Commissioner Weber stated that the public must be aware of the great impact this situation has on the County's budget. She said a wellness program for all County workers should be explored, similar to the program the Washoe County School District has implemented. Commissioner Weber requested copies of the report for the Charting Our Course committee.

In response to Chairman Shaw, Mr. Mikawa described what would be included in the proposed plan to be brought forward in 90 days, as outlined in the staff report.

Jim Jeppson, Risk Manager, stated that an interim committee formed by the legislature was meeting to study workers' compensation insurance. He said one of the subjects that Senator Ann O'Connell of Clark County has placed at the top of her agenda was the conclusive presumption of heart and lung benefits, and she was requesting studies from public entities. Mr. Jeppson attended the first committee meeting and offered to participate on behalf of Washoe County. He informed the Board that Washoe County was participating in a feasibility study to form an excess insurance pool. He explained staff was working with Carson City to gain approval of a pool where Washoe County could pool resources and exposures so that some form of excess compensation insurance could be purchased. He acknowledged that the County was affectively uninsurable because of the heart/lung exposure, and the County cannot buy primary first-dollar insurance or workers' compensation. Mr. Jeppson further explained that this forces the County to remain self-insured, and to have to purchase higher and higher limits of excess insurance. He confirmed that Nevada was unique in this form of benefit, and insurance companies were backing away from the State. He said they would know in a couple of months if the pool would be possible and what the cost would be. He defined that the process was being pursued to provide protection into the future for Washoe County.

Upon recommendation of Mr. Mikawa, on motion by Commissioner Humke, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the Workers' Compensation Audit Report from the Internal Audit Division be accepted, and that a proposed implementation plan be brought forward for approval within 90 days of acceptance.

**04-141            STATUS REPORT – DEFERRED COMPENSATION  
COMMITTEE – PLAN UPDATE AND GOALS AND OBJECTIVES  
FOR 2004**

Commissioner Sferrazza said he would like to allow employees to have competition for deferred compensation beyond The Hartford. He acknowledged he does not like having only one company, and he was concerned that some of the mutual funds included with The Hartford were some of the ones being accused of late trading. He stated there should be some action for employees that were affected by this situation with their funds.

Joanne Ray, Human Resources Director, reviewed the agenda memorandum dated February 4, 2004, giving background on the Washoe County Deferred Compensation Committee (WCDCC) review and status report.

Commissioner Sferrazza said he was not in agreement with what the WCDCC was recommending because he would like to see more funds and more competition, not fewer funds and less competition.

In response to Chairman Shaw, Ms. Ray confirmed that they have gone out to examine other companies. She said The Hartford does waive some fees for the County and offers education and newsletters at no extra charge. Chairman Shaw requested staff return with an update and include Nationwide as a company the County could examine as an option.

Commissioner Galloway said the only decision to make today would be to stay with one provider or have staff propose a fair process by which other providers could be considered.

Commissioner Sferrazza requested that staff return to Board with WCDCC findings as to why The Hartford was found to be better than other companies and what benefits they receive from The Hartford that they would not get from other companies, specifically Nationwide. He asked that Nationwide be given the opportunity to make a presentation to the Board.

County Manager Katy Singlaub said a goal could be added that the WCDCC would evaluate the cost benefits of going with one provider versus multiple providers in advance of a future contract renewal.

On motion of Commissioner Weber, seconded by Commissioner Galloway, which motion duly carried with Commissioner Sferrazza voting "no," it was ordered that the Status Report from the WCDCC regarding Plan Update and Goals and Objectives for 2004 be acknowledged.

Commissioner Sferrazza voted "no" because he was not satisfied with the information provided and no numbers were provided regarding the cost of the audit.

**04-142            DISTINGUISHED BUDGET PRESENTATION AWARD**  
**FY 2003/04 – FINANCE**

John Sherman, Finance Director, explained that the award signifies that Washoe County is achieving the highest principles in governmental budgeting. He recognized the Budget Division staff, specifically Anna Heenan who was responsible for taking the lead on the project this year.

Chairman Shaw presented the Government Finance Officers Association Distinguished Budget Presentation Award to Mr. Sherman and the Budget Division staff, acknowledging this fine recognition and their hard work.

**04-143            PRESENTATION ON WWW.YOURNEVADA.COM WEBSITE –**  
**COMMUNITY RELATIONS**

Chris Matthews, Community Relations, presented a PowerPoint Presentation on [www.yournevada.com](http://www.yournevada.com), which launched in February 2004. He acknowledged two committee members that were present in the audience. He said a significant number of people seek government information from government websites, and he stated there was no taxpayer cost for the website.

In response to Chairman Shaw, Mr. Matthews explained that there were ten members originally who developed the site.

Commissioner Galloway noted that it appeared to be a website to help people work through other websites.

Sam Dehne, local resident, said that he liked the site, it was user-friendly, and there was taxpayer cost because staff is paid by taxpayer dollars. He noted it was money well spent.

**3:50 p.m.**        The Board recessed.

**4:05 p.m.**        The Board reconvened with all members present except Commissioner Sferrazza.

**4:12 p.m.**        Commissioner Sferrazza returned during the following item.

**RENEWAL AGREEMENT – GOLF PROFESSIONAL SERVICES -  
SIERRA SAGE GOLF COURSE – PARKS**

Doug Doolittle, Assistant Director Parks and Recreation, explained Peavine Golf Associates had met all conditions for renewal of the contract. He said staff was recommending a one-year renewal at this time because they were completing a request for proposal (RFP) for a consultant to review all the golf operations in the County. He stated staff believed it to be prudent to contract one year at a time until the report comes back and was brought before the Board for further recommendations.

In response to Commissioner Weber, Mr. Doolittle explained that the RFP proposals from consultants were due back by March 5, 2004. He said a review would be completed of the proposals and staff would make recommendations to the Board regarding the consultant. The hired consultant would examine the six golf courses and make recommendations based on their observations. Commissioner Weber inquired about the time frame in the agreement, and County Manager Katy Singlaub said staff could request less than six months' notice of termination if needed.

In response to Commissioner Weber, Mr. Doolittle explained that the quarterly reports help identify if the course goals were being met, the reports give staff a periodic update on the progress of operations, and the reports would provide additional information for the consultant to review.

In response to Commissioner Galloway, Mr. Doolittle explained that in the new contract, the rental of the golf carts, the driving range and the pro shop's proceeds go to the golf professional; and the County receives a flat fee that has been increased from \$3,000 to \$4,500 monthly. Commissioner Galloway stated he would not support the renewal agreement because there was not enough change to bring about the desired results. He said if the concern was raising rounds of play, the golf pro's fee needed to be tied to the performance desired.

Commissioner Sferrazza noted the required increases in the previous agreement with Peavine Golf Associates did not occur. He asked about the percentage required by this contract. Mr. Doolittle confirmed that it would be ten percent for each calendar year, and the penalty for failure to increase by that amount would be no renewal of the contract.

Ms. Katy Singlaub explained that the incentive was to provide more of the marginal fee revenue to the golf professional to stimulate the increase of play, and that was why he was making money on the pro shop and golf cart rentals. She said the County would be making more money than in the past by increasing the revenue share the County receives.

Chairman Shaw inquired if the condition outlined by Commissioner Galloway could be placed in the golf professional's contract, and Mr. Doolittle answered that it would be difficult as the golf pro was out of country. He stipulated that by giving

him incentives to get more people on the golf course, the County realizes more money through the rounds of play because the County would be receiving all of the income. The golf pro would be gaining the incentive by getting more people in the shop selling merchandise and giving lessons.

Commissioner Sferrazza requested that staff come up with a method for a future contract that would include incentives for the golf professional that would be connected to increased rounds of play. He noted that by not approving the contract today, the County was losing money.

Upon recommendation of Karen Mullen, Director of Parks and Recreation, on motion of Commissioner Sferrazza, seconded by Chairman Shaw, which motion duly carried with Commissioners Humke and Galloway voting "no," it was ordered that the Purchasing and Contracts Administrator be authorized to enter into a twelve-month renewal agreement for Golf Professional Services at Sierra Sage Golf Course with Peavine Golf Associates, commencing January 1, 2004 through December 31, 2004, with an option to renew, upon mutual agreement, for one additional one-year extension.

**04-145            GENERAL FUND CARRYOVER – MILLS B. LANE JUSTICE CENTER – INCLINE VILLAGE LIBRARY CAMPUS**

John Sherman, Finance Director, reviewed the staff memorandum dated January 30, 2004, giving background on the recommendation to approve the transfer of monies from the General Fund carryover from fiscal year 2002/03 to the Public Works Construction Fund for the Mills B. Lane Justice Center Project and the Incline Village Library Project.

In response to Chairman Shaw, Mr. Sherman confirmed that the approved funds would cover the County's expected portion for the Mills B. Lane Justice Center Project.

In regard to the Incline Village Library Project, Commissioner Galloway explained that most lots at Lake Tahoe come with 30 percent coverage, but if the lot was a public facility and the desire was to fully utilize the lot, 50 percent coverage would be allowed. Mr. Sherman confirmed that both the new libraries and the conversion of the existing library to other County offices would be covered under this issue.

Commissioner Sferrazza inquired about the cost cutting measures that staff was directed to pursue and the current amount budgeted for the Mills B. Lane Justice Center Project. Tom Gadd, Public Works Director, clarified that the construction budget was about \$16-million and he stated the \$5-million should cover most of the contingencies in terms of funding the building. He confirmed that they would continue to go forward with cost cutting measures.

In response to Commissioner Weber, Mr. Sherman acknowledged that the carryover funds would be exhausted coming forward from last year. Commissioner Weber requested the two items be separated into two motions.

County Manager Katy Singlaub clarified that carryover funds were generated from the County's savings actions, and these were unanticipated because savings efforts were put into place with the hope that the efforts would generate certain savings, and these savings far exceeded the County expectations.

Sam Dehne, Reno resident, expressed concerns about the County bargaining with the City of Reno regarding costs for the project.

Commissioner Galloway said he supported the item although he was uneasy about the amount. Mr. Sherman suggested a possibility would be to authorize the transfer up to the amount needed to cover the bid amount.

Commissioner Humke spoke in support of the project and the joint contract with the City of Reno. He said it was well drafted, and the County has a number options.

Ms. Singlaub clarified the County was not negotiating with the City of Reno, but the terms were specified by the interlocal agreement. She said the County's general fund would not be depleted by this action. These were reserves that were over and above the budgeted reserves, which go beyond all statutory requirements.

In response to Commissioner Weber, Ms. Singlaub said she strongly encouraged the Board to arrive at the Joint Meeting on February 18, 2004 with their funding source identified.

Upon recommendation of Mr. Sherman, on motion by Commissioner Humke, seconded by Chairman Shaw, which motion duly carried, it was ordered that the transfer from General Fund Carryover for fiscal year 2002/03 to the Public Works Construction Fund up to the amount needed to cover the bid award for the Mills B. Lane Justice Center Project be approved.

In regard to the Incline Village Library Project, Commissioner Galloway explained the bulk of the money would be used to allow the County to save grants that were currently being spent on lease property because the County does not own the office space the County facilities use in that area.

On motion by Commissioner Galloway, seconded by Commissioner Humke with Commissioner Weber voting "no", Chairman Shaw ordered that the transfer of \$450,000 from General Fund carryover for fiscal year 2002/03 to the Public Works Construction Fund for the Incline Village Library Project be approved. It was further ordered that the Comptroller be directed to make all the appropriate journal entries for the

cash and appropriation authority transfers to the appropriate accounts in the Public Works Construction Fund for both projects.

Commissioner Weber said the carryover funds were public funds to be used for the entire public and she could not support this item because she did not see it as benefiting the whole of Washoe County.

Later in the meeting, Commissioner Weber changed her vote to "yes" on this item.

**4:45 p.m.** Commissioner Humke temporarily left the meeting.

**04-146**      **ALLOCATION OF FY 2004/05 – WASHOE COUNTY HOME CONSORTIUM FUNDS**

Eric Young, Community Development, explained the HOME Consortium annually looks at allocation of pass through dollars from Federal and State funds for affordable housing projects. In September of 2003 the Board established priorities for the self-directed funds, and at this time the Board has the ability to allocate or self-direct some of the pass through funds to specific projects before the money goes to the Regional Planning Governing Board to allocate the pass through dollars. Mr. Young said staff has identified three projects they were recommending the Board self-direct their portion of the over-all home funds to, as outlined in the staff report dated February 2, 2004.

In response to Commissioner Sferrazza, Mr. Young verified that Community Services Agency and Development Corporation (CSDAC) has applied for the funds under New Opportunities for Home Ownership for continuation of their down payment assistance program.

Commissioner Weber stated she would not support an allocation to home ownership opportunities because she said it sets a poor precedent and she has not supported it in the past. She believed the money could be better used and she requested a separate motion.

Sam Dehne, local resident, said the numbers needed to be rearranged to allow more funding for senior housing.

Upon recommendation of Mr. Young, on motion by Commissioner Sferrazza, seconded by Chairman Shaw, which motion duly carried with Commissioner Humke absent, it was ordered that a portion of fiscal year 2004/05 HOME funds be allocated to Grace Senior Apartments (Grace Partners) in the amount of \$92,330; and Independent Living for Seniors in Washoe County (CSADC) in the amount of \$132,999.

On motion by Commissioner Sferrazza, seconded by Commissioner Galloway, which motion duly carried with Commissioner Humke absent and Commissioner Weber voting "no," it was ordered that a share of the fiscal year 2004/05

HOME funds be allocated to New Opportunities for Home Ownership (CSADC) in the amount of \$332,803. It was further ordered that CSADC present a report on this item to the Board, and provide accounting for past and present funding.

**04-147            PURCHASE OF LAND COVERAGE – INCLINE VILLAGE LIBRARY**

County Manager Katy Singlaub explained that the cost for coverage for the Incline Village Library would be \$270,000, and the coverage for the conversion of the old library into parking and offices would cost an additional \$180,000.

Tom Gadd, Public Works Director, said the County was buying all the coverage for the library under an appraisal method that would reduce the cost. He explained that in Item 13 (see 04-145) the Board approved the money to be moved into the Public Works Construction Fund so a portion of the money could be allocated for this coverage.

Upon recommendation of Roger Van Alyne, Capital Projects Division Manager, through Mr. Gadd, on motion of Commissioner Sferrazza, seconded by Commissioner Galloway, which motion duly carried with Commissioner Humke absent, Chairman Shaw ordered that the purchase of up to \$360,000 of land coverage, for the Incline Village Library, from the Nevada Division of State Lands be approved, and that the Public Works Director be authorized to execute the necessary documents.

**04-148            PURCHASE OF LAND COVERAGE – INCLINE VILLAGE MAINTENANCE FACILITY**

Upon recommendation of Roger Van Alyne, Capital Projects Division Manager, through Tom Gadd, Public Works Director, on motion by Commissioner Sferrazza, seconded by Chairman Shaw, which motion duly carried with Commissioner Humke absent, it was ordered that the purchase of up to \$26,125 of land coverage, for the Incline Village Maintenance Facility, from the Nevada Division of State Lands be approved, and the Public Works Director be authorized to execute the necessary documents.

**04-149            DISCUSSION - ACQUISITION OF 220 & 350 S. CENTER STREET STRUCTURES - PUBLIC WORKS**

Tom Gadd, Public Works Director, reviewed the agenda memorandum dated, February 4, 2004, giving background on the potential acquisition of 220 and 350 South Center Street for use by Social Services, Public Defender, County Clerk and other Washoe County functions. He said after examining the options, staff concluded the County could acquire the 350 S. Center building, complete the improvements and spend the money to relocate other Washoe County programs into the facility, plus purchase the parking structure next door for approximately \$11-million dollars. He stated over the 20-

year life of the building the County could save \$11-million dollars because the County would not be paying to lease the space.

Commissioner Sferrazza noted that the City of Reno had an opportunity to purchase the building a few years ago for \$3-million dollars, and he said he was astounded at the current cost. He acknowledged his support for the acquisition of the building, but not at that price.

Mr. Gadd stated the cost of the building has actually gone down. He said the County was offered this proposal a year ago and the price of the building was over \$11-million dollars, based on the number of tenants in the building. Now some of the tenants have departed and the cost would be approximately \$1-million dollars less than the original proposal.

John Sherman, Finance Director, said in addition to an appraisal, staff was looking for guidance to perform a thorough examination of the building to understand what additional work would need to be completed to make it suitable for occupation. He stated staff would also work on the financing package and present all these elements to the Board for their consideration at a future date.

Commissioner Weber inquired about a proposed amount to move forward.

Commissioner Sferrazza requested the appraisal on the building from the Assessor's office, and Mr. Sherman confirmed that staff would get this information.

In response to Commissioner Galloway, Mr. Gadd said an initial analysis of the building has been completed, and mechanical and electrical upgrades are needed; but, in factoring all things, it would save considerable dollars for the County over the life of the building. He said further due diligence would have to be completed on the building.

Sam Dehne, local resident, said to go ahead and buy the building with the bottomless pit of Washoe County money.

Upon recommendation of Mr. Gadd, Mr. Sherman and Mike Capello, Social Services Director, on motion by Commissioner Galloway, seconded by Commissioner Weber, which motion duly carried with Commissioner Humke absent and Commissioner Sferrazza voting "no," Chairman Shaw ordered that staff be directed to proceed with the possible acquisition of the property with the understanding that there would be an appraisal, and if the appraisal was significantly out of line with the negotiated purchase price, the project would not move forward.

Commissioner Sferrazza voted "no" because he wanted an appraisal on the building before giving his approval.

**ORDINANCE NO. 1230 - BILL NO. 1410 – 2004 REVENUE BONDS  
ORDINANCE – BASEBALL STADIUM PROJECT**

Chairman Shaw said that Melanie Foster, Legal Counsel, acknowledged that four votes are required to pass this Ordinance.

John Sherman, Finance Director, stated this was a companion item to the following item, providing the upfront cash for the architectural services for the baseball stadium project. He explained that the car rental tax does not begin until April 2004 and there would be only quarterly proceeds received, so there was a timing difference between when the proceeds of the tax were received and when payments under the contract for architectural services would be required. He said this short-term line of credit financing would allow the County to bridge the timing difference, and assuming the project goes forward, it would be converted into long-term financing upon Board approval of the project sometime in the summer of 2004. He confirmed if the Board does not approve the project or if there was a finding that the project was not financially feasible, the County would pay off the balance that was borrowed up to that point in time.

In response to Commissioner Sferrazza, Paul Lipparelli, Legal Counsel, explained that copies of the contract have been prepared for the Commissioners. He said the architect would design to the total construction costs of \$24,500,000 that were outlined in the agreement. The agreement contains a provision that it can be terminated at the convenience of the County, so at any point in the process if the County Commission finds a fatal flaw with the baseball stadium project, the architect's agreement could be terminated and the architect would be paid for the work completed up to that point. He stated the architect's fees, payment schedules, reimbursable expenses were all set forth in the agreement in final form and those items have been agreed to by the negotiating teams. He further explained the sub-contractors to the architects would complete engineering work and this was included in their scope of work. The Furniture, Fixtures, and Equipment (FF&E's) were not covered in the contract and the FF&E's were not something that goes through the architect's contract.

Commissioner Sferrazza inquired what would happen if the architect designs a project that comes back at \$30-million. Mr. Lipparelli explained the contract provides that if the lowest bid exceeds the total construction costs by five percent or more there were a number of remedies available to the owner. These remedies included the requirement that the architect revise the scope of work to reduce the total project construction costs, or require the professional, at no cost to the owner, modify the construction documents and re-bid the work to result in a bid within the projected total budgeted costs.

In response to Chairman Shaw, Mr. Lipparelli confirmed that the safety nets were still in place in terms of the contract and cited areas in the contract for the Board to review.

Commissioner Galloway inquired if \$28-million was still a viable amount to construct the stadium, including architect fees, and monies for FF&E's. Mr. Sherman said that the financing team has had a more refined estimate cost of \$29,300,000, excluding financing costs, and this amount has been handed to the construction team for them to bring the project to completion. He stated the final decisions would be made between now and mid-summer when the final cost estimates from the architect are known and a more refined number from the financing team is available.

In response to Commissioner Galloway, Mr. Lipparelli read from the contract to answer his questions about number of stadium seats.

Roger Van Alyne, Capital Projects Division Director, explained he did not know the cost of the different pieces because it was not known what the other entities, meaning the City of Sparks and Sierra Nevada Baseball, would be bringing to the table as far as their portions of the project. He said in terms of FF&E's, he predicts it to be a small amount, possibly one to two percent, because it was not a typical structure. He believes that the project would be feasible and would remain within the set budget.

Commissioner Weber voiced the concern that Commissioner Humke was not present on this important issue.

In response to Commissioner Sferrazza, Mr. Lipparelli said the Board has the option to direct the architect at each stage of the design process, and the Board could terminate at any step for any reason. Mr. Lipparelli directed the Board to the areas of the contract to support his answers.

Mr. Sherman pointed out the issue with the contract was that the design needs to continue to proceed, and the architect needs to continue to work in order to meet the opening deadline. If deliberations continue for many more months, the deadline would not be met. He said the conclusive financial feasibility analysis would occur in January 2005 when the bonds would be sold, and staff has been completing as much due diligence and analysis as possible to bring before the Board in order for the most informed decisions to be made. He explained the financing was designed to be payable by the car rental tax, and no other County credit would be pledged. At any point, if it was determined that the Board did not want to support the project, no additional money would be borrowed.

Commissioner Sferrazza inquired when the Board would have a better financial picture, and Mr. Sherman said mid-summer of 2004.

Chairman Shaw requested a review of what was in the Ordinance, and Mr. Sherman explained that the Ordinance authorizes the Finance Director to engage in a contract with a lender for a line of credit to pay architectural fees to the architect if those fees are due and payable by the County. He said the line of credit balance would be paid off by the car rental tax only, and there would be no credit enhancements from the County and no use of general fund monies.

Commissioner Galloway said when this item came up at the meeting for the baseball stadium decision, the Board said a contract to the architect would not be issued unless they could come in at a price that made the entire project viable. It was relevant that the target given to the architects would be met.

Commissioner Sferrazza said he would support the motion reluctantly because only \$1.2-million would be needed before the final financial feasibility was presented in August 2004. He said he was concerned because there was no team yet.

Mr. Sherman said the reason why \$2.6-million was requested was because the architect needs to continue working and the final financing would not be in place for another six months.

On motion by Commissioner Weber, seconded by Chairman Shaw, which motion duly carried with Commissioner Humke absent, it was ordered that Bill No. 1410, Ordinance No. 1230, entitled, "**AN ORDINANCE DESIGNATED AS THE "2004 REVENUE BONDS ORDINANCE"; AUTHORIZING AND DIRECTING THE ISSUANCE OF WASHOE COUNTY, NEVADA, MINOR LEAGUE BASEBALL STADIUM PROJECT REVENUE BONDS, SERIES 2004 IN THE MAXIMUM PRINCIPAL AMOUNT OF \$2,600,000 SECURED BY PLEDGED REVENUES; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE SECURITY THEREFOR, THE SALE THEREOF; PROVIDING FOR ADOPTION AS IF AN EMERGENCY EXISTS; AND OTHER DETAILS IN CONNECTION THEREWITH,"** be approved, adopted as if an emergency exists and published in accordance with NRS 244.100.

**04-151            CONTRACT AWARD – HOK ARCHITECTS, INC. – PUBLIC WORKS – BASEBALL STADIUM PROJECT**

Sam Dehne, Reno resident, said no public opposition has come forward from the car rental companies, and a lot more citizens will want to go to the baseball stadium versus the court house, so it would be money well spent.

In response to Commissioner Sferrazza, Phil Zive, Sierra Nevada Baseball, stated the announcement of the team would not be made until September of 2004 for legal reasons. He said negotiations are taking place, but the matter must be handled carefully. He stated thirty skyboxes have already been sold, half of the stadium club seats have been spoken for, and the support from the community has been overwhelming.

Upon recommendation of Roger Van Alyne, Capital Projects Division Director, through Tom Gadd, Public Works Director, on motion by Commissioner Sferrazza, seconded by Commissioner Weber, which motion duly carried with Commissioner Humke absent, it was ordered that the contract for design services for the baseball stadium be awarded to HOK Architects, Inc., in the amount of \$2,532,500; and

the Chairman be authorized to execute the contract documents upon presentation, subject to the right to terminate.

**04-152            HILLSIDE DEVELOPMENT ORDINANCE – COMMUNITY DEVELOPMENT**

Adrian Freund, Community Development Director, and Sharon Kvas, Planning Manager, gave background information regarding proposed amendments to the City of Reno Hillside Development Ordinance, referring to the agenda memorandum dated, February 12, 2004.

Commissioner Galloway requested that each individual Commissioner give input to staff on this item, and Ms. Kvas said she would receive the input and present it to the Planning Commission in March 2004. Commissioner Galloway stated he did not want exemptions to be approved that would allow infill of drainage ways.

Commissioner Sferrazza requested that staff compare the County ordinance to the City of Reno ordinance and indicate differences, and Ms. Kvas was agreeable to bring that information back to the Board.

In response to Chairman Shaw, Ms. Kvas confirmed that the definition for hillside was the same for the County and City of Reno.

Mr. Freund explained staff was concerned about process because the City deals with this type of situation in a special use permit process, and the County would like to go with a base set of standards and requirements and deal with any exception through a variance.

**04-153            2002 REGIONAL PLAN SETTLEMENTS**

Adrian Freund, Community Development Director, referred to the staff memorandum dated February 12, 2004, giving information to the Board regarding Truckee Meadows Water Authority (TMWA) intervention in the regional plan litigation and the allegations of bad faith regarding water service by the County.

Melanie Foster, Legal Counsel, stated that Madelyn Shipman, Assistant District Attorney, was requesting that the Board take action to direct Ms. Shipman to oppose TMWA's intervention into the Verdi Settlement Agreement litigation, which has to do with the County's good or bad faith in its decision-making regarding its retail water service boundary and to file pleadings as necessary.

On motion by Commissioner Galloway, seconded by Commissioner Sferrazza, which motion duly carried with Commissioner Humke absent, Chairman Shaw ordered that Ms. Shipman be directed to oppose TMWA's intervention into the Verdi Settlement Agreement litigation, to file other pleadings as necessary to allow the County

to perform under the Verdi Settlement Agreement and to review the TMWA contract to see if there would be any remedies within the contract.

**5:58 p.m.** Commissioner Humke returned to the meeting.

**04-154**      **REPORTS/UPDATES - COUNTY COMMISSION MEMBERS**

Commissioner Sferrazza noted that he was prepared to attend the Truckee Meadows Water Authority meeting on February 18, 2004, but they have cancelled the meeting and want to reschedule it for a day he would be out of town. Chairman Shaw confirmed that he could attend the meeting for Commissioner Sferrazza.

Commissioner Weber said that at the Regional Planning Governing Board meeting on February 12, 2004 the Board voted to support an increase for the Truckee Meadows Regional Planning Agency's director's salary, as well as other amenities. She noted that there was discussion about Washoe County's funding of the lobbyist for the last legislative session, and she confirmed this would be an agenda item at a future County Commission meeting.

**COMMUNICATIONS AND REPORTS**

The following communications and reports were received, duly noted, and ordered placed on file with the Clerk:

**04-154A**      **COMMUNICATIONS:**

A. Copy of letter from Nevada Department of Transportation to Building Solutions LLC, regarding fully executed contract and bond for the Renovation of Various Building Systems at the Equipment Division, Sparks Equipment Yard, Project No. SP-EQ-5767(011). Documents forwarded to Public Works.

B. Notice of Intent to Annex Land into the City of Sparks dated January 16, 2004 to annex approximately 19 acres of land, generally located southeast of the current terminus of Campello Drive east of Wingfield Springs in Sparks, Washoe County, into the City of Sparks, and a copy of Bill No. 2387 introducing the proposed Ordinance. The public hearing on Bill No. 2361 was scheduled for the Council Meeting to be held on January 26, 2004.

C. Notice of Intent to Annex Land into the City of Sparks dated January 16, 2004 to annex approximately 296 acres of land, generally located east of the Highlands at Cimarron East Planned Development and northeast of the Foothills at Wingfield Springs Planned Development, Washoe County, into the City of Sparks, and a copy of Bill No. 2391 introducing the proposed Ordinance. The public hearing on Bill No. 2391 was scheduled for the Council Meeting to be held on January 26, 2004.

**04-154B**      **REPORTS – Annual (FY 2003 & 2004)**

- A.      Summary of Claims Against Washoe County for tortuous conduct in 2003
- B.      Reno-Sparks Convention and Visitors Authority-year ended June 30, 2003
- C.      South Truckee Meadows General Improvement District-year ended June 30, 2003
- D.      Washoe County School District – budget augmentation year ending June 30, 2004

**04-154C**      **REPORTS – Monthly (November 2003)**

- A.      Washoe County Clerk

**04-154D**      **REPORTS – Monthly (December 2003)**

- A.      Washoe County Building and Safety
- B.      Court Clerk
- C.      Washoe County Clerk

**04-154E**      **REPORTS – Monthly (January 2004)**

- A.      Court Clerk

**04-154F**      **REPORTS – Quarterly (December 2003)**

- A.      Constable – Incline Village/Crystal Bay Township
- B.      Court Clerk
- C.      Sparks Township Justice Court
- D.      Verdi Township Justice Court
- E.      Washoe County Clerk

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**6:00 p.m.** The Board adjourned to a closed session for the purpose of discussing negotiations with Employee Organizations.

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**JAMES M. SHAW**, Chairman  
Washoe County Commission

**ATTEST:**

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

*Minutes Prepared by  
Lori A. Rowe, Deputy County Clerk*