

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

TUESDAY

8:00 A.M.

SEPTEMBER 27, 2011

PRESENT:

John Breternitz, Chairman
Bonnie Weber, Vice Chairperson*
Bob Larkin, Commissioner*
Kitty Jung, Commissioner
David Humke, Commissioner

Nancy Parent, Chief Deputy Clerk (8:00 a.m. to 1:45 p.m.)

Amy Harvey, County Clerk (1:45 p.m. to 8:00 p.m.)

Katy Simon, County Manager

Paul Lipparelli, Legal Counsel

The Washoe County Board of Commissioners convened at 8:08 a.m. 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:

11-840 AGENDA ITEM 3 – PUBLIC COMMENT

Agenda Subject: “Public Comment. Comment heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Commission agenda. The Commission will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Commission as a whole.”

Garth Elliott stated he attended the Nevada Association of Counties (NACO) meeting last week where he was informed by George Taylor, Nevada Attorney General’s representative, that it was appropriate to have an interchange with the Commissioners during public comment to answer any questions from the public.

Sam Dehne stated the Washoe County Commission was the only one that allowed two minutes for public comment and did not allow a citizen to be antagonistic at the podium. He advised he was against holding Street Vibrations locally, and he suggested trying to attract another type of event.

8:13 a.m.* Commissioners Weber and Larkin arrived at the meeting.

11-841 AGENDA ITEM 4 – ANNOUNCEMENTS

Agenda Subject: “Commissioners’/Manager’s Announcements, Requests for Information, Topics for Future Agendas, Statements Relating to Items Not on the Agenda and any ideas and suggestions for greater efficiency, cost effectiveness and innovation in County government. (No discussion among Commissioners will take place on this item.)”

Katy Simon, County Manager, announced Agenda Item 9E, to approve the revised Pro Tem Justice of the Peace Panel for the Justice Courts; Agenda Item 9H, to approve corrections made to the real and personal property tax rolls; and Agenda Item 13, the introduction and first reading of an Ordinance adopting Development Agreement Case No DA11-001, were being pulled. She noted Agenda Item 9J(3) was a donation by AT&T to the Washoe County Honorary Deputy Sheriff’s Association and to Washoe County’s Volunteer Program. She advised questions asked during public comment were routinely answered right away if the answer was known.

Commissioner Humke said he received a Nevada Association of Counties (NACO) Resolution commemorating the 150th anniversary of Nevada’s nine original counties at the NACO conference. He related a humorous event regarding Peter Sferrazza participating in a flag ceremony at a past NACO conference where he raised the flag so high the point on the flagpole ornament stuck in the ceiling. He read and presented the Resolution to the Commissioners. A copy of the Resolution was placed on file with the Clerk.

Commissioner Weber stated she was not able to attend the NACO conference last week for the first time in nine years because she was at her class reunion in Southern California.

Commissioner Larkin recognized Bill Eadington, Institute for the Study of Gambling and Commercial Gaming Chair, for being inducted into the American Gaming Association’s Hall of Fame for his contribution to gaming.

Chairman Breternitz said there was a discussion about snow removal plans during a meeting at Incline Village, and he requested a meeting with the Road Department’s management, so he could provide them with that information.

John Slaughter, Management Services Director, advised Ms. Simon was inducted into NACO’s Honor Roll at the NACO conference. The Honor Roll recognized individuals for their special achievement and service to county government. Chairman Breternitz felt that honor was well deserved by Ms. Simon.

11-842 AGENDA ITEM 5

Agenda Subject: “Presentations and possible direction to staff regarding departmental impacts of proposed 10% Budget Reduction scenarios.”

Katy Simon, County Manager, said the Board and the department heads asked for the opportunity to make presentations reflecting what they expected to be the possible impacts of the 10 percent reduction scenarios that were requested of all departments. She stated today those presentations would be made along with the actual cuts recommended by herself and the Finance Department. She explained the 10 percent plans would have yielded approximately \$22 million in savings, and today's recommendations would be for approximately \$6.9 million in reductions for the balance of Fiscal Year 2011/12. She said this was the third part of the four part budget balancing strategy for Fiscal Year 2011/12. She stated the first part was percent target reductions for departments by core, noncore, and support service departments; which totaled \$5.7 million. She said the second was using the \$9.7 million fund balance to support balancing this year's budget. She advised \$11.6 million in targeted labor cost savings was still being negotiated, and the alternative service delivery savings would be talked about later today.

Ms. Simon noted Appendix 1 in the staff report for Agenda Item 7 showed the 10 percent planning scenario recommendations.

Incline Justice Court

Justice of the Peace E. Alan Tiras, Incline Justice Court, stated the Court was looking at eliminating a part-time Deputy Clerk II position and creating a Supervising Bailiff position. He said the funding for that position would be shifted from the Constable's Office to the Incline Justice Court. He stated the Supervising Bailiff would oversee security, coordinate the security staff, and handle training and alternative sentencing. He said the Supervising Bailiff would also handle some clerical duties due to the elimination of the Deputy Clerk II position. He believed those changes would provide the two departments with a cost savings in excess of the requested 10 percent. He said the changes were being evaluated by management to determine if they would be feasible and what would be required to implement them. He stated he would have to cut staff if the Court was unable to reorganize in this fashion, which would make it challenging to do the job. He explained he only had 1.65 full-time equivalents (FTE's) and the caseload at Incline Village had exploded.

Judge Tiras advised there was a recommendation that security be shifted to private companies for all of the Courts and he requested any action on that recommendation be postponed pending the results of a joint study between the courts and the Sheriff's Office. He said the study would determine if cost savings could be accomplished in another manner while still maintaining the necessary quality of the courts' security.

District Attorney

Dick Gammick, District Attorney (DA), advised there were presently 23 active murder cases in the DA's Office. He said the DA's Office was very busy with family support and welfare cases due to the increase in child abuse.

Mr. Gammick stated all of the DA's programs had been looked at in conjunction with County staff, the Organizational Effectiveness Committee (OEC), and Management Partners starting in January 2011. He said four scenarios were developed based on a 10 percent cut and all scenarios would not allow the DA's Office to perform its functions appropriately or fulfill its mandates, expectations, or missions. He stated due to those issues, a fifth scenario was developed, and it was the scenario recommended by the Manager and the Finance Department. He noted the DA's Office was down to 169 FTE's from 211 FTE's in 2008. He said even with less staff, the DA's Office met or exceeded all of the reduction requests while still meeting all State and federal mandates, expectations, and missions. He stated that was accomplished by a hard working staff and by giving up some unmandated programs.

Mr. Gammick's PowerPoint presentation reviewed the organizational chart and the impacts for Scenario 90-1, which would eliminate the civil division; Scenario 90-2 would eliminate one third of the criminal division; Scenario 90-3 would reduce the support staff; and Scenario 90-4 would include across the board cuts. He stated Scenario 90-4 would eliminate the CARES/SART program. He explained there was a facility at the Northern Nevada Medical Center where sexual assault victims were examined. He stated if the program was eliminated, those victims would go back to the emergency rooms where staff was not trained or equipped to handle them or to collect the evidence. He advised everyone was working hard to keep the CARES/SART program going. He stated only the major impacts were listed for all scenarios and they were presented so the Board would have an idea of how hard it would be for the DA's Office to do its work if the 90 percent budgets were required. He advised if the DA's Office had to go to 90 percent, none of these particular scenarios would be adopted. He said staff would look at everything again to see what could be lived with and would provide the best possible solution for the public and for the DA's Office to do what it was required to do.

Mr. Gammick said the recommendation was to go with Scenario 90-5. He stated the attorney on contract for the BCC was eliminated and the CARES/SART coordination was outsourced. He advised staff was working with the foundations and the hospitals to find outside funding for the CARES/SART program.

Mr. Gammick advised the case management system was dying and staff had been working with the makers of the JustWare system to lower the price. He advised Churchill County had been using JustWare for 10 years and Douglas County for seven years. He said the program was very efficient, and it was believed additional positions could be eliminated if funding for JustWare could be found. A copy of the presentation was placed on file with the Clerk.

Commissioner Humke asked Mr. Gammick to expand on what type of public outreach the DA's Office did. Mr. Gammick explained quite a bit of time was spent in the schools teaching classes, getting with groups, working with the courts, and working daily with victims. He said the DA's Office was able to do that outreach because

staff was willing to use flexible work schedules. Commissioner Humke noted working with the public would not happen if it was necessary to contract out to private counsel. Mr. Gammick replied private counsel would do it for a paycheck, but they had no incentive to do it otherwise. He said the DA's Office liked to have the public working with them, and it made life easier if the public knew and trusted the DA's Office.

Commissioner Humke asked Mr. Gammick to further discuss the attempts to find cases that would be accepted by the federal court system when there was an overlap of jurisdictions. Mr. Gammick said the U.S. Attorney had worked in the Washoe County DA's Office and the U.S. Attorney's Chief Deputy for the Reno office had been a DA for White Pine County, which created a great working relationship. He said a task force met weekly to determine which way gun cases would go, which was based on the jurisdiction that would provide the most severe punishment.

Commissioner Larkin stated some very hazardous events took place in the community, and he asked if they had been looked at regarding the unexpected happenings that occurred recently. He said he did not see in any of the special use permits, a provision allowing for the compensation for extra costs when events got out of control for some of the more hazardous events, which meant those extra costs had to be picked up by the taxpayers. He asked if the DA's Office had given any thought to possibly adding a surcharge in anticipation of such occurrences. Mr. Gammick stated there was a fine line between what events could be charged before they would stop coming here, but it could definitely be looked at.

Chairman Breternitz stated he agreed with Commissioner Larkin that possibility should be explored. He believed there might be an opportunity to consider some type of cost recovery method from the event organizers.

Commissioner Weber asked what would be the plan for obtaining outside funding for the CARES/SART program. Mr. Gammick said the CEO of Northern Nevada Medical Center deferred some costs the County was paying, and he was talking to the CEO's and COO's of St. Mary's Hospital and Renown. He stated some of the foundations that originally provided the funding to build the facility were talking to their boards, and he had already received two checks. He said the incentive for the hospitals was the program kept the victims out of their emergency rooms. He advised staff was still trying to find grants even though they were drying up.

Juvenile Services

Carey Stewart, Juvenile Services Director, said a 10 percent budget reduction would eliminate all of the front-end services and programming elements that were key to the department, such as the competency development program, the work program, the gender responsive programming in case management for girls at the McGee Center, the evening reporting center, and the victim services program. He stated these programs were important because they allowed children to exit the system at the earliest possible point, which allowed the probation officers to focus their time and attention on

the children with the most serious needs and were the greatest security risk to the community.

Mr. Stewart said he was recommending the Board approve the 3.4 percent reduction plan for Juvenile Services, which would eliminate four positions and would impact staff internally but would not impact the children and families Juvenile Services worked with on a daily basis.

Social Services

Kevin Schiller, Social Services Director, said the intent of his PowerPoint presentation was to provide highlights beyond the 2012 recommended reduction of \$200,000. He believed Social Services needed to partner to be sustainable going into the future. He stated Question 10, which passed in 1986, authorized the Board to levy a tax specific to Children's Services not exceeding \$.04 per \$100 of assessed valuation. He advised historically Children's Services had received \$.01 to support child welfare and 1/2 cent of that was transferred to the Community Assistance Center (CAC)

Mr. Schiller noted the end-fund balance was typically used to cover costs while waiting for reimbursements from the State. Mr. Schiller stated the 2011 Legislative Session approved a Block Grant, which required a Maintenance of Effort. He advised anything reduced from the front-end of the budget would automatically reduce the appropriation out of the State's budget. He reviewed previous reductions; General Fund support transfers; debt service; and Sierra Regional Center (SRC) 2011 Legislative Session impacts. He believed the SRC program could be operated at a reduced cost, and he would be coming before the Board with a strategic plan for taking over the program. He anticipated during the next Legislative Session, the SRC would be an area where billing the County would be increased. He discussed the ultimate child welfare budget reduction impacts.

Mr. Schiller reviewed the medical services budget and possible solutions for the Adult Services health care assistance funding reductions. He stated he continuously looked at Social Services' budget to find efficiencies, and he advised he was already working on the budget for Fiscal Year 2013. A copy of the presentation was placed on file with the Clerk.

Commissioner Humke noted 1/2 cent of the tax levied for child welfare was devoted to the CAC. He asked if other efforts devoted to child welfare were being reduced by devoting a disproportionate portion to the CAC. Mr. Schiller said specific tracking was done regarding the children and families served, and the 1/2 cent was saving more than was being invested because it was helping keep children out of foster care. Commissioner Humke believed this was a policy issue the Board needed to stay in touch with, and Mr. Schiller's presentation showed the environment was changing beyond the cuts this Board required.

Commissioner Humke disclosed he was the Board's liaison to the Nevada Legislature this year. He said Mr. Schiller was in Carson City negotiating changes that happened with lightning speed and were in many cases driven by federal statutory and funding changes, and he predicted the pace of the changes would increase based on what was occurring in Washington D.C. He said he was not criticizing Mr. Schiller's activities in Carson City, which occurred in close consultation with the County's management staff, but the Board needed to spend more time understanding the changes as they occurred. Mr. Schiller said his brief overview tried to take a complex budget and give the Board a sense of where things were at. He said there was lot of discussion on how federal actions would impact Social Services' reimbursement programs, and it required spending time almost daily to stay on top of the anticipated changes so practices could be adjusted to minimize those impacts.

Mr. Schiller said Child Welfare had to continue to develop a process that would build more of a relationship with community providers to provide shared services. He stated the County was participating in the Federal Demonstration Grant, which would provide the ability to leverage practices and absorb some of the reductions. He said it would involve coordinating with the other human service departments to become more efficient and to work as a unit. He felt doing that would also increase the lobbying capacity when trying to make up those differences.

Public Guardian

Susan DeBoer, Public Guardian, reviewed her PowerPoint presentation, which highlighted the 10 percent reduction; the staff reorganization; the current and reduced organizational charts; the challenges; the case numbers; and compliance with court reporting. She noted it took approximately 15 hours to investigate a referral for guardianship, and there had been an increase in the intensity in the type of case management required. She stated there were 13 exceptional volunteers participating in the volunteer/visitor companion program, and there was another training program scheduled for October 2011. A copy of the presentation was placed on file with the Clerk.

Registrar of Voters

Dan Burk, Registrar of Voters, reviewed his PowerPoint presentation, which highlighted the 10 percent budget cuts for Fiscal Year 2011/12. He discussed the changes made over the last few years that allowed those cuts to be made. He advised the capital outlay cut was difficult because he had hoped to provide an interactive training program this year for the poll workers. He felt those plans could be modified to provide a CD for the poll workers, which would explain the steps of the job they would be performing so they would be better informed when they came in for training.

Mr. Burk said one idea was to hire temporary staff sooner so they could be trained for the upcoming Presidential Election, but the problem was a temporary person could leave at any time. He advised an extra staff person was not needed except during an election cycle and that person had to be highly trained to be capable of doing the job. He

said earlier during the budget cycle there was an idea to share a person with the Clerk's Office, but he said that idea did not take hold. He stated his office was willing to accept whatever decision the Board made. A copy of the presentation was placed on file with the Clerk.

Chairman Breternitz commended Mr. Burk for being creative in providing the services he was required to deliver.

Assessor

Josh Wilson, Assessor, reviewed his PowerPoint presentation, which highlighted how the 10 percent budget reduction plan was met; the present and post 10 percent reduction plan organizational charts; and the impacts of the reduction plan. A copy of the presentation was placed on file with the Clerk.

Health Department

Dr. Joseph Iser, District Health Officer, reviewed his PowerPoint presentation, which highlighted what the 10 percent reduction plan entailed. He said the loss of the two people in the food program meant implementing an FDA food standards program would be more difficult and there would be less chronic disease program activities. He stated in addition to the reduction in FTE's, a number of positions in the vacancy pool were being held open to save money. He said he would like to reinstate the \$30,000 in environmental health standby pay if he could find the funds, because having no one on call impacted the ability to quickly respond to a toxic spill. He explained \$50,000 had been eliminated from vector control and additional funds might be needed when the new mosquito season started in the spring.

Dr. Iser said no separation incentives were approved because those positions could not be eliminated and still maintain the ability to perform the mandated and other services. He stated there were also no resources found to fund the incentives. He noted the Board of Health approved the budget cuts. A copy of the presentation was placed on file with the Clerk.

Commissioner Weber said she had concerns with the Health Board making the final budget decisions for the Health Department, and she felt it would not be fair if vacant positions in the Health Department were filled down the road. Commissioner Jung said that point was well taken. She advised the District Board of Health would be holding its annual planning retreat, and she would bring those concerns to them. She advised it was a different entity, but she felt Dr. Iser was mindful of the budget crisis. Dr. Iser explained the Health District received grant funds, which required people be assigned to do the work required by the grants.

Commissioner Humke asked if the proposal was compliant with this Board's direction. Ms. Simon noted the Health District proposed 10 percent of their general fund transfer; but for many of the departments, less than 10 percent was

recommended. She stated the entire 10 percent across all departments would not be necessary this year, but management wanted the Board to have ability to pick and choose among the various impacts.

Chairman Breternitz asked Ms. Simon to state what the plan was currently. Ms. Simon said Agenda Item 7 summarized the reductions that would yield approximately \$6.9 million in savings for the remainder of this Fiscal Year, and those reductions would become a larger amount next year. She stated there were additional recommendations for strategies to support balancing the 2012-13 budget, which would include some tax rate changes that could not be made this year because the amended final budget was adopted without those changes. She said with those tax rate changes, with the other assumptions factored into the five year forecast, and if the permanent reductions were made, it was hoped more reductions would not be needed in 2012-13.

Library

Arnie Maurins, Library Director, reviewed his PowerPoint presentation, which highlighted how the 10 percent reduction plan would be met, the impacts of those reductions, and comparative metrics for Fiscal Year 2009/10. A copy of the presentation was placed on file with the Clerk.

Mr. Maurins said the proposed relocation of tax revenue from the Library Expansion Fund might be legal according to the language in the ballot measure, but it went against the spirit of that measure and would reduce the ability of the expansion fund to grow to any useful level in the 13 years remaining in the life of the fund.

Commissioner Humke said the grants for the satellite services included a commitment to continue those services for years into the future. He asked if a grant was a contract. Mr. Maurins replied it was. Commissioner Humke asked if the grants provided a funding-out provision. Ms. Simon explained a funding-out provision was general practice, but she did not know if that was part of these specific grants.

Commissioner Weber said she was upset about the reduction in hours at the Sierra View branch. She believed the libraries needed to be open more hours instead of less. She suggested working on a library science program using volunteers and interns to keep the location open more often. Mr. Maurins said the attempt was to minimize the impact across all of the branches, and keeping Sierra View open more hours would mean closings elsewhere. He believed there was a role for volunteers and possibly interns, but he did not believe they could be relied on as a big part of keeping a branch open.

Senior Services

Grady Tarbuton, Senior Services Director, noted Senior Services was not a General Fund agency and was funded by \$.01 of ad valorem in property tax. He stated the plan was to achieve the 10 percent reduction without closing any sites, reducing meals, and with continuing to meet grant requirements. He stated work was being done

with the Senior Services Advisory Board and community partners on how Senior Services needed to change over the long term because of the significant changes occurring at the state and federal levels.

Mr. Tarbutton said the median age was currently 37 in Washoe County. He stated Nevada's senior population had grown 56 percent over last 10 years, while the general population had grown by 35 percent. He stated more vulnerable people were being seen and they had greater needs than in the past. He said a project was being worked on with nonprofit agencies and the hospitals, which would reduce the number of patients who returned to the hospital within 30 days by providing the services they needed to stay at home.

Mr. Tarbutton reviewed the PowerPoint presentation, which highlighted the target 10 percent reduction, including staff reductions achieved by using the voluntary separation incentives; the impacts of the reductions; and the proposed elimination of General Fund subsidy for Fiscal Year 2012/13. A copy of the presentation was placed on file with the Clerk.

Public Defense

John Berkich, Assistant County Manager, said his PowerPoint presentation included the 10 percent reduction for the Public Defender, Alternate Public Defender, and Conflict Counsel. He said approximately eight to nine thousand cases were handled each year with a budget just exceeding \$10 million. He reviewed the recommendations and their impacts as highlighted in the presentation, which was placed on file with the Clerk. He noted the focus of the cuts had been on the family court because there was no constitutional obligation to provide family court. He said the recommendation was to make a 5 percent cut because of the ripple affects of eliminating family court, and would eliminate one of the two family court attorneys. He advised the family court cases were very labor intensive and could go on for years and it was a struggle to find people qualified to handle them. He said all of the work done by Conflict Counsel was handled by contract and all cases were paid using a fixed fee. He stated it was a struggle to find attorneys willing to take the fixed-fee cases, especially those in the family court.

Commissioner Humke asked if delays in early case resolution might rise to a defendant's constitutional right regarding incarceration. Mr. Berkich explained several issues with early case resolution were being worked out with the Reno Justice Court. He said the program was designed to resolve a case within 72 hours of a person's arrest and, if a plea was not entered within the 72 hours, the case proceeded through the normal defense process. Commissioner Humke asked if the budget changes for the criminal cases were being styled to avoid constitutional challenges by defendants and inmates. Mr. Berkich confirmed the focus had to be on the constitutional obligations first, but the reduction in support staff would slow everything down. He noted attorney resources were being maintained to focus on the criminal side of the house.

Neighborhood Services

Dave Childs, Assistant County Manager, said the proposed Neighborhood Services Agency combined the departments of Building and Safety, Community Development, Regional Parks and Open Space, Public Works, and Water Resources. He reviewed his PowerPoint presentation, which highlighted the 10 percent reduction plan targets and impacts for all five departments.

Mr. Childs said there was some surge capacity funding in the Roads Division of Public Works for snow removal. He stated training employees in the Department of Water Resources (DWR), contracting with the Incline Village General Improvement District (IVGID), or contracting with outside contractors might be used to meet any surge in demand. He said that decision had not yet been made, but everything possible was being done to provide the highest level of service. A copy of the presentation was placed on file with the Clerk.

Mr. Childs said with the merger of DWR and the South Truckee Meadows General Improvement District (GID), along with all of the other changes occurring in the five departments, now would be the time to look at combining them. He said it would be a big job and he was glad Rosemary Menard, DWR Director, was assisting in pulling it all together. He said a team comprised of people from all of the departments had been meeting for the last six to nine months, and they were ready to move forward. He stated there would be a briefing October 11, 2011, which would provide more details regarding combining the departments. He said it was hoped there would be a single budget to bring forward to the Board for Fiscal Year 2012/13.

Commissioner Humke stated he was concerned the Board was not able see what the new agency would look like, and he asked where Animal Services would be. Mr. Childs replied Animal Services was currently under Public Works, but it did not fit neatly in that department. He said it was on the table and would be part of the discussion, but he did not know where it would end up. He stated the plan was to flesh out what the agency would be on October 11th. He said the issue was 10 percent needed to be cut today and then staff could go back and fit all of the pieces together so boots could be kept on the ground.

Commissioner Humke said he previously requested an agenda item on what was fact and what was rumor regarding Animal Services, and he wanted all five Commissioners to be present for the discussion. He asked if the budget cuts included the privatization of Animal Services. Mr. Childs responded the proposal was layoffs and privatization was not part of the proposal. Commissioner Humke said he had been informed by citizens that it had been stated Animal Services would be privatized and there would be layoffs. Ms. Simon said the Public Works Director at that time stated to staff members that everything was on the table for review. She advised privatization was not being recommended at this time, instead the recommendation was several positions would be eliminated. She noted it was hoped vacancies could be used where possible. Commissioner Humke asked if that proposal would lead one to the foregone conclusion

that privatization would become necessary. Ms. Simon stated she did not feel that lead to it becoming necessary, but management was looking at many functions that could be contracted or shared with others. She reiterated there was no proposal currently to privatize Animal Services. She advised Animal Services was a separate fund and was not in the General Fund portion of what was being discussed.

Technology Services

Cory Cassazza, Technology Services, reviewed his PowerPoint presentation, which highlighted how the 10 percent reduction would be met and the impacts of those cuts. He advised of the nine voluntary separation incentives applied for, three employees were still deciding whether they would take the incentives. He explained if they did not take the incentives, the proposal was to eliminate some non-capital equipment and a funded vacant position. He said the loss of positions over the last three years had not happened evenly across the department, which would require some type of reorganization. He also reviewed Technology Service's accomplishments for last year and reviewed the projects for next year. A copy of the presentation was placed on file with the Clerk.

Finance

John Sherman, Finance Director, reviewed his PowerPoint presentation, which highlighted the Finance Department's major functions, a summary of the proposed 10 percent budget reduction plan, the proposed organizational charts by division, and the budget reduction impacts. A copy of the presentation was placed on file with the Clerk.

Human Resources

Katy Fox, Human Resources Director, reviewed her PowerPoint presentation, which highlighted Human Resources Mission Statement, previous reductions, the 10 percent reduction plan and its impacts, and the proposed organizational chart.

Commissioner Humke asked if combining the Human Resources Director and the Labor Relations Manager positions would eliminate having a contractor involved in labor relation activities or would it be a blended model. Ms. Fox recommended walking away as much as possible from using labor consultants in negotiating future labor contracts.

Sheriff

Todd Vinger, Undersheriff, said the Sheriff's Office (SO) had reduced its budget by \$21 million since 2007, eliminated 76 positions, gave back almost \$11 million in unspent budget authority to the General Fund, and increased revenue by over \$2.8 million. He stated the total impact of the reductions and the increased revenue was over \$35 million over the last four years. He advised the Sheriff's Office had worked hard to

generate an additional \$16 million in grant funding since 2007. He said the requested 10 percent reduction plan would equate to over \$8 million and would eliminate 70 additional positions, which would severely impact the SO's ability to provide public services, and led to the recommendation of a 2 percent reduction plan. He said the 2 percent equated to \$1.6 million in cuts and would come from sustainable increases in revenue; outsourcing court security and some of the civil execution process; eliminating positions in records, civil and field services divisions; and reorganizing the SO's crime lab. He said that equated to eliminating 28 positions with a total of 104 staff members being eliminated over four years.

11:22 a.m. Commissioner Humke temporarily left the meeting.

Undersheriff Vinger reviewed the impact of the 10 percent cuts on the Sheriff's Office. A copy of the *Full 10 Percent Cut Plan* with a summary of the service impacts was placed on file with the Clerk.

Commissioner Larkin asked if the Sheriff's Office had participated when the contracts for the extremely hazardous special events were negotiated. Undersheriff Vinger said the type of recent events did not happen very often, and there was no way to plan for every possible what if scenario. He explained the Sheriff's Office was involved in most of the contracts and charged at a rate that covered the cost of equipment and personnel, but the unforeseen could not always be planned for. He said the local economy was based on tourism, and he would not want to price any vendor or organization out of coming to the area to hold an event. He believed unforeseen occurrences could be looked at and the cost could be renegotiated if any incident was caused by the event itself instead of tacking on those charges on the frontend.

Manager

Katy Simon, County Manager, reviewed her PowerPoint presentation, which highlighted the proposed cuts and their impacts. She said funds were being eliminated from the Fire Suppression Division but, if a need arose, there was money available in the Contingency Fund. She recommended reducing the Special Purpose Awards by the 10 percent instead of totally eliminating the funding. She said the affected organizations had seen huge reductions from the County and from all of their funding sources over the last few years.

Ms. Simon said that concluded the presentations, and she noted several Departments did not present because doing so was not mandatory. She advised Dick Gammick, District Attorney, reminded her since the tables for the reduction plans were finalized, he increased his reduction to 1.9 percent. She said a \$15,000 reduction in the Medical Examiner's Office had been recommended, but that reduction would not be taken. She advised that budget would be supplemented based on the Reno Air Races tragedy.

In response to the call for public comment, Garth Elliott said he was thankful the recommended cuts were only 2 percent for the Sheriff's Office. He said he liked what some of the department heads were trying to do to deal with the cuts they were being handed, but he feared there would be another year or two of the same scenarios. He said the mentality of using volunteers and interns needed to be developed.

Lisa Tintell stated she was concerned there were proposed cuts in Animal Services. She said Ingrid Oravetz, Vet Tech, was totally dedicated to the area's unfortunate animals, and she asked the Board to reconsider her layoff.

11-843 AGENDA ITEM 6 – MANAGER

Agenda Subject: "Presentation of Fundamental Review Program progress and possible direction to staff to continue with the feasibility analysis and potential implementation for a recommended subset of Fundamental Review report items, along with on-going status updates to the Board. (All Commission Districts.)"

Mary Ann Brown, Health District, reviewed the list of Implementation Team members as shown on page 2 of the staff report. She stated the Team worked with the County's Strategic Planning Committee (SPC) and the Technical Advisory Committee (TAC) to begin the implementation phase of the Fundamental Review Program by prioritizing the 64 recommendations in the report. She advised 40 out of the 64 recommendations were identified to move forward based on the initial criteria of the fiscal impact and ease of implementation. She discussed the chart on the bottom of page 4 of the staff report, which showed a more detailed ranking criterion. She said TAC would also oversee the analysis and the identification for a further feasibility study of the almost 1,800 employee comments received.

Laura Schmitt, Technology Services, discussed the steps taken, which resulted in the recommendations listed in Table 1 starting on page 5 of the staff report. She stated the items recommended to move forward for Board policy decisions and those items next in line for feasibility analysis and possible implementation started at the bottom of page 6. She said staff was requesting direction to continue with the feasibility analyses and potential implementation of the subset of the items, as well as having staff provide ongoing status updates to the Board.

11:38 a.m. Commissioner Humke returned.

Chairman Breternitz said he believed the recommendations were valid and he was very supportive of them.

There was no response to the call for public comment.

On motion by Commissioner Larkin, seconded by Commissioner Jung, which motion duly carried, it was ordered that staff be authorized to continue with the items next in line for feasibility analysis and possible implementation starting at the

bottom of page 6 of the staff report which included Items No's 4.04, 1.07, 2.04, 2.05, 2.06, 5.01, 5.02, 5.10, 5.07, 4.06, and 4.03.

Katy Simon, County Manager, thanked Ms. Brown, Ms. Schmitt, and their departments for sharing some of their talent and expertise to help staff with the project. She stated there was a lot of outside interest in what was being done, and people really saw this as the future in sustainability in local government. She applauded everyone who was involved in this effort.

11:42 a.m. The Board recessed.

12:36 p.m. The Board returned with all members present.

11-844 AGENDA ITEM 7 – MANAGER/FINANCE

Agenda Subject: “Recommendations to amend the Fiscal Year 2011-2012 budget by reducing cost and increasing resources to address the approximately \$7.5 million General Fund adjustment required by the Alternative Service Delivery initiative (10% Reduction Scenarios) and provide direction regarding the recommendations to address the Alternative Service Delivery adjustment in the General Fund totaling \$17.5 million in the development of the Fiscal Year 2012-13 budget. (All Commission Districts.)”

John Sherman, Finance Director, stated that this amendment was a major component of an initiative set forth by the Board on financial organizational sustainability, and was the culmination of the efforts and analysis by departments. He conducted a PowerPoint presentation, which was placed on file with the Clerk. The presentation included: the Fiscal Year 2011/12 Budget Balancing Plan; 10 percent Reduction Scenario Planning; 10 percent Reduction Recommendations (General Fund and other funds); Summary of Recommended Fiscal Year 2011/12 Reductions and Fiscal Year 2012/13 Guidance; Preliminary General Fund Forecast; Cash Flow Forecast - Health Benefits Fund and Risk Management Fund; and, a Summary of Recommendations.

Commissioner Larkin asked if the property tax rate swap would exchange at the rate of .0037 percent because the County was gaining more funds in Animal Control than in the property tax rate. Mr. Sherman explained that the appropriate rate had been levied and the appropriate amount of property tax revenue had been received, but over the previous years the cost had not matched because the fund balances began to grow to about \$4 million. Commissioner Larkin asked if this amendment would capture \$2.5 million from the Animal Control Fund. Mr. Sherman said these property tax supported special revenue funds were not being recommended to be put into the General Fund. He explained those funds needed to be spent for the purpose in which they were collected. The recommendation would allow for the Animal Services function to pay their on-going costs, minus the recommended reductions, but the cost would be less than

the revenue if the tax rate exchanges were done. Over a period of about a year their fund balance should go from approximately \$4 million to around \$2 million.

Katy Simon, County Manager, said this proposal would reduce the tax rate that went to Animal Services in the future, and then that tax rate would be applied to the County's General Fund so the overall tax rate did not change and Animal Services used the money that had accumulated for that purpose. Commissioner Larkin said if that was done, then that money had to be spent on Animal Control. Mr. Sherman said the recommendation in Fiscal Year 2012/13 would be to lower the Animal Services property tax rate to \$0.01 per hundred dollars of valuation, let the fund balance that had accumulated for that purpose get used up and then in Fiscal Year 2013/14 put that \$0.02 back on the operating rate of Animal Services and lower the County's operating rate. He indicated that the combined rate would stay the same, but would adjust the tax rates that went into the separate buckets. Ms. Simon noted that the voter approved override was up to \$0.03.

Mr. Sherman indicated that the staff report explained the recommendations for those other funds, how the current year would be impacted, and how the policy guidance would influence the development of the 2012/13 budget.

Commissioner Larkin inquired if a full analysis had been completed on the 11 items delineated on pages 8 and 9 of the staff report and, if accepted by the Board, would anything be irretrievable or irreversible in the commitment of the resource. Ms. Simon replied there was nothing irretrievable but would be policy direction to the Board. She said it would not be enacted as a binding decision until the 2012/13 budget was presented. Ms. Simon explained that staff recommended amending the budget for the Medical Examiner by not taking the proposed \$15,000 reduction, and also increase the District Attorney's reduction by \$43,000.

Commissioner Larkin said Table F had "other revenue increases" and asked how those other increases were part of the assumptions. Mr. Sherman replied that property, sales and consolidated taxes were the largest components of the tax and, instead of going through each line item staff completed a trend analysis and put those into one category. Commissioner Larkin remarked there was no anticipation of any other revenue included, such as a future sales tax. Mr. Sherman stated that was correct. He said there were no other revenue sources other than the existing ones. Commissioner Larkin asked how confident staff was on the 1 and 2 percent "other" revenue increases. Mr. Sherman said that the economy would continue to be anemic and the tendency of the revenue streams, while appearing to be stabilizing in terms of the depth, had decreased over the last three years and may at best grow at the rate of inflation. He said "reasonable" and "fiscally conservative" in the sense that staff was not forecasting robust growth rates in revenue, would offset the challenges in costs.

Commissioner Larkin inquired about the weighted merit increases and the employee benefit increases and asked if those followed existing Board direction. Mr. Sherman explained that the weighted merit increases, absent any change in the existing

agreements, had to be included. He said the trend analysis was done because there was still a large portion of the workforce within their step salary range. In looking at the employee benefit increases, which was primarily health benefits, a 5 percent growth rate in health benefit cost was a fairly reasonable marker and felt obligated to include that cost. Commissioner Larkin recalled a Board discussion about that during the various budget discussions. Ms. Simon indicated that those were all subject to collective bargaining. She said it was being attempted to navigate between what was forecasted in the industry to be normal cost of living increases in the health care component; however, she did not anticipate continuing to constrict the number of employees because she was hopeful that the County would soon stabilize. She explained that the workforce had been reduced by 26 percent, which also reduced the health care cost. Ms. Simon said staff was trying to be reasonable and conservative, but deeper cost savings would be pursued in health insurance. Commissioner Larkin asked for that particular topic to receive closer scrutiny if discussed during policy discussions. At this time, he would not accept the 5 percent compounding annual interest as a policy direction. Mr. Sherman stated this was not a policy direction-driven forecast. He said he would look at what was understood to be the set of relationships and reasonably look to the future if those relationships did not change or were changed by external forces, such as property tax values and sales tax. He indicated that the Insurance Negotiating Committee had reconvened to begin that process. Ms. Simon noted that staff was not asking the Board to make policy guidance for those items. She said the policy items being requested were the 11 items listed in the staff report. She clarified that the Board was not being asked to adopt the forecast or to adopt the assumptions.

In looking at Table E, Commissioner Larkin said policy direction was being discussed for Fiscal Year 2012/13. The 2012/13 column in Table E had some definite funding balance assumptions imbedded that directed to Table F, which directly correlated with the policy that would be given to staff. He said that was a non-starter for him since he would not begin at a 5 percent policy direction on health benefits going into the next Fiscal Year. He felt at the most it should be 1.5 percent with inflation. Ms. Simon said that was duly noted. Mr. Sherman said it was known that if the health benefits cost grew faster than the rate of revenues there would be a problem.

Commissioner Jung said in terms of the Board transferring the Library Expansion Fund to the General Fund, how was that different than the protest the County filed against the State. Mr. Sherman replied there was a legal basis for that recommendation because those ballot items were placed as a binding voter question. The questions were always drafted as: "will the voters agree to authorize the County to levy up to a certain property tax rate for the purposes of," whether that be Animal Services, the Library Expansion Fund, Senior Services or Child Protection Services. Legally, he said the Board had that right. In working with State Law, one reason it was phrased as such was in anticipation of times as the County was presently experiencing where there was a need to recalibrate and rebalance resources across various services. In the case of the Animal Services Fund, he said the \$0.03 had been generating more revenue than the cost of delivering those services. He appreciated the moral dilemma, but the electrets elected the Board to make policy and funding decisions on a vast array of services.

Commissioner Jung asked if the binding questions always stated “up to” or was that left to the crafter of the language. Mr. Sherman said the four funds all mentioned voter approved tax rate overrides and were phrased as “up to.” He said there were templates that provided guidance from the Department of Taxation on how to phrase such questions. Ms. Simon added that the County was all one budget unit, which was different from the State. She said the County, as one budget unit, provided administrative support, utilities, technology and capital improvement project management to those other funds. Commissioner Jung said those were billed and there was not a cost center. Ms. Simon explained some had cost centers and others did not. That needed to be rigorously captured in the future since all of the overhead costs had not been captured for support to all of those other funds and functions. Mr. Sherman said the recommendation to the Board was to adjust the tax rates.

Commissioner Jung was concerned about the old government mantra, “if you don’t spend it, you lose it.” She said Animal Services should be commended for having over and above their operating costs, but it seemed they were going to be punished because the money was managed well. She asked about the philosophy for taking dedicated enterprise type funds, and why those departments with dedicated funds needed to make reductions. Mr. Sherman replied the purpose of the recommendation was to broaden the Board’s policy options or options based on policy. If it continued that every dollar was dedicated to a specific service, the Board ultimately would arrive with no choices. He said when the options continue to be reduced there would be more burden placed on the remaining services. Commissioner Jung asked why those departments were being asked to include lay-offs. Ms. Simon said the County provided a vast array of support as well as direct services. Unless the whole government was resized, with regard to direct services, the support would not be there to fund the entire organization.

Commissioner Jung said the separation incentives were reviewed and it was identified that those incentives would cost \$5.6 million to be used from the General Fund. She said there was \$3 million to pay for those costs; however, it was being recommended that up to \$1.6 million would be used as a one-time funding in the annual required contribution budget, but that only equated to \$4.6 million. She asked where the additional \$1 million would come from. Mr. Sherman said non-General Fund agencies that offered separation incentives would pay for them out of those funds. Commissioner Jung said philosophically she could not follow that reasoning. Ms. Simon said those were not Enterprise Funds. She said dollars were brought in and those dollars were allocated based on legal and other requirements. She said it was not a legal requirement that every ballot question ever passed be imposed to the maximum level. Ms. Simon said this was about all funds that the County’s overhead supported and the impacts were attempting to be balanced across all things that County government needed to fund. It would not be appropriate for the rest of the departments to take deeper cuts so that buy-outs could be paid to employees leaving from those other funded departments. Commissioner Jung felt there was no consistency in the way it was being handled.

Commissioner Larkin commented that the talents and dedication of Mr. Sherman would be sorely missed. In regard to the cash flow analysis, he assumed that the non-capital financing was the liquidation. Primarily, Mr. Sherman said that represented the transfer for the Incline tax refunds. Commissioner Larkin asked how it was determined to be broken up between the two years. Mr. Sherman said the \$14 million from the Risk Management Fund came in two pieces, one piece was budgeted to transfer \$7.5 million for the current year and the balance of \$7 million would help pay for the Incline refunds. The aggregate between the two years was based on the estimate of what those refunds would be next year. Commissioner Larkin said the Board would not know the impact until all the refunds were made since the cash flow reserve amounts per year were in question. Ms. Simon explained that those estimates came from the Treasurer's Office who were aware of the limitations on the ability to process. Commissioner Larkin said the amounts were known, but it was not known how people would want to receive those amounts. Ms. Simon indicated that no one had requested a credit versus a refund. Commissioner Larkin said his point was that the estimates on the cash balance, while they may appear dire in future years, were at this point subjective. He requested the Board receive an updated cash flow analysis related to the Incline refunds so that the Board could keep track. He asked if there was a legal requirement to immediately transfer the funds into those accounts.

Paul Lipparelli, Legal Counsel, replied as the Treasurer's Office paid out the refunds, the money needed to be in place. Commissioner Larkin said the estimates would be received and then the Board could assess on a monthly basis. Ms. Simon stated that it would still be an estimate in six months, but it could be much clearer.

In response to a comment made previously by Commissioner Jung, Mr. Sherman corrected the amount that was listed in the presentation. He said the staff report budgeted \$3 million in accrued benefit costs and estimated that the General Fund portion of the separation incentives was \$4.6 million. He said when the \$1.6 million was added to the \$3 million it equated to \$4.6 million that was anticipated being paid from the General Fund.

In response to the call for public comment, Steve Cohen, South Truckee Meadows General Improvement District (STMGID) Local Managing Board (LMB) Chairman, said there was mention in this item of an issue that never was brought forward to the LMB for discussion. He said the job as a LMB was to review items that would affect STMGID.

Garth Elliott said that 97 percent of the budgets in the County were salaries. He spoke on sustainability and the current County salaries.

Carla Fells, Washoe County Employees Association (WCEA) Executive Director, said for the third year County employees were facing lay-offs. She said the morning began with 11 lay-offs, but after the Sheriff's Office presentation that number rose to 39. She said it was unclear how Animal Control Services, which was 100 percent funded, had five lay-offs slated. Ms. Fells said the employees gave through concessions

to fund everything from personnel to public works. The concessions were to save jobs and, since 2006, employees had renegotiated, lowered health care fund payments and, in good faith, came to the table and gave back. Ms. Fells urged the Board to take into consideration that the employees had always come to the table and at the present time were in negotiations.

Craig Franden, Second Judicial District Court, said in regard to the voluntary separation that was presented, the Court respectively requested the Board to not approve the five positions and the \$422,994; however, approve three positions at \$252,029. He said that amount reflected the modification sent in a letter from the Chief Judge to County Manager Katy Simon dated September 26, 2011.

Ms. Simon clarified that a letter was received from the Chief Judge requesting that the Court not be required to eliminate positions in order to receive incentives for two of the five that were proposed. From the County's perspective, the \$422,994 was still the recommended reduction from the Court, but how the Court arrived at that conclusion was up to them.

Commissioner Humke asked LMB Chairman Cohen for clarification on his comments. Mr. Cohen said there was a meeting held in August of 2011 where it had been mentioned that STMGID customers would be taken and STMGID's identity removed and given to Washoe County to save some overhead. That topic had not been brought forward to the LMB and he was requesting their entity be part of that decision and not bypassed.

Rosemary Menard, Water Resources Director, stated a conversation took place during a meeting between LMB members and Water Resource staff in July when discussions were being held about the future of STMGID. She said the Department was under direction to provide \$2.4 million worth of potential cuts to the Water Resources Fund. A number of options were created, such as a proposal to dissolve STMGID and integrate those customers into the Department of Water Resources (DWR), which would eliminate about \$400,000 in overhead costs associated with maintaining them as a separate entity. She said that had not come forward to the LMB and, if the Board was interested in pursuing that option, staff would need to have additional conversations because by accepting the proposal, that would not actually dissolve STMGID.

Chairman Breternitz said there had been a joint meeting with the LMB and said there were a number of options the LMB was considering. He asked if there had been a decision made in regard to that discussion. Mr. Cohen said there had been some discussions and the option appeared to be leaning toward TMWA managing STMGID. He said questions had been submitted to TMWA for clarification on some of those options. Chairman Breternitz asked what the responsibility was to determine if there was a deal with TMWA, such as a timeline and a commitment. Mr. Cohen said the timeline was based on the information being provided by DWR. He said TMWA did not want to act as the administrative part of STMGID. He said TMWA wanted complete control of delivery, but clarification was still needed. Chairman Breternitz asked when STMGID

would reach their objective. Mr. Cohen said they were waiting on TMWA for further information and then would be ready to finalize some details.

Chairman Breternitz asked if the Board approved the budget, would that specifically define the outcome of what happened to STMGID in relation to TMWA or did it set a situation where certain options could be exercised. Ms. Simon said the Board's action would reduce the appropriation authority by the various amounts that were proposed. She said implementation could be delayed of changing an appropriation authority amount, but it was not a binding action to dissolve STMGID, which would require a public process.

Chairman Breternitz stated there was still time to begin the half-year period and to conduct the proper restructuring. Ms. Simon said staff would appreciate the Board's decision since there were employees who were waiting to leave the organization, departments waiting for a reclass to occur, and departments here employees had already left and were waiting to have positions filed. The Board could delay some of the decisions, but everyone was anxious to have the organization stabilized. Chairman Breternitz said the Board would be approving budgets and various changes; however, in any of those cases there could be some minor changes in the program in order to achieve those numbers. Ms. Simon stated that was correct.

Commissioner Larkin thanked staff and said these were difficult and challenging times. He said the Board could not choose and pick between favorites and non-favorites because the fundamental concept that began, which was to achieve a fundamental change in the structure of County government, would be for nothing.

Commissioner Larkin moved to approve the amendment for the Fiscal Year 2011/12 budget by reducing costs and increasing resources as depicted in items one through 11 to address approximately \$7.5 million in General Fund adjustments required by the Alternative Services Delivery Initiative, also known as the 10 percent reduction scenario, as identified in the staff report. He directed to address the alternative services delivery adjustment and provide direction for the \$17.5 million in the out years to be in that process with the proviso that the Board examine those assumptions imbedded in Table F and also the adjustments that the County Manager depicted for the Medical Examiner and the District Attorney's Office. Commissioner Weber seconded the motion.

In this direction, Commissioner Jung asked if those were hard and fast in terms of the proposed 10 percent reduction that was recommended or would staff return to build the next budget. Ms. Simon said the intention was that the adjustments to the current Fiscal Year would be implemented and to ask for Board direction to, in general, implement the adjustments for 2011/12 and bring back a budget for 2012/13 that incorporated items one through 11. Commissioner Jung said it would include the refunneling of the Senior Services property tax override. Ms. Simon explained for 2012/13 the budget that would be developed would include that override, but that was not being made as a binding action today. Commissioner Jung stated that she would not support the motion.

Commissioner Humke commented that it was a prudent motion and stated that the Board had been at this for many months and had numerous hearings. He said the Board had tried to maintain integrity in terms of the decision-making process. He said everyone had been included in the decisions and felt that all of the cards were being played face up.

On call for the question, the motion passed on a 4-1 vote with Commissioner Jung voting “no.”

11-845 AGENDA ITEM 8 – HUMAN RESOURCES

Agenda Subject: “Recommendation to approve deletions to authorized positions in conjunction with Board direction on recommended 10% planning scenarios. (All Commission Districts.)”

Katy Simon, County Manager, noted that the positions listed on lines 74 and 75 on the list attached to the staff report would need to be removed as positions to be eliminated. She said there was also a position listed from the Public Works Department that needed to be removed. She explained that some positions may become voluntary separations versus a lay-off, or additional vacancies may emerge. Ms. Simon requested authorization to make any necessary changes and then return to the Board for formal approval after staff had completed implementing the reductions.

Commissioner Larkin questioned the negative mark on line 12. Ms. Simon explained that position would be added.

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Humke, which motion duly carried, it was ordered that Agenda Item 8 be approved. It was further ordered that the County Manager be authorized to have flexibility in minor adjustments and then provide a report with any changes to the Board.

CONSENT AGENDA

11-846 AGENDA ITEM 9A

Agenda Subject: “Approve minutes for the Board of County Commissioners’ meeting of August 23, 2011.”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9A be approved.

11-847 AGENDA ITEM 9B

Agenda Subject: “Cancel October 18, 2011 County Commission meeting.”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9B be approved.

11-848 AGENDA ITEM 9C - ASSESSOR

Agenda Subject: “Approve roll change requests, pursuant to NRS 361.768 and NRS 361.765, for errors discovered for the 2009/2010, 2010/2011, 2011/2012 secured and unsecured tax rolls; and if approved, authorize Chairman to execute orders listed on the exhibit and direct the Washoe County Treasurer to correct the error(s) [cumulative amount of decrease \$14,855.65]. Parcels are in various districts as outlined.”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9C be approved, authorized, executed and directed.

11-849 AGENDA ITEM 9D – COMMUNITY DEVELOPMENT

Agenda Subject: “Approve Resolution to adopt an amended Master Fee Schedule for Fiscal Year 2010/2011 removing fees for Washoe County Health District Environmental Health Services Division review for Regulatory Zone Amendments, as required by Article 906, Fees, Section 110.906.05, Fee Schedule, of the Washoe County Code Chapter 110, (Development Code); and if approved, authorize the Chairman to execute Resolution . (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9D be approved, authorized and executed. The Resolution for same is attached hereto and made a part of the minutes hereof.

11-850 AGENDA ITEM 9F – SENIOR SERVICES

Agenda Subject: “Approve appointments of Jill Andrea, Clinton Smith and Diane France as Members, and Barbara Boniface as an Alternate, to the Washoe County Senior Services Advisory Board for the term of October 1, 2011 through September 30, 2015. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Jill Andrea, Clinton Smith and Diane France be appointed as Members and Barbara Boniface be appointed as an Alternate Member to the Washoe County Senior Services Advisory Board for the term of October 1, 2011 through September 30, 2015.

11-851 AGENDA ITEM 9G - SHERIFF

Agenda Subject: “Accept \$100 in donations from the Sierra Nevada Border Collie Club to the Washoe County Sheriff’s Office to purchase supplies for the K9 Unit; and if accepted, direct Finance to make appropriate budget adjustments. (All Commission Districts.)”

On behalf of the Board, Commissioner Jung thanked the Sierra Nevada Border Collie Club for their generous donation.

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9G be accepted and directed.

11-852 AGENDA ITEM 9I

Agenda Subject: “Approve Second Amendment to the Truckee River Water Quality Settlement Agreement between Washoe County, the City of Reno, the City of Sparks, Pyramid Lake Paiute Tribe, U.S. Environmental Protection Agency, Nevada Division of Environmental Protection, U.S. Department of Justice, and U.S. Department of Interior, to extend term an additional five years for a total term of 20 years in order for the governmental entities to complete purchases and transfers of the water rights acquired pursuant to the Water Quality Settlement Agreement; and if approved, authorize Chairman to execute the Agreement. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9I be approved, authorized and executed.

11-853 AGENDA ITEM 9J(1) - MANAGER

Agenda Subject: “Accept 2011 State Emergency Response Commission, Hazardous Materials Emergency Preparedness, Mid-Cycle Training Grant [\$5,070, no match

required]; and if accepted, direct the Finance Department to make the appropriate budget adjustments. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9J(1) be accepted and directed.

11-854 AGENDA ITEM 9J(2) – INTERNAL AUDIT

Agenda Subject: “Approve retroactive re-appointment of Mr. Keith Romwall to the Washoe County Audit Committee for the term commencing January 1, 2011 and expiring on December 31, 2012. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Mr. Keith Romwall be retroactively appointed to the Washoe County Audit Committee for the term commencing January 1, 2011 and expiring on December 31, 2012.

11-855 AGENDA ITEM 9J(3) - MANAGER

Agenda Subject: “Accept donation [\$1,000] from the Washoe County Honorary Deputy Sheriff’s Association for Washoe County’s Volunteer Program; and if accepted, direct Finance to deposit the funds into restricted internal order account # IN20355 within the Community Relations Budget. (All Commission Districts.)”

Commissioner Jung noted that this item had been amended to accept a donation from AT&T to support the Washoe County Honorary Deputy Sheriff’s Association and the Washoe County Volunteer Program. On behalf of the Board, she thanked AT&T for their generous donation.

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9J(3) be accepted and directed.

11-856 AGENDA ITEM 9K(1) – PUBLIC WORKS

Agenda Subject: “Approve Grant of Utility Easement to CleanPath, LLC; and if approved, authorize Chairman to execute same. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9K(1) be approved, authorized and executed.

11-857 AGENDA ITEM 9K(2) – PUBLIC WORKS

Agenda Subject: “Approve Parking License between the City of Reno Redevelopment Agency and Washoe County for the purpose of extending the term of occupancy for parking spaces utilized by the County at 135 N. Sierra Street, Reno; commencing retroactively to August 1, 2011 through July 31, 2014 [\$30,807.36 for Fiscal Year 2011/2012]; and if approved authorize Chairman to execute Parking License. (Commission District 3.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9K(2) be approved, authorized and executed.

11-858 AGENDA ITEM 9K(3) – PUBLIC WORKS

Agenda Subject: “Approve Steamboat Canal Use and Maintenance Agreement between Washoe County and Steamboat Canal and Irrigation Company [no cost for Fiscal Year 2011/2012 and approximate annual cost of \$85,511 commencing in March 2013] for a term of ten years unless terminated sooner by either party; and if approved, authorize Chairman to execute Agreement. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9K(3) be approved, authorized and executed.

11-859 AGENDA ITEM 9K(4) – PUBLIC WORKS

Agenda Subject: “Approve Last Chance Use and Maintenance Agreement between Washoe County and Last Chance Irrigation Company Canal [no cost for Fiscal Year 2011/2012 and approximate annual cost of \$34,384 commencing in March 2013] for a term of ten years unless terminated sooner by either party; and if approved, authorize the Chairman to execute Agreement. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 9K(4) be approved, authorized and executed.

BLOCK VOTE

The following agenda items were consolidated and voted on in a block vote: Agenda Items 12, 14, 15, 17, and 18.

2:08 p.m. Commissioner Jung temporarily left the meeting during the Block Vote.

11-860 AGENDA ITEM 12 – COMMUNITY DEVELOPMENT

Agenda Subject: “Recommendation to appoint Carrie Heglund as an At-Large member to June 30, 2013 and possibly appoint one individual(s) as At-Large member(s) and/or one individual as an At-Large Alternate to June 30, 2012, on the East Truckee Canyon Citizen Advisory Board. (Commission District 4.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried with Commissioner Jung temporarily absent, it was ordered that Carrie Heglund and Robert Underwood be appointed as At-Large members to June 30, 2013 and Ann Owen be appointed as an At-Large Alternate to June 30, 2012, on the East Truckee Canyon Citizen Advisory Board.

11-861 AGENDA ITEM 14 - SHERIFF

Agenda Subject: “Recommendation to accept grant award [\$343,382, no County match] for Federal Fiscal Year 2011 from the United States Department of Justice, Bureau of Justice Assistance to be used for detention facility improvements, electronic systems and travel and training, pursuant to the State Criminal Alien Assistance Program; and if accepted, direct Finance Department to make necessary budget adjustments. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried with Commissioner Jung temporarily absent, it was ordered that Agenda Item 14 be accepted and directed.

11-862 AGENDA ITEM 15 – SOCIAL SERVICES

Agenda Subject: “Recommendation to Approve Amendment #2 Grant Program Agreement between Washoe County and Saint Mary’s Foundation – Kids to Senior Korner [\$3,693.71 for total of \$195,158.71]; approve Amendment #2 Grant Program

Agreement between Washoe County and Children’s Cabinet; [\$3,377.11, for total of \$114,843.11]; for reallocation of Homeless Prevention and Rapid Re-housing Program grant; and if approved, authorize Chairman to execute Agreements and Resolutions for same and authorize Finance to make necessary adjustments. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried with Commissioner Jung temporarily absent, it was ordered that Agenda Item 15 be approved, authorized and executed. The Resolutions for same are attached hereto and made a part of the minutes thereof.

11-863 AGENDA ITEM 17 – PUBLIC WORKS

Agenda Subject: “Recommendation to accept grant funds from the State of Nevada Lake Tahoe Water Quality and Stream Environment Zone Grant Funds [\$1,590,000, includes 3% of the total project cost for administration, no County match required]; accept grant funds from the U.S. Forest Service [\$1,500,000, no County match required]; both for the Central Incline Village Phase II (Portions of EIP Projects #231A, 231B, 231C, 669A, 669B & 10068) Water Quality Improvement Project; and if accepted, direct Finance Department to make the appropriate budget adjustments. (Commission District 1.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried with Commissioner Jung temporarily absent, it was ordered that Agenda Item 17 be accepted and directed.

11-864 AGENDA ITEM 18 – PUBLIC WORKS

Agenda Subject: “Recommendation to accept grant funds from the U.S. Forest Service [\$130,610.50, no County match] for the Washoe County Sediment Reduction Project to cover costs for a regenerative air, dustless, vacuum-assisted street sweeper purchased for use in the Crystal Bay/Incline Village area and funded 50% by the Tahoe Regional Planning Agency and 50% by this U.S. Forest Service grant, with no impact on the General Fund; and if accepted, direct Finance Department to make the appropriate budget adjustments. (Commission District 1.)”

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried with Commissioner Jung temporarily absent, it was ordered that Agenda Item 18 be accepted and directed.

2:11 p.m. The Board convened as the Truckee Meadows Fire Protection District (TMFPD) Board of Fire Commissioners. Commissioner Jung returned during the TMFPD meeting.

3:16 p.m. The Board recessed for a closed session as the TMFPD Board of Fire Commissioners and convened as the Sierra Fire Protection District (SFPD) Board of Fire Commissioners.

3:36 p.m. The Board recessed for a closed session as the SFPD Board of Fire Commissioners and reconvened as the Board of County Commissioners.

11-865 **AGENDA ITEM 16 – MANAGEMENT SERVICES/FIRE SERVICES COORDINATOR**

Agenda Subject: “Discussion and possible approval of the Multi-Stakeholder EMS Task Force recommendation to select TriData Division, System Planning Corporation to conduct a comprehensive analysis of the county wide emergency medical system, and possible approval of a related proposed consultant professional services agreement at a cost not to exceed \$77,943.00, determination whether to condition commencement of the agreement on contributions from six partnering agencies, authorization for staff to seek contributions, and if so approved, authorize transfer of budget authority from the General Fund Contingency Account to Management Services Fire Services Support #101830 in the amount of \$77,943.00, and direct Finance Department to make the appropriate adjustments, and disband the Task Force. (All Commission Districts.)”

3:38 p.m. Commissioner Humke temporarily left the meeting.

Kurt Latipow, Fire Services Coordinator, commented that this item was originally heard on August 23, 2011, but out of concern for one of the providers freely sharing any information, direction was not given to execute the agreement. He indicated that Chairman Breternitz had met with the Chair of that provider and secured a commitment.

Chairman Breternitz acknowledged that he met with the Regional Emergency Medical Services Authority (REMSA) Chairman where it was assured that all necessary information would be provided by REMSA. He said it was agreed that if any instances arose regarding a difference of opinion, REMSA would meet with staff and work through the problem. He felt that the Board should move forward.

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Jung, which motion duly carried with Commissioner Humke temporarily absent, it was ordered that Agenda Item 16 be approved, authorized, executed and disbanded.

Agenda Subject: “Recommendation to allow public comment related to and consider any objections to the proposed no-cost lease of a portion of 855 Alder Avenue (Incline Service Center) between Washoe County (Lessor) and The Nevada Tahoe Conservation District (Lessee) for a thirty-six month term commencing October 1, 2011 through September 30, 2014; and if supported, approve and authorize Chairman to execute Agreement, as allowed within NRS 277.050. (Commission District 1.)”

Katy Simon, County Manager, stated that best practices were being researched in regard to public/private partnership policies. She said that statute required there be a benefit to the general welfare of the residents of the County. Ms. Simon said that the Nevada Tahoe Conservation District (NTCD) provided support and services to implement projects in Washoe County.

Commissioner Larkin asked for a clarification on the language for the recommendation to allow public comment. Ms. Simon explained that was a statutory process that needed to be followed when the County was providing surplus property.

Paul Lipparelli, Legal Counsel, explained when a government entity leased property a process must be followed to allow objections as to the propriety of entering into that arrangement. He said when one government entity leased to another government entity it could be done with below market rates under government-to-government conditions. Setting a hearing for public comment and objections was the opportunity to ensure that it was in everyone’s best interest. Commissioner Larkin asked if the Board needed to set a time certain. Mr. Lipparelli indicated that this item was that public comment time.

Chairman Breternitz disclosed that he sat on the NTCD Board and was supportive of County facilities being occupied by County operations. However, the timing was not right for anything in the Tahoe Basin to move into that facility. The County did have the right to void the lease, with proper notice, in the event a County operation needed to use the facility.

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Jung, which motion duly carried with Commissioner Humke temporarily absent, it was ordered that Agenda Item 19, be approved, authorized and executed. The Agreement for same is attached hereto and made a part of the minutes thereof. It was noted that public comment was allowed.

Agenda Subject: “Update on status, discussion and possible direction to staff on the 2011 Washoe County Commission Election District Redistricting Project. (All Commission Districts.)”

John Slaughter, Management Services Director, suggested this item be continued later in the meeting after Commissioner Humke returned.

Amy Harvey, County Clerk, informed the Board that there were several individuals present that wished to speak under public comment. Chairman Breternitz stated that public comment would be heard and then the item would be continued to later in the meeting.

In response to the call for public comment, Theresa Navarro, Progressive Leadership Alliance of Nevada (PLAN) Chairperson, said that PLAN had been working in the community with other organizations. She said that none of the current or proposed districts gave minorities a voting age majority. She said in Draft Version Map 5, District 3 contained a diverse population where minorities represented 45.4 percent of the voting age population. This was the map that PLAN supported, which gave ethnic minorities the chance to have a deciding voice in a district.

Lonnie Feemster, Reno-Sparks NAACP President, thanked staff for working with the organization. He was concerned about good representation and would prefer minority representation and diversity in local government entities. He felt that an urban core concept would arrive at a more contiguous area and address the needs of an urban community. Mr. Feemster supported the PLAN effort and Draft Version Map 5.

Elvira Diaz stated that she helped citizens register to vote in the community. She supported Draft Plan Version 5 because she felt that it supported strong representative groups.

Robert Munoz stated that the time for a minority district had arrived. He said that Draft Plan Version 5 should be given consideration by the Board. The proposed plan would allow communities of similar interests to elect a commissioner. Mr. Munoz stated that the Board had a commitment to ensure a diverse, inclusive commission with the current demographics reflected in Draft Plan Version 5.

Kyle Edgerton spoke in support of Draft Plan Version 5. He agreed with the urban core concept and felt it was important for different communities to be represented.

* * * * *

Later in the meeting when this item continued, Commissioner Humke had returned.

Mr. Slaughter explained the handouts that were distributed and placed on file with the Clerk. He said a conceptual document had been received from the NAACP describing the idea of drafting a plan for districts. Once that map was drafted, staff met with NAACP representatives to ensure that their ideas had been captured. The concept was to create three core Commission Districts that would be more urban in nature and two Districts that would be more suburban and rural. Mr. Slaughter said that Version 5 balanced the population and treated minorities fairly and, of all of the plans, Version 5 moved the largest number of citizens from one district to another.

Commissioner Humke asked if Version 5 paid any attention to where incumbent Commissioners resided. Mr. Slaughter replied their plan came as a concept and PLAN had asked why incumbent's current residences needed to be accounted. He explained that had been an adopted guideline from the Board. Commissioner Humke asked if that was an acceptable guideline under federal and State law. Mr. Slaughter replied that was acceptable.

Mr. Slaughter stated that Version 6 focused on Districts 1 and 2 and was requested from Commissioner Humke. He said Version 6 did not make many changes to the north areas of those Districts.

In reviewing Version 6, Chairman Breternitz said there seemed to be little difference in the northern area of the District, but saw a great deal of difference in the Arrowcreek and Montreux areas. He asked if that was because those areas were less dense. Mr. Slaughter stated that was correct.

Commissioner Larkin said the actual boundary between District 4 and 5 should follow the ridge line and stated that Hungry Valley should be situated in District 5. Mr. Slaughter said staff would review that ridgeline and the census tract.

In looking at those earlier maps, Mr. Slaughter said that Versions 1, 2 and 4.1 were earlier versions of Versions 3, 4.2, 5 and 6.

Commissioner Weber commented that Version 5 did not follow any type of boundary and made two large Districts. She preferred Version 3 and said that it looked clean.

Chairman Breternitz asked why Commissioner Humke preferred Versions 4.2 and/or 6 as far as the relationship between Districts 1 and 2. Commissioner Humke stated he did prefer Version 6 and felt an acceptable version would seek to leave the Districts as they were configured from one census to another. He said Version 6 made minimal changes in the northern part of District 2.

Commissioner Jung preferred Version 3 because it was a clean map and took transportation into consideration.

Chairman Breternitz said that the southern part of Version 6 was agreed upon as a conception to proceed. Commissioner Larkin agreed that staff should center in on Version 6 and have Commissioners work with staff on those Versions. Chairman Breternitz said the affected Commissioners would have conversations with staff and consider the discussion.

Mr. Slaughter noted that the next step would be to change the County Code. He said that would begin and the proposed ordinance would be brought forward to the Board.

Recently, at the North Valleys Citizen Advisory Board (CAB) meeting, Commissioner Weber said there was a question regarding Planning Commissioners. Currently, a Planning Commissioner lived in Cold Springs, and two Planning Commissioners lived in District 3. If the Board should adopt a Version that moved Golden Valley out of District 3 and into District 5, then three Planning Commissioners would live in District 5. She asked if they could be grandfathered in until the changes were made.

Chairman Breternitz requested a presentation on that issue before the redistricting was finalized.

There was no action taken or public comment on this item.

11-868 AGENDA ITEM 23 - MANAGER

Agenda Subject: “Update on status of Shared Services efforts and possible direction to staff. (All Commission Districts.)”

Dave Childs, Assistant County Manager, stated that the scheduled meeting did not occur due to the fact that several elected officials had met with Governor Brian Sandoval. He said the next meeting was scheduled for October and would contain the items that had been scheduled for the previous meeting.

There was no action taken or public comment on this item.

11-869 AGENDA ITEM 21 - TREASURER

Agenda Subject: “Update on Incline property tax refund process.”

In addition to the report, Tammi Davis, Treasurer, acknowledged the many department heads and County employees that stepped forward to offer assistance. She felt that was important for the Board to know and stated that she felt privileged to work in a culture when even in difficult circumstances there were people who offered assistance.

Ms. Davis requested the Board allow a report to be distributed once a month instead of every Board meeting. She proposed a once a month report to the Board during the first meeting which would include activities for the previous month. She explained that would allow the department to use the same stop time that was used for accounting purposes.

There was no action taken or public comment on this item.

11-870 AGENDA ITEM 30 - MANAGER

Agenda Subject: “Ratification of declaration of emergency by County Manager relating to the Air Race Emergency resulting from the crash of an aircraft at the Reno Air Races on September 16, 2011, which resulted in multiple injuries and several fatalities, and which exhausted the resources of the region to respond; and action to terminate same.”

There was no public comment on this item.

Paul Lipparelli, Legal Counsel, indicated that this item appeared on the agenda following the section that denoted a time certain for public hearings. In the event there was any confusion and for anyone who had anticipated being here to speak on this item, he suggested this Item be brought back at the end of the meeting.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried with Commissioner Humke temporarily absent, it was ordered that Agenda Item 30 be ratified and terminated.

11-871 AGENDA ITEM 31 – REPORTS AND UPDATES

Agenda Subject: “Reports/updates from County Commission members concerning various boards/commissions they may be a member of or liaison to.”

Commissioner Weber requested an agenda item regarding the North Valleys Regional Park and the funding mechanisms.

11-872 AGENDA ITEM 32 – CLOSED SESSION

Agenda Subject: “Possible Closed Session for the purpose of discussing negotiations with Washoe County, Truckee Meadows Fire Protection District and/or Sierra Fire Protection District per NRS 288.220.”

4:05 p.m. On motion by Commissioner Weber, seconded by Commissioner Larkin, which motion duly carried with Commissioner Humke temporarily absent, it was ordered that the meeting recess to a closed session for the purpose of discussing negotiations with Washoe County, Truckee Meadows Fire Protection District and the Sierra Fire Protection District per NRS

288.220. It was further ordered that the SFPD and the TMFPD meetings would adjourn from the closed session.

6:12 p.m. The Board returned with all members present.

11-873 AGENDA ITEM 24 – DISTRICT ATTORNEY

Agenda Subject: “Discussion and possible action to reject all bids submitted for the Spanish Springs Valley Ranches Roadway Improvement Project (Special Assessment District No. 32, PWP-WA-2011-305) as not responsive bids due to non-compliance with public works contracts statutes. (All Commission Districts.)”

Terry Shea, Deputy District Attorney, said that the District Attorney’s Office recommended rejecting all bids on this project. On July 1, 2011, new legislation came into effect that required prime contractors bidding on projects to list themselves as subcontractors if they were to do a certain amount of work on the project. He said four bids were received and opened on July 28, 2011, but none of the bidders listed themselves as subcontractors even though they would do a quantum of work. Initially, staff was going to move forward and award the contract, but since the staff report was written, Judge Adams had the opportunity to consider this exact issue in a case brought by the International Labor Union versus the Regional Transportation Commission (RTC). Although Judge Adams found in favor of the RTC, he took time in his decision to point out that if the issue were to be decided on whether a bid was responsive, even though the prime contractor failed to list themselves on the subcontractors list, it would be found non-responsive.

Commissioner Larkin said he had several discussions with Assemblyman Skip Daly concerning this project and hoped during this next round of re-bidding the contractors would list themselves as subcontractors. Mr. Shea indicated that the wording had been amended on the paperwork. Commissioner Larkin said the window of opportunity was missed to begin in the fall and the residents of Special Assessment District (SAD) 32 were without the improvements on their roads going forward. Mr. Shea said it was understood that the project would begin next season. Commissioner Larkin stated some work was supposed to begin at the beginning of September in preparation for next spring; however, in light of Assemblyman’s Daly’s advice, he suggested moving forward with the rebidding.

There was no public comment on this item.

Commissioner Larkin asked when bid documents would be released. Walt West, Engineer, said the bid documents were being refreshed and would be released in the next few days.

On motion by Commissioner Larkin, seconded by Commissioner Jung, which motion duly carried, it was ordered that all the bids for the Spanish Springs Valley

Ranches Roadway Improvement be rejected as not responsive bids due to non-compliance with public works contracts statutes.

11-874 AGENDA ITEM 25 – COMMUNITY DEVELOPMENT

Agenda Subject: “Special Assessment District No. 32 (Spanish Springs Valley Ranches Roads). (Commission District 4)--Notice of filing of assessment roll, of the opportunity to file written complaints, protests, or objections, and of the assessment roll hearing, all concerning that certain area to be assessed for a street project within the Washoe County, Nevada, Special Assessment District No. 32 (Spanish Springs Valley Ranches Roads) AND Recommendation to approve and authorize Chairman to execute a Resolution Concerning Washoe County, Nevada, Special Assessment District No. 32 (Spanish Springs Valley Ranches Roads); considering complaints, protests, and objections made to the assessments at the hearing on the Assessment Roll and making determinations thereon; validating and confirming the Assessment Roll; providing other details in connection therewith; and if approved, authorize the use of funds from the Special Assessment District Debt Surplus and Deficiency Fund to fund the assessment for parcels granted an economic hardship .”

The Chairman opened the public hearing by calling on anyone wishing to speak for or against Special Assessment District (SAD) No. 32.

Anita Pacheco said she was retired and on a fixed income. She stated that she never received any paperwork until the certified mailing arrived for this hearing. She objected to the proposed SAD and noted since 1997 she had spent \$113,000 on improvements; however, the property was now valued at \$50,000. She said that the SAD would increase the cost for the property and would cause aggravated financial damage to the existing loss of value.

Dino Smernis felt that the SAD was unfair since the project only included the Spanish Springs Valley Ranches Property Owners Association (POA) and noted that he did not belong to the POA. He stated his objection to the SAD.

Dennis Tye stated his objection to the SAD and asked about the assessment to the adjoining properties. He asked if the size of a parcel was a factor in determining the assessment.

Evelyn Romo said that she had applied for a hardship through the Washoe County Social Services Department, but was denied. She explained that the \$21,000 for the assessment was not feasible for a family that was struggling financially.

Ernie McKenzie felt that an assessment during this economic downturn was unfathomable. He said the SAD should be eliminated or reduced because his property would not receive any benefits.

Moses Romo questioned what would happen to the property owners who could not pay the assessment.

The Chairman closed the public hearing.

Kimble Corbridge, Public Works Assistant Director, explained that the hearing was held in 2009 for the formation for the SAD. This hearing was to review any mathematical errors or incorrect calculations to the amount being assessed.

Paul Lipparelli, Legal Counsel, explained that the opportunity for property owners to protest the formation of the SAD was undertaken in 2009. Those thresholds were not met and the Board directed the SAD to move forward. He noted that there had been litigation, which caused this project to be prolonged. As explained, this hearing was an opportunity for the Board to consider hardship applications and, to consider protests that had been made to the technical compilation of the assessment roll and the mathematical determination of the assessment amounts. Mr. Lipparelli said this hearing was not designed to protest the formation of the District or if the project was meritorious. He said the September 27, 2011 staff report explained staff's recommendations about dealing with the hardship applications and protests. The proposed resolution, allowed for the opportunity to accept the recommendations in which those protests and hardships would be handled.

Commissioner Larkin said 13 protests were received that represented 14 properties. He said there were no hardships or protests presented that staff recommended the Board consider.

Commissioner Larkin asked what would happen if the assessment could not be paid. Walt West, Engineer, explained that the levying of the assessment would become a lien on the property and, if the assessments were not paid, the Treasurer's Office could institute a sale of the property. He said the assessments were broken down by Zones and stated that Zone 1 were for parcels that paid POA dues and Zones 2, 3 and 5 represented parcels that did not pay those dues. He noted that an appraiser reviewed those properties and developed the benefit. Mr. West said Zone 1 parcels were not size-based, but were based on the elimination of dues, which were paid on a yearly basis. He said there was a value in 2009 that determined what benefit would be attributed to a parcel that paid dues. He commented that a group of parcels which paid 90 percent of the POA dues would pay 90 percent of the assessment.

Commissioner Larkin remarked that some citizens stated they were not property owners in the POA; however, the study determined that their parcel received a benefit and thus should be assessed accordingly. He asked how that assessment was determined. Mr. West replied that Zone 3 parcels were not in the POA and the appraiser did a similar analysis to arrive at a benefit that was attributable to each of those properties. He said their benefit was determined to be \$11,000 making their assessment \$8,336.

Commissioner Humke said a citizen alleged not receiving any notice of the hearings. Mr. West replied there was an exhibit in 2009 that listed the owners who were noticed by mail, but he had no way of knowing if those were received. During this public hearing process, the noticing was more stringent and was required to be certified mail. He did receive some back that were not delivered for various reasons, such as addresses had been changed or the notices were not picked up.

Commissioner Humke asked if this was the only hearing that notices were sent certified mail. Kendra Follett, Swendseid and Stern, stated that this was the only notice required by statute to be certified mail. The statute also required posting of the notice in public places and publication three times in the local newspaper.

Commissioner Weber commented that the area was now in a different economic time and many people were in the process of losing their homes. She asked if a property owner did not file a protest was that considered a “yes” vote for the SAD. Ms. Follett stated that was correct. Commissioner Weber asked why some owners were considered part of the process when they were a distance away from the proposed roads. Mr. West said the benefit was from the elimination of dues because at the completion of the project those dues would not be collected.

Commissioner Weber felt that something needed to be done and hoped that a conclusion or a resolution could be reached. Mr. Lipparelli stated that it was in the Board’s discretion to either accept or reject the recommendation and make their own findings as to particular instances. He said the staff report contained the recommendations for the hardship determinations and the protests as to the technical requirements of the compilation of the assessment roll.

Commissioner Jung said when citizens protested, specifically under a financial hardship, the Social Services Department reviewed that protest. She inquired about the threshold and, if the Social Services Department looked at the value of the property versus what was owed. Mr. Lipparelli explained that Social Services would need to make a poverty level determination of income and, if the income levels were found to be above poverty level as according to the national standard, then a hardship was not found.

Commissioner Jung asked if the outstanding debt on the property was taken into consideration versus what the real market value was on the property. Mr. Lipparelli explained that there was a safe guard because no assessment against any parcel could ever exceed the value of the parcel, in fact, those determinations had been made by the Board in the estimated assessment as compared to the special benefit that would accrue to a parcel. The cost estimates, when originally made, were made in a different economic time and, the proposals received from the bidding contractors contained prices well below what was estimated, so the actual assessment would be below what was estimated. Mr. Lipparelli indicated that the resolution and the introduction of the ordinance were both premised upon the award of a contract. The competitive bidding process undertaken yielded market-based proposals. He said it was still the judgment of

the engineers as to what the eventual cost of the project would be. The goal was to award the contract before the second reading of the Ordinance. If the bids came back in significantly different amounts, it may be necessary to redo the hardship and protest process since it would not be possible for the project to move forward with a vastly different price.

Commissioner Jung stated the lien on a property could not be more than the value of a property minus what was owed. Mr. Lipparelli explained that it would be a taking of a property if governments were to impose an assessment on a property that was more than the value of a property, but those determinations had already been made and reaffirmed throughout this process. He said the assessment placed against a property would only be for that property owner's share of the cost of the project and would become a lien against the property if the assessments remained unpaid. Commissioner Jung said if a property owner could not pay then that became a lien. Mr. Lipparelli indicated that the lien would be for the amount of the assessment and, at the time the process started to foreclose on the lien, the value could be more or less than present. He said what was owed on the property was not taken into consideration.

Commissioner Jung was concerned and felt that using poverty level income to determine a person's hardship was ludicrous.

Commissioner Larkin felt that better bids would now be received because businesses were looking for work. He stated that this was economic development at the grassroots level. In looking at the actual protests, only a couple of them listed hardship as a factor. He said an avenue of recourse had been explained by Legal Counsel that provided an opportunity for those cases as a true hardship to present a case to the Board on an individual basis. Commissioner Larkin said he would not give value to a person who protested the SAD just to protest the SAD. Commissioner Larkin added when the roads were paved, the value of each parcel would increase.

Commissioner Larkin moved to approve the Resolution for Special Assessment District (SAD) 32. He further ordered to dispose of all complaints, protests, and objections (unless otherwise noted for the record) and that the Chairman be authorized to execute the Resolution. He also moved that the use of funds from the SAD Debt Surplus and Deficiency Fund to fund the assessment for parcels granted an economic hardship, as recommended by staff, be authorized. Commissioner Humke seconded the motion.

In terms of the last part of the proposed motion that stated "to authorize the use of funds from the SAD Debt Surplus and Deficiency Fund to fund the assessment for parcels granted an economic hardship," Commissioner Jung asked what would happen next. Commissioner Larkin noted there was one hardship that had been granted. He said that owner was responsible to make the interest payments on the outstanding principle debt.

Commissioner Weber stated that she was having a difficult time because there were roads in District 5 that were looking at this same situation. She said the process for SAD 32 had been going on for a long time and wished that there was a way to help the citizens that appeared at this meeting. If this were approved, she asked what other steps citizens had who claimed a hardship.

Mr. Lipparelli indicated that those citizens could file a lawsuit and challenge the Board's decision, which would be a challenge of the Board's determination as to the whether the threshold was met for hardship and whether there was any merit to the protests made against the technical mathematical computation of the assessment roll. He reiterated this was not a hearing to decide whether or not to do the project. Those hearings were already held and the determinations already made. Mr. Lipparelli said the statute contained opportunities for taxpayers to ensure that all the steps had been followed. This meeting was for the Board to confirm that the assessment roll was delivered and put on the record and if there were any hardship determinations to be made. He explained that a lawsuit challenging the Board's action would need to be narrowly drawn in order to challenge those very specific determinations.

On call for the question, the motion passed on a 4 to 1 vote with Commissioner Jung voting "no." The Resolution for same is attached hereto and made a part of the minutes thereof.

11-875 AGENDA ITEM 26 – COMMUNITY DEVELOPMENT

Agenda Subject: "Introduction and first reading of an Ordinance Concerning Washoe County, Nevada, Special Assessment District No. 32 (Spanish Springs Valley Ranches Roads); assessing the cost of a street project against the assessable tracts of land benefited by the project; describing the manner for the collection and payment of the assessments; providing penalties for delinquent payments; and providing other details in connection therewith."

Amy Harvey, County Clerk, read the title for Bill No. 1655.

Bill No. 1655, entitled, "AN ORDINANCE CONCERNING WASHOE COUNTY NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 32 (SPANISH SPRINGS VALLEY RANCHES ROADS); ASSESSING THE COST OF A STREET PROJECT AGAINST THE ASSESSABLE TRACTS OF LAND BENEFITED BY THE PROJECT; DESCRIBING THE MANNER FOR THE COLLECTION AND PAYMENT OF THE ASSESSMENTS; PROVIDING PENALTIES FOR DELINQUENT PAYMENTS; AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH," was introduced by Commissioner Larkin, and legal notice for final action of adoption was directed.

11-876

AGENDA ITEM 27 – COMMUNITY DEVELOPMENT

Agenda Subject: “Second reading and adoption of an Ordinance pursuant to Nevada Revised Statutes 278.0201 through 278.0207 approving Amendment of Conditions Case No. AC 11-004, to amend Development Agreement Case Number DA 06-004 for Gannett Family Trust. The proposed Amendment of Conditions will extend the deadline for filing a final map for Tentative Parcel Map Case No’s PM06-026, PM06-027, and PM06-028 for two years from the date of the signing by the Chair of the Washoe County Commission; and authorize Chairman to execute First Amendment to the Development Agreement between Washoe County and the Gannett Family Trust. (Bill No. 1652). (Commission District 4.)”

The Chairman opened the public hearing by calling on anyone wishing to speak for or against adoption of said Ordinance. There being no response, the hearing was closed.

Amy Harvey, County Clerk, read the title for Ordinance No. 1471, Bill No. 1652.

On motion by Commissioner Larkin, seconded by Commissioner Humke, which motion duly carried, Chairman Breternitz ordered that Ordinance No. 1472, Bill No. 1652, entitled, "AN ORDINANCE PURSUANT TO NEVADA REVISED STATUTES 278.0201 THROUGH 278.0207 APPROVING AMENDMENT OF CONDITIONS CASE NO. AC11-004, TO AMEND DEVELOPMENT AGREEMENT CASE NUMBER DA06-004 FOR GANNETT FAMILY TRUST. THE PROPOSED AMENDMENT OF CONDITIONS WILL EXTEND THE DEADLINE FOR FILING A FINAL MAP FOR TENTATIVE PARCEL MAP CASE NO’S PM06-026, PM06-027, AND PM06-028 FOR TWO YEARS FROM THE DATE OF THE SIGNING BY THE CHAIR OF THE WASHOE COUNTY COMMISSION," be approved, adopted and published in accordance with NRS 244.100.

11-877

AGENDA ITEM 28 – COMMUNITY DEVELOPMENT

Agenda Subject: “Second reading and adoption of an Ordinance pursuant to Nevada Revised Statutes 278.0201 through 278.0207 approving Amendment of Conditions Case No. AC 11-005, to amend Development Agreement Case Number DA 06-005 for Trust Company of America. The proposed Amendment of Conditions will extend the deadline for filing a final map for Tentative Parcel Map Case No’s PM06-031, PM06-032, and PM06-033 for two years from the date of the signing by the Chair of the Washoe County Commission; and authorize Chairman to execute First Amendment to the Development Agreement between Washoe County and the Trust Company of America. (Bill No. 1653). (Commission District 4.)”

The Chairman opened the public hearing by calling on anyone wishing to speak for or against adoption of said Ordinance. There being no response, the hearing was closed.

Amy Harvey, County Clerk, read the title for Ordinance No. 1472, Bill No. 1653.

On motion by Commissioner Larkin, seconded by Chairman Breternitz, which motion duly carried, Chairman Breternitz ordered that Ordinance No. 1472, Bill No. 1653, entitled, "**AN ORDINANCE PURSUANT TO NEVADA REVISED STATUTES 278.0201 THROUGH 278.0207 APPROVING AMENDMENT OF CONDITIONS CASE NO. AC11-005, TO AMEND DEVELOPMENT AGREEMENT CASE NUMBER DA06-005 FOR TRUST COMPANY OF AMERICA. THE PROPOSED AMENDMENT OF CONDITIONS WILL EXTEND THE DEADLINE FOR FILING A FINAL MAP FOR TENTATIVE PARCEL MAP CASE NO'S PM06-031, PM06-032, AND PM06-033 FOR TWO YEARS FROM THE DATE OF THE SIGNING BY THE CHAIR OF THE WASHOE COUNTY COMMISSION,**" be approved, adopted and published in accordance with NRS 244.100.

11-878 AGENDA ITEM 29 – COMMUNITY DEVELOPMENT

Agenda Subject: “Consider an amendment to the Truckee Canyon Regulatory Zone Map. The amendment is to change the regulatory zone on three parcels, totaling 20.59 acres from General Rural (GR) to Specific Plan (SP). The property is located at the northwest corner of Sutcliffe Drive and Jigger Bob, in the town of Sutcliffe. These parcels are completely surrounded by the Pyramid Lake Paiute Tribes’ Reservation. The parcels are located with the East Truckee Canyon Citizen Advisory Board boundary. The total combined area of the three parcels is ±20.59 acres. The parcels are situated in Section 15, T24N, R21E, MDM, Washoe County, NV. (APNs: 079-230-04, 07 and 11). (Commission District 4.)”

The Chairman opened the public hearing by calling on anyone wishing to speak for or against an amendment to the Truckee Canyon Regulatory Zone Map.

Roger Pelham, Senior Planner, said a Regulatory Zone amendment was also known as a zone change. He said staff worked with the applicant for some time and recommended changing General Rural to Specific Plan, which was intended for areas that had been developed without County oversight.

Mike Railey, Rubicon Design Group, explained that the applicant concurred with the staff report.

Commissioner Larkin asked if the Pyramid Lake Indian Tribe had made any comments. Mr. Pelham said no comments had been received from the Tribe. He clarified that this amendment had been noticed and was a Zone Change, not a Master Plan Amendment and fell under the County’s two-map system. Commissioner Larkin inquired about the overall plan for the property. Mr. Railey replied that the property was

being brought into conformance and provisions in the Specific Plan would allow for some expansion.

On motion by Commissioner Larkin, seconded by Commissioner Weber, which motion duly carried, it was ordered that the information presented in the staff report, written testimony and verbal testimony received during the public hearing be approved. It was further ordered that the record forwarded from the Planning Commission, having made all of the findings in accordance with Development Code 110.821.15, to adopt Regulatory Zone Amendment Case No. RZA10-002 for Crosby Lodge, to change the regulatory zone on three parcels, totaling 20.59 acres, from General Rural to Specific Plan be approved.

11-879 AGENDA ITEM 20 – DISTRICT ATTORNEY

Agenda Subject: “Introduction and first reading of an ordinance amending Chapter 21 of the Washoe County Code (Miscellaneous and Additional Taxes) by adding a new section imposing a supplemental governmental services tax of one cent on each one dollar of valuation of certain vehicles based in Washoe County, by providing for the sunset of that tax, and by repealing the no longer effective vehicle privilege tax and other matters properly related thereto. (All Commission Districts.)”

Paul Lipparelli, Legal Counsel, explained that the Board requested this Ordinance be reconsidered for possible introduction after a cash flow analysis was provided. He noted that the Ordinance contained a sunset provision based on rough estimates of when the tax would produce enough money to pay back the funds, which were borrowed to produce the Incline tax refunds.

Commissioner Humke stated that taxes should not be raised during a recession. He said this would be a broad-based tax paid by anyone who registered a vehicle in the County, but had disparate application, and he was concerned about business individuals who needed to own rolling stock. He said there had been testimony from a Nevada Motor Transport Association representative who spoke on a quirk in the law to the registration of the vehicle. He said if a small operator with 50 trucks, as opposed to a larger out-of-state based operator, listed Washoe County as the situs they would pay an additional tax, whereas an out-of-state operator may find ways to escape the situs argument for their vehicles. That would be a disparate impact to local businesses. Commissioner Humke did not believe the case had been made that the County needed this revenue and stated he was opposed to the tax.

Chairman Breternitz asked if this tax would apply to fleet vehicles. Mr. Lipparelli said a provision referred to a different chapter that applied to the licensing of vehicles. Previously, the Board heard testimony from the Nevada Motor Transport Association about the difference between apportioned plates, which those owners would not pay this tax because they were regulated by the another chapter of State law. If a smaller size business did not use the apportioned plate ownership approach, they would pay per vehicle.

After reviewing the cash flow analysis, Commissioner Larkin said he did not see a business case for the institution of this tax at the present time, but that could change. He felt it was premature to move forward until there was a definitive feel for how the cash flow from the two affected accounts would flow. He said it was too early to know how many Incline residents would give their rebate back to the County and, until that was known, he did not think the business case had been made.

Chairman Breternitz asked if this could be brought back to the Board at another time. Mr. Lipparelli stated that this was an introduction of an ordinance and, if were not introduced, would not move forward, but would not be barred from returning to the Board at a later date.

Commissioner Weber stated she was not ready to support the proposed tax at the present time.

There was no public comment on this item.

Katy Simon, County Manager, cautioned the Board that money was not being placed into the Risk Management Fund, but was being removed from that Fund. She respected the Board's views, but said there was a risk of depleting those reserve funds.

Commissioner Jung was concerned because of on-going negotiations with the bargaining units and, if those went to an impasse, this may be pointed to as an ability to pay. She felt this tax would be a burden to individuals that had more than one vehicle. Commissioner Jung said if there was a robust municipal service for transit then she would not have a problem imposing this tax, but the County was so widespread there were many communities that did not have the option to not have a personal vehicle. At the present time, she suggested foregoing introduction of this ordinance with the caveat that should the County run into trouble, she would reserve the right to change her mind. She did not believe this should lead to further lay-offs should the funds be depleted.

There was no action on this item and the Ordinance was not introduced.

* * * * *

The Board returned to Agenda Item 22. Please see the discussion under 11-867.

* * * * *

7:55 p.m. The Board recessed as the Board of County Commissioners (BCC) and reconvened as the Sierra Fire Protection District (SFPD) Board of Fire Commissioners.

7:58 p.m. The Board adjourned as the SFPD Board of Fire Commissioners and reconvened as the BCC.

11-880 **AGENDA ITEM 34 – PUBLIC COMMENT**

Agenda Subject: “Public Comment. Comment heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Commission agenda. The Commission will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Commission as a whole.”

There was no response to the call for public comment.

* * * * *

8:00 p.m. There being no further business to discuss, on motion by Commissioner Larkin, seconded by Commissioner Jung, which motion duly carried, the meeting was adjourned.

JOHN BRETERNITZ, Chairman
Washoe County Commission

ATTEST:

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

*Minutes Prepared by:
Stacy Gonzales and Jan Frazzetta
Deputy County Clerks*

Resolution

of the Nevada Association of Counties

RESOLUTION Commemorating the One Hundred Fiftieth Anniversary of Nevada's Nine Original Counties

Whereas, American explorers traveled through Nevada in the early 19th century and established settlements beginning in 1851, and

Whereas, an Act of Congress created the Territory of Nevada, and

Whereas, President Abraham Lincoln appointed James W. Nye as the first Territorial Governor on March 2, 1861, and

Whereas, the first Nevada Territorial Legislature established Churchill, Douglas, Esmeralda, Humboldt, Lake, Lyon, Ormsby, Storey and Washoe Counties on November 25, 1861, and

Whereas, Nevada's Counties have been providing the services that are vital to, and that improve the quality of life of, their residents since the creation of the Nevada Territory, and

Whereas, Nevada's Counties, now seventeen in number, continue to be the government closest to the people and have the greatest opportunity to make positive changes and lead our communities into the future, now

Therefore be it Resolved that the Nevada Association of Counties salutes the nine original counties and their successors for one hundred fifty years of service to the people of the State of Nevada, and

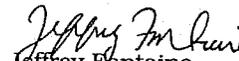
Therefore be it Further Resolved that NACO dedicates the 2011 Annual Conference, the theme of which is "150 Years of Sustainability – Celebrating Nevada's Counties", to the original nine counties and the 150 years of service they have provided.

Passed, Approved and Adopted this 21st day of September, 2011 by the Board of Directors of the Nevada Association of Counties.

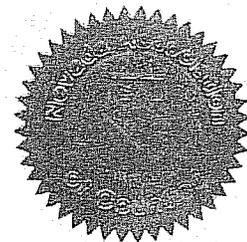
Attest:



Doug Johnson
President



Jeffrey Fontaine
Executive Director



NACO Resolution 11-08

11-841



RESOLUTION

WHEREAS, Section 110.906.05 of the Washoe County Code provides for the adoption by Resolution of a Master Fee Schedule setting forth the fees for processing applications under the Development Code; and

WHEREAS, fees for processing applications are based on an average cost of processing the different types of applications; and

WHEREAS, the Washoe County Department of Community Development also collects fees for, and distributes fees to, other Washoe County agencies to cover their average costs to review applications and to submit comments and conditions based on their area of expertise and authority; and

WHEREAS, the Washoe County Health District has determined that it is not necessary for the Environmental Health Services Division to review Regulatory Zone Amendment applications; now, therefore, be it

RESOLVED, BY THE BOARD OF COMMISSIONERS OF WASHOE COUNTY, NEVADA, that the Master Fee Schedule for processing applications pursuant to Chapter 110 of the Washoe County Code (Development Code) is hereby amended by removing the Environmental Health fee for a Regulatory Zone Amendment and by adopting the amended Master Fee Schedule, which is attached hereto as Attachment A; now, therefore, be it further

ADOPTED this 27th day of September 2011.

A handwritten signature in black ink, appearing to read "John Breternitz", written over a horizontal line.

John Breternitz, Chairman

ATTEST:

A handwritten signature in black ink, appearing to read "Amy Harvey", written over a horizontal line.

Amy Harvey, Washoe County Clerk

AMENDMENT #2
GRANT PROGRAM AGREEMENT

THIS AMENDMENT to the Agreement is made and entered into this 27th day of September, 2011, by and between Washoe County, a political subdivision of the State of Nevada (hereinafter referred to as "County") and **Children's Cabinet**, a Nevada nonprofit corporation having a business address 1090 S. Rock Blvd., Reno, NV 89502 (hereinafter referred to as the "Sub-recipient").

WHEREAS, County received grant funds from the U.S. Department of Housing and Urban Development, Homeless Prevention and Rapid Re-housing Program (HPRP) CFDA #14.257, federal award number HPRP-2009-0031, that will provide homeless prevention assistance to households who would otherwise become homeless and to provide assistance to rapidly re-house persons who are homeless; and

NOW, THEREFORE, the parties to the Grant Program Agreement hereby agree to amend the Grant Program Agreement as follows:

1. **Section 5. TERM:** The term of the agreement is hereby extended through December 31, 2011. This Agreement is in effect from September 27, 2011 to December 31, 2011.
2. **Section 6. COMPENSATION:** The amount of this agreement is hereby increased by \$3377.11 for a total amount of \$114,843.11.

IT IS FURTHER AGREED that all other terms and conditions of the Grant Program Agreement shall remain in full force and effect unless further modified or amended in writing by the parties.

IN WITNESS WHEREOF; the parties hereto have executed this Amendment to the Grant Program Agreement as of this 27th day of September, 2011.

CHILDREN'S CABINET

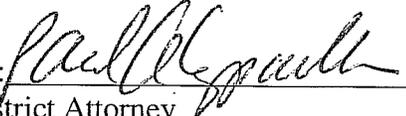
By: 
Chairperson, Board of Directors

By: 
Executive Director

WASHOE COUNTY

By: 
John Breteritz, Chairman
Washoe County Commission

APPROVED AS TO FORM ONLY:

By: 
District Attorney

RESOLUTION - Authorizing the Grant of Public Money to a Private Nonprofit Organization.

WHEREAS, NRS 244.1505 provides that a board of county commissioners may expend money for any purpose which will provide a substantial benefit to the inhabitants of the county and that a board may make a grant of money to a private organization, not for profit, to be extended for a selected purpose; and

WHEREAS, the Board of Commissioners of Washoe County has determined that a certain amount of money is available from the U.S. Department of Housing and Urban Development, Homeless Prevention and Rapid Re-housing Program (HPRP) CFDA #14.257, federal award number HPRP-2009-0031 grants, will provide a substantial benefit to the inhabitants of Washoe County and are made to private nonprofit organizations; now, therefore, be it

RESOLVED, by the Board of Commissioners of Washoe County that:

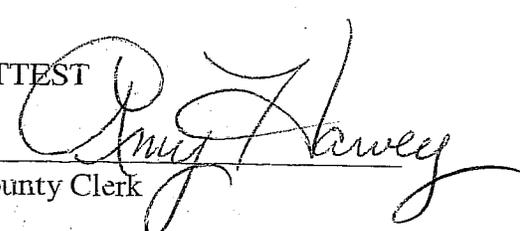
1. The Board hereby grants to the Children's Cabinet a private, nonprofit organization, a grant in the amount of \$3377.11 (Community Support).
2. The purpose of the HPRP is to provide homeless prevention assistance to Households who would otherwise become homeless-many due to the economic crisis-and to provide assistance to rapidly re-house persons who are homeless.
3. The maximum amount to be expended from the grant and the conditions and limitations upon the grant are set forth in the Grant Program Agreement Amendment #2.

Adopted this 27th day of September 2011.



John Breternitz, Chairman
Washoe County Commission

ATTEST



County Clerk

AMENDMENT #2
GRANT PROGRAM AGREEMENT

THIS AMENDMENT to the Agreement is made and entered into this 27th day of September, 2011, by and between Washoe County, a political subdivision of the State of Nevada (hereinafter referred to as "County") and **Saint Mary's Foundation - Kids to Senior Korner**, a Nevada nonprofit corporation having a business address 520 West Sixth St., Reno, NV 89503 (hereinafter referred to as the "Sub-recipient").

WHEREAS, County received grant funds from the U.S. Department of Housing and Urban Development, Homeless Prevention and Rapid Re-housing Program (HPRP) CFDA #14.257, federal award number HPRP-2009-0031, that will provide homeless prevention assistance to households who would otherwise become homeless and to provide assistance to rapidly re-house persons who are homeless; and

NOW, THEREFORE, the parties to the Grant Program Agreement hereby agree to amend the Grant Program Agreement as follows:

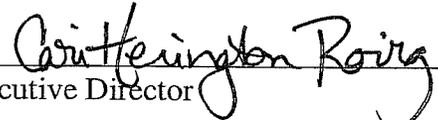
1. **Section 5. TERM:** The term of the agreement is hereby extended through December 31, 2011. This Agreement is in effect from September 27, 2011 to December 31, 2011.
2. **Section 6. COMPENSATION:** The amount of this agreement is hereby increased by \$3693.71 for a total amount of \$195,158.71.

IT IS FURTHER AGREED that all other terms and conditions of the Grant Program Agreement shall remain in full force and effect unless further modified or amended in writing by the parties.

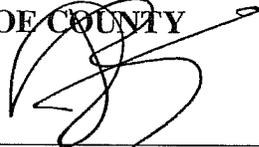
IN WITNESS WHEREOF; the parties hereto have executed this Amendment to the Grant Program Agreement as of this 27th day of September, 2011.

KIDS TO SENIOR KORNER

By: 
Chairperson, Board of Directors

By: 
Executive Director

WASHOE COUNTY

By: 
John Breternitz, Chairman
Washoe County Commission

APPROVED AS TO FORM ONLY:

By: 
District Attorney

RESOLUTION - Authorizing the Grant of Public Money to a Private Nonprofit Organization.

WHEREAS, NRS 244.1505 provides that a board of county commissioners may expend money for any purpose which will provide a substantial benefit to the inhabitants of the county and that a board may make a grant of money to a private organization, not for profit, to be extended for a selected purpose; and

WHEREAS, the Board of Commissioners of Washoe County has determined that a certain amount of money is available from the U.S. Department of Housing and Urban Development, Homeless Prevention and Rapid Re-housing Program (HPRP) CFDA #14.257, federal award number HPRP-2009-0031 grants, will provide a substantial benefit to the inhabitants of Washoe County and are made to private nonprofit organizations; now, therefore, be it

RESOLVED, by the Board of Commissioners of Washoe County that:

1. The Board hereby grants to the Saint Mary's Foundation – Kids to Senior Korner a private, nonprofit organization, a grant in the amount of \$3693.71 (Community Support).
2. The purpose of the HPRP is to provide homeless prevention assistance to Households who would otherwise become homeless-many due to the economic crisis-and to provide assistance to rapidly re-house persons who are homeless.
3. The maximum amount to be expended from the grant and the conditions and limitations upon the grant are set forth in the Grant Program Agreement Amendment #2.

Adopted this 27th day of September 2011.



John Breternitz, Chairman
Washoe County Commission

ATTEST


County Clerk

LEASE AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 27th day of September, 2011, by and between Washoe County, Nevada, a political subdivision of the State of Nevada, hereinafter called "Lessor" and the Nevada Tahoe Conservation District, a conservation district under the State of Nevada, hereinafter called, "Lessee".

WITNESSETH:

WHEREAS, Lessor is the sole owner of the Premises located at 855 Alder Avenue, Incline Village, Washoe County and is further described below, which area is not currently needed for the public purposes of Washoe County, and

WHEREAS, Lessee, is a public agency organized in the State of Nevada, currently in good standing, which supports conservation programs for the community; and

WHEREAS, the Parties are public agencies as defined within Nevada Revised Statutes 277.050; and

WHEREAS, the Parties desire by this Agreement to define their respective rights, duties and liabilities relating to the Premises; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

SECTION ONE

DESCRIPTION OF PREMISES

Lessor hereby leases unto Lessee, and Lessee hereby leases from Lessor, approximately 400 sf of space (Premises") in the building generally known and designated as the Incline Service Center at 855 Alder Avenue Incline Village, Nevada ("building"), as shown on Exhibit A, together with the nonexclusive use of common areas, , hallways, parking areas, entrances, and restrooms.

Unless otherwise specified, "Premises" shall include only that portion used exclusively by Lessee.

SECTION TWO

TERM OF THIS AGREEMENT

The term of this Agreement shall be for a thirty- six (36) month term, commencing October 1, 2011 through September 30, 2014, unless sooner terminated or extended upon mutual agreement of the parties or as otherwise provided herein.

SECTION THREE

RENTAL

As long as Lessee remains a Nevada Conservation District in good standing, engaged primarily engaged in conservation work, Lessee may occupy the Premises rent-free for the term of this Agreement.

SECTION FOUR

RENEWAL OPTION

In the event Lessee is in compliance with its duties and obligations under this Agreement, and Lessor does not require the space, Lessee shall have one (1) option to renew this Agreement for an additional thirty-six (36) month term and shall include all other terms and conditions as set forth in this Agreement. Said option shall be exercised by the Parties agreement, by Lessee delivering a written request to Lessor not less than ninety (90) days prior to the end of the then current term and Lessor confirming the availability.

SECTION FIVE
USE OF PREMISES

A. Lessee shall not use or permit the Premises or any part thereof to be used for any purpose other than the conduct of the necessary business of the Lessee.

B. Lessee shall not conduct or at any time knowingly permit its employees, agents or visitors to conduct activity on the Premises that is unlawful or in violation of any federal or state statute, code or regulation. The Premises shall not be used for storage, transfer, processing, etc. of any toxic or hazardous materials.

SECTION SIX
MAINTENANCE, ALTERATIONS AND IMPROVEMENTS

A. Lessee hereby acknowledges that the Premises are in good condition and are architecturally acceptable to Lessee, and shall not be altered, repaired or changed without the prior written consent of Lessor. Prior to commencement of any alteration or improvement, Lessee shall prepare plans and specifications of such work and submit same to Lessor.

B. Lessee agrees that it shall not paint, erect partitions, install or change any doors or windows, or place any nails, screws or other implements or fasteners into the woodwork or walls without the prior written consent of the Lessor.

C. Lessor reserves the right from time to time at its own expense to make such improvements, alterations, renovations, changes, and repairs in and about the Premises as Lessor shall deem desirable. Except where such improvements, alterations, changes and repairs unreasonably disrupt Lessee's use and peaceful enjoyment of the Premises, Lessee shall make no claim against Lessor for abatement of rent for interference with Lessee's leasehold interest or for loss or damage to its business during such improvements, alterations, renovations, changes and repairs.

D. The parties agree that all the erections, additions, fixtures and improvements, excepting only decorative items and movable office furniture, made in or upon the Premises shall be Lessor's property and shall remain upon the Premises at the termination of this Agreement by lapse of time or otherwise, without compensation to Lessee.

E. The erection, construction, installation or making of any approved improvements shall be accomplished and completed in a workmanlike manner and in compliance with all applicable state and municipal laws and regulations.

F. Lessee shall keep the Premises free from any liens arising out of any work performed, or materials furnished, or obligations incurred by Lessee.

SECTION SEVEN UTILITIES AND TELEPHONE

A. Lessor shall supply heating, electricity and water to the Premises. In this connection, it is mutually understood and agreed that Lessor shall not be liable for damages, by abatement of rent or otherwise, for failure to furnish or delay in furnishing of heat and air conditioning when such failure to furnish or delay in furnishing is occasioned by strikes, lockouts, labor controversies, accident or casualty, or any cause beyond the reasonable control of Lessor.

B. Lessee will be responsible for the installation and payment of all telephone service, including connectivity lines, fax and computer lines, incident to its business. Any work in this regard must be first submitted to Lessor's attention Public Works Department.

C. Lessee shall be provided keys to the front door entrance. It is agreed and understood that normal business days of operation shall be 8:00 a.m. to 5:00 p.m., Monday through Friday, or as needed, exclusive of designated County Holidays. Lessee agrees not to duplicate any keys and shall request copies from Lessor. In the event that Lessee has a lost or missing key, Lessee shall pay for all costs associated with re-keying the Premises and replacement keys for the other occupants in the building.

D. If Lessee is the last one to depart the building on any day, Lessee shall check and secure the entire building and set the alarm. In the event Lessee does not secure the building and Lessor is required to respond with a staff member, Lessor shall bill and Lessee shall pay for reasonable charges for Lessor's emergency response.

SECTION EIGHT

JANITORIAL

Lessor shall provide janitorial services to the Premises in accordance with Lessor's current schedules without cost to Lessee, excepting any cleaning expense necessitated by the negligence of Lessee or its invitees, which expense shall be at the sole cost and expense of Lessee.

SECTION NINE

REPAIRS AND INSPECTIONS

A. Lessor shall be responsible for making all routine repairs and for performing routine maintenance to the Premises, at Lessor's sole expense. Lessee agrees that all damage done to the Premises by Lessee or its invitees or any person present because of Lessee's occupation of the Premises, shall be paid by Lessee.

B. Lessee shall keep the Premises free from any liens arising out of any work performed, or materials furnished, or obligations incurred by Lessee.

C. Lessor shall maintain, at its sole cost and expense, the roof, exterior walls and windows of said building in which the Premises are located.

D. Lessee shall permit Lessor or its authorized agents to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same, or for the purpose of making repairs or maintaining the building in which the Premises are located.

SECTION TEN

SIGNS

Lessee agrees that no sign or advertisement shall be painted or affixed to any part of the outside or inside of the building in which the Premises are located except as authorized by the Public Works Department, Facility Management Division.

SECTION ELEVEN

WAIVER

Any failure on the part of either party to take action against the other for any breach of covenant herein shall not be construed to constitute a waiver of any other or subsequent breach.

SECTION TWELVE
DESTRUCTION OF PREMISES

A. In the event of a partial destruction of said Premises or the building of which the said Premises is a part from any cause attributable to the fault of Lessor, Lessor shall forthwith repair the same within sixty (60) days, provided such repair can be made within said period under the laws and regulations of state, federal, county or municipal authorities and Lessor wishes to make such repairs. If required repairs are commenced promptly, this Agreement shall not be modified. If such repairs cannot be made in sixty (60) days or if Lessor does not wish to make the repairs, this Agreement may be terminated at the option of Lessor. In the event that the building in which the Premises may be situated be destroyed to the extent of not less than thirty-three and one-third (33 1/3) percent of the replacement cost thereof, Lessor may elect to terminate the Agreement, whether the Premises be injured or not. A total destruction of the building in which said Premises are situated shall terminate this Agreement. This provision is not intended to affect the rights of either party to seek recovery against the person responsible for the damages.

B. Lessor shall provide Lessee with notice of intent regarding the decision to make or delay repairs within ten (10) working days of the event creating the damage or destruction contemplated in this Agreement.

SECTION THIRTEEN
CONDEMNATION

In the event that any part of the Premises shall be condemned or taken by any county, federal, state or other authority for any purpose, then the term of this Agreement shall cease on the part so taken from the day the possession of that part is required for any public purpose. Thereafter the Lessee or the Lessor shall have the right to either cancel this Agreement or to continue in the possession of the remainder of the same under the terms herein provided, except that the area of occupancy shall be reduced in proportion to the area of that portion of the Premises taken for such public purpose. All damages awarded for the taking of the Premises for any public purpose shall belong to and be the property of the party suffering such damage whether such damage be awarded as compensation for diminution in value to the leasehold or to the fee of the Premises.

SECTION FOURTEEN

INDEMNIFICATION

A. Pursuant to Nevada Revised Statutes, Chapter 41 and without waiving any provisions thereof, Lessee shall hold harmless, indemnify and defend Lessor from and against any loss, damage, claim, suit or liability due to injury, including death, or property damage, to any third party arising out of the negligent or alleged negligent acts or omissions of the Lessee, its agents, contractors or employees, arising out of the use of the Premises or Lessee's duties and responsibilities under this Agreement.

B. Pursuant to Nevada Revised Statutes, Chapter 41 and without waiving any provisions thereof, Lessor shall hold harmless, indemnify and defend Lessee from and against any loss, damage, claim, suit or liability due to injury, including death, or property damage, to any third party arising out of the negligent or alleged negligent acts or omissions of the Lessor, its agents, contractors or employees, concerning the Premises and the Lessor's duties and responsibilities pursuant to this Agreement.

SECTION FIFTEEN

INSURANCE

A. Lessor, at its sole cost and expense, shall:

(1) Secure and maintain fire and extended insurance, or provide for such through its Self-funded Insurance Program, on the building in which the Premises is located in an amount and coverage determined by Lessor during the term or any extended term of this Agreement.

(2) Secure and maintain through its Risk Management Division a Self-Funded Insurance Program, of comprehensive or commercial general liability coverage (occurrence form), in an amount of not less than \$1,000,000 per occurrence, and at least \$2,000,000 annual aggregate during the term of this Agreement.

(3) Lessor hereby expressly waives and releases any cause of action or right of recovery which Lessor may have hereafter against the Lessee for any loss or damage to the demised Premises, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by insurance; and,

B. Lessee, at its sole cost and expense, shall:

(1) Secure fire insurance on all contents owned by the Lessee located at the demised Premises.

(2) Lessee may fund any financial obligation relating to its negligence and liability through either a self-funded program or through an Insurance Carrier maintaining an A rating by A.M. Best. Any and all claims related to the use of the demised Premises by Lessee shall be forwarded to Lessee in a timely manner.

(3) Lessee hereby expressly waives and releases any cause of action or right of recovery which Lessee may have hereafter against the Lessor for any loss or damage to the demised Premises, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by Lessee's insurance and,

(4) Lessee shall obtain a waiver from any insurance carrier with which Lessee carries fire, explosion or any other risk coverage insuring the Premises or the contents thereof releasing its subrogation rights against Lessor.

(5) In the event Lessee's occupancy causes any increase of premium for Lessor's insurance on the Premises, or any parts thereof, above the rate applicable to the type of occupancy identified in this Agreement. Lessee shall have fifteen (15) days after receipt of written notification from Lessor of such increase to correct or mitigate said circumstances which resulted in the need for a premium increase. If Lessee is unable to mitigate or correct said hazardous occupancy, Lessee shall upon written agreement pay the increased premium or terminate said Agreement.

SECTION SIXTEEN

FUNDING OUT CLAUSE

Pursuant to NRS 244.320, in the event Lessor fails to appropriate budget funds specifically for the purpose of maintaining the Premises, in any subsequent fiscal year after the effective date of the Agreement, Lessee hereby agrees to cancel this Agreement and hold Lessor harmless from any penalty, charge or sanction. Lessor agrees to provide written notice to Lessee of this eventuality, should it occur.

SECTION SEVENTEEN

COSTS AND ATTORNEY'S FEES

Should either party hereto institute any action or proceeding to enforce or interpret any provision hereof or for damages by reason of an alleged breach of any provision of this Agreement, neither party shall be entitled to recover any amount as reasonable attorney's

fee, for any reason even if said party is deemed to be the prevailing party in such action or proceeding. Costs of suit may be awarded as allowed by law.

**SECTION EIGHTEEN
CHOICE OF LAW; VENUE**

This Agreement shall be construed in accordance with and be governed by the laws of the State of Nevada. All parties hereto consent to the personal jurisdiction of any state or federal court of competent jurisdiction located in Washoe County, Nevada and to the service of process by any means authorized by any such state or federal court or under the laws of the State of Nevada. The exclusive venue of any action, proceeding or counterclaim arising out of or in connection with this Agreement shall be Washoe County, Nevada.

**SECTION NINETEEN
QUIET ENJOYMENT**

Lessee, while in compliance with the terms and covenants herein, is entitled to the quiet enjoyment of the Premises for the term hereby created.

**SECTION TWENTY
NOTICES**

All notices and demands which may be required to be served upon the respective parties to this Agreement shall be in writing and may be served either personally or by certified mail, postage prepaid, addressed to Lessee, Nevada Tahoe Conservation District, Executive Director, PO Box 915, Zephyr Cove, Nevada 89448 and upon Lessor, to Director, Public Works Department, P.O. Box 11130, Reno, NV 89520-0027 or at such other address as the parties may designate and serve upon the other. Any service by mail shall be deemed served upon deposit with the United States Post Office.

**SECTION TWENTY-ONE
HAZARDOUS SUBSTANCES**

A. Lessee shall not cause or permit any hazardous substances to be used, stored, manufactured, released or disposed in or upon the Premises, except in the minimum quantities as are customary and usual in connection with Lessee's permitted use. If the Premises become

contaminated as a result of a violation by Lessee of this Section Twenty One, for which Lessee is legally liable, Lessee shall indemnify, defend and hold Lessor harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments, together with Lessor's attorney's fees.

B. If hazardous substances have been used, stored, manufactured or disposed in or upon the Premises or connected areas outside the Premises, or if the Premises or connected areas outside the Premises, are or become contaminated in any manner, for which Lessor is legally liable, Lessor shall indemnify, defend and hold Lessee harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments, together with Lessee's attorney fees.

C. "Hazardous Substances" mean all toxic, ignitable, reactive and corrosive substances regulated by federal, state or local governments.

SECTION TWENTY-TWO

RULES AND REGULATIONS

The rules and regulations of Lessor set forth as Exhibit "A", which may be amended from time to time, are expressly made part of this Agreement and Lessee agrees to abide by the same to the extent said rules and regulations are not inconsistent with the terms of this Agreement.

SECTION TWENTY-THREE

TERMINATION

A. Upon termination of this Agreement, Lessee shall quit the Premises peaceably, with no damage to the Premises, normal wear and tear excepted. Lessee shall remove all personal property therein.

B. It is understood and agreed that either party may cancel this Agreement with or without cause upon providing ninety (90) days written notice to the other party or as specifically defined below.

C. The failure by Lessee or Lessor to make any payment or observe or perform any covenants, conditions or provisions of this Agreement required to be made, observed or

performed by such party, after thirty (30) days written notice of such default shall constitute a default of this Agreement by such party; provided, however, that if the nature of the default (other than the payment of money) is such that more than thirty (30) days are reasonably required for its cure, then the defaulting party shall not be deemed to be in default if such party commences such cure within the thirty (30) day period and thereafter diligently prosecutes such cure to completion. Upon default, the non-defaulting party may pursue all remedies available under Nevada law, including termination of this Agreement and recovery of all damages caused by such default.

SECTION TWENTY-FOUR

EFFECT OF AGREEMENT

A. This Agreement constitutes the entire contract between the parties and no obligations other than those set forth herein will be recognized unless endorsed hereon in writing.

B. The covenants and agreements herein contained are binding on the parties hereto, their successors, assigns and legal representatives.

Remainder of page left blank intentionally.

EXHIBIT "A"

Lease (Office) Rules and Regulations of the Building

1. Lessee, its agents, employees, invitees and any person present because of Lessee's occupation of the Premises, shall not in any way obstruct the sidewalks, entry passages, corridors, halls, stairways, or use the same in any other way than as a means of passage to and from their respective offices, not permit anything to be done in the Premises, nor bring nor keep anything therein, which will in any way increase or tend to increase the rate of fire insurance, or which will obstruct or interfere with the rights of other tenants, or in any way injure or annoy them, or which shall conflict with the regulations of the Fire Department or the fire laws or with any insurance policy on the building or any part thereof, or with rules or ordinances established by the District Board of Health; and they shall not make or permit any improper noises in the building, nor throw substances of any kind out of the windows or doors, or in the halls or passageways, nor sit on nor place anything upon the window sills, nor bring into nor keep within the building any animal or motorcycle; and Lessee agrees that it will pay any damages that Lessor may suffer by a violation of this clause.

2. The sash doors, sashes, windows, glass doors, partitions, lights and skylights, that reflect or admit light into the halls or other places of the building shall not be covered or obstructed. In this connection, no drapes or other type window covering may be utilized without prior approval of Lessor.

3. The water closets and urinals shall not be used for any purposes other than for which they were constructed and no plaster of Paris, sweepings, rubbish, ashes, newspaper or other substances of any kind shall be thrown into them. Waste and excessive use of water or heat will not be allowed.

4. No sign, advertisement or notice shall be inscribed, painted, or affixed on any part of the outside or inside of said building without the written consent of Lessor, and if such consent shall be given by Lessor, any such sign, advertisement or notice shall be inscribed, painted or affixed by Lessor, but the cost of any painting, inscribing, or affixing shall be charged to and paid by Lessee.

5. When electric wiring of any kind is introduced it must be connected as directed by Lessor and no boring or cutting of walls, woodwork or wires shall be done without the consent of

Lessor. The location of telephones, telegraph instruments, electric appliances, call boxes, etc. shall be prescribed by Lessor. All work related to the wiring must be presented to and approved by Lessor's Public Works Department.

6. Lessor shall have the right to prescribe the weight, size and position of all safes and other property brought into the building and also the times and manner of moving the same in and out of the building and all such moving must be done under the supervision of Lessor. Lessor will not be responsible for loss of damage to any such safe or property from any cause but all damage done to the building by moving or maintaining any such safe or property shall be repaired at expense to Lessee. At Lessor's election all safes shall stand on timbers of such size and shall be designated by Lessor.

7. Lessee must observe strict care not to leave the Premises exposed to the elements, and for any default or carelessness in this respect Lessee shall make good all injuries or damages sustained by other tenants in the building and by Lessor.

8. All glass, locks and trimmings in or upon the doors and windows belonging to the building, shall be kept whole and whenever any part thereof shall be broken, the same shall immediately be replaced or repaired and put in order under the direction and to the satisfaction of Lessor and shall be left whole or in good repair, together with the same number and kind of keys as may be received by Lessee on entering upon possession and of any part of said building, or during tenancy.

9. The Premises shall not be used for lodging or sleeping purposes.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the day and year first above written.

LESSOR: WASHOE COUNTY, a political subdivision of the State of Nevada

By [Signature]
John Breternitz, Chairman
Washoe County Commission

LESSEE: THE NEVADA TAHOE CONSERVATION DISTRICT

By [Signature]
Its CHAIRMAN

STATE OF NEVADA)

COUNTY OF WASHOE)
DOUGLAS

On this 2nd day of September, 2011, before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared Glen T. Smith, known to me to be the person described in and who executed the foregoing instrument, and who acknowledged to me that he/she executed the same freely and voluntarily and for the uses and purposes therein mentioned.

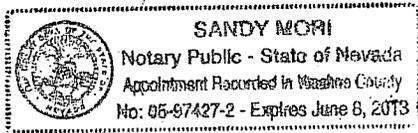
[Signature]
Notary Public



STATE OF NEVADA)

COUNTY OF WASHOE)

On this 27th day of September, 2011, before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared John Breternitz, known to me to be the person described in and who executed the foregoing instrument, and who acknowledged to me that he/she executed the same freely and voluntarily and for the uses and purposes therein mentioned.



[Signature]
Notary Public

RESOLUTION CONFIRMING THE ASSESSMENT ROLL

Summary: A resolution confirming the assessment roll for Special Assessment District No. 32 (Spanish Springs Valley Ranches Roads).

**RESOLUTION NO. _____
(of Washoe County, Nevada)**

A RESOLUTION CONCERNING WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 32 (SPANISH SPRINGS VALLEY RANCHES ROADS); CONSIDERING COMPLAINTS, PROTESTS, AND OBJECTIONS MADE TO THE ASSESSMENTS AT THE HEARING ON THE ASSESSMENT ROLL AND MAKING DETERMINATIONS THEREON; VALIDATING AND CONFIRMING THE ASSESSMENT ROLL; PROVIDING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Board of County Commissioners of the County of Washoe in the State of Nevada (the "Board," the "County" and the "State," respectively), has heretofore, pursuant to the requisite preliminary proceedings, created Washoe County, Nevada, Special Assessment District No. 32 (Spanish Springs Valley Ranches Roads) (the "District"), for the purpose of acquiring and constructing a street project as defined in Nevada Revised Statutes ("NRS") 271.225 (the "Project"); and

WHEREAS, the Board, pursuant to NRS chapter 271 and Resolution No. 03-338 adopted by the Board on March 25, 2003 (the "2003 Provisional Order Resolution"), provisionally ordered the acquisition of a street project as defined in NRS 271.225 within the District; and

WHEREAS, pursuant to Nevada Supreme Court Order of Reversal and Remand filed on July 5, 2006, the Nevada Supreme Court Order Denying Rehearing filed on October 2, 2006, and the District Court Order filed on November 15, 2006 (collectively, the "Orders"), the County has obtained an appraisal, among other things, for parcels in the District showing the increase in market value to the parcels as a result of the elimination of homeowner's dues; and

WHEREAS, the Board amended the 2003 Provisional Order Resolution by adoption of a resolution on September 8, 2009 (collectively, the "Provisional Order Resolution"), pursuant to which the Board declared its determination to create the District for the purpose of acquiring and constructing the Project, stating therein the extent of the improvements, that the

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cost and expense thereof shall be paid by special assessment, and that the assessments are to be made according to benefits, by apt description designating the District, including the lands to be so assessed and definitely locating the improvements to be made; and

WHEREAS, pursuant to the Provisional Order Resolution, the Board gave notice (in the manner specified by NRS 271.305) of the filing of the preliminary plans, assessment plat, preliminary assessment roll, typical section of the contemplated improvements, preliminary estimate of cost, and estimate of maximum benefits, and of the time and place of hearing thereon; and

WHEREAS, the manner of giving such notice by mail, publication and posting was reasonably calculated to inform the parties of the proceedings concerning the District which might directly and adversely affect their legally protected interests; and

WHEREAS, all owners of property to be assessed and interested persons so desiring were permitted to file a written complaint, protest or objection or to appear before the Board on Tuesday, October 13, 2009, and be heard as to the propriety and advisability of acquiring the Project provisionally ordered, as to the cost thereof, and manner of payment therefor, and as to the amount thereof to be assessed against said property; and

WHEREAS, all written and oral objections and protests received were duly considered, and the Board has determined that it is in the best interests of the District, the County, and the inhabitants thereof to create the District as theretofore proposed; and

WHEREAS, the owners of lots which will pay one-half or more of the assessments (as shown in the preliminary assessment roll) did not file written protests or objections and the protests or objections received were received from owners of lots in the District who, in the aggregate, will pay less than one-half of the assessments (as shown in the Preliminary Assessment Roll); and

WHEREAS, every written complaint, protest and other objection was found to be without sufficient merit and was overruled by the Board by a resolution passed and approved on October 13, 2009 (the "Protest Resolution") except as stated in the Protest Resolution; and

WHEREAS, any person filing a written complaint, protest or objection shall have the right, within thirty (30) days after the Board has finally passed on such complaint, protest or objection to commence an action or suit in any court of competent jurisdiction to correct or set aside such determination; and

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WHEREAS, pursuant to the Settlement Agreement and Release among the County, the appellants (the “Appellants”) in Nevada Supreme Court Case No. 57585 (Ahlmeyer et al. vs. County of Washoe) and the Spanish Springs Valley Ranches Property Owners’ Association dated March 23, 2011, the Appellants, who own parcels within the District, have agreed to dismiss the appeal in Nevada Supreme Court Case No. 57585; and

WHEREAS, in accordance with NRS 271.357, the Board considered all applications for hardship filed with the County Clerk and determined to grant one hardship as stated in the Protest Resolution for APN 076-300-18 and that no other qualifying hardships were granted; and

WHEREAS, the District has been created by an ordinance adopted on June 28, 2011, under the provisions of NRS Chapter 271, the Consolidated Local Improvements Law; and

WHEREAS, the Board has heretofore determined that a portion of the cost and expense of the Project is to be paid by special assessments levied against the benefited lots, tracts and parcels of land in the District; and

WHEREAS, the Board has heretofore determined and does hereby declare that the net cost to the County of all improvements in the District (including all necessary incidentals which either have been or will be incurred in connection with the District) is \$10,287,000 of which \$10,286,999.76 is to be assessed upon the benefited lots, tracts and parcels of land in the District for the Project and \$0.24 of which may be paid from other sources if and to the extent set forth in the ordinance levying assessments; and

WHEREAS, the Board, by a resolution duly adopted, directed the licensed engineer of Washoe County, Nevada, Engineering Division, as the engineer for the County with respect to the District (the “Engineer”) to make out a preliminary assessment roll; and

WHEREAS, after determination of the portion of the costs of such work to be paid by the property specially benefited, the Board, together with the Engineer, made out an assessment roll containing, among other things, the names and addresses of the last-known owners of the property to be assessed, or if not known that the name is “unknown”, a description of each lot, tract or parcel of land to be assessed, and the amount of the assessment thereon, and the Engineer reported the assessment roll to the Board and filed the assessment roll with the County Clerk; and

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WHEREAS, the Board thereupon fixed a time and place of Tuesday, September 27, 2011 at 6:00 p.m., at the County Commission Chambers, Washoe County Administration Complex, 1001 East Ninth Street, Building A, Reno, Nevada, when all complaints, protests and objections to the assessment roll, to the amount of the assessments, and to the regularity of the proceedings in making such assessments, by the owners of the property specially benefited by, and proposed to be assessed for, the Project in the District, by any person interested, and by any parties aggrieved by such assessments, would be heard and considered by the Board; and

WHEREAS, the Board caused the assessment roll to be filed in the records of the office of the County Clerk on August 23, 2011; and the County Clerk by publication, and the Engineer by mail, gave the requisite notice of the time and place of such hearing, of the filing of the assessment roll in the office of the County Clerk, of the date of filing the same, and of the right of any such person so to object specifically in writing and of the waiver of any objection in the absence of such objection; and

WHEREAS, at the time and place so designated the Board met to hear and determine all objections so filed or made orally by any interested party; and

WHEREAS, each written protest and oral complaint, objection and protest was duly considered; and

WHEREAS, the written and oral protests or objections were noted for the record and a copy of the minutes of the public hearing are attached hereto as Exhibit B; and

WHEREAS, all complaints, protests and objections, both written and oral, were heard and considered by the Board on September 27, 2011, and, after extensive review and deliberation, are hereby are found to be without sufficient merit and are hereby overruled; provided, however, that the Board has, nevertheless, concluded that it is necessary and equitable that the assessment roll be corrected and revised as follows:

<u>Parcel Number</u>	<u>Ownership</u>	Revised Amount of <u>Final Assessment</u>
----------------------	------------------	---

[Unless changes are listed here, no changes are made and all complaints, protests and objections are overruled and denied]

and

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WHEREAS, the Board has determined and does hereby again determine, that all of the assessable property in the County which is specially benefited by the Project, and only the property which is so specially benefited, is included on the assessment roll heretofore filed with the County Clerk on September 27, 2011; and

WHEREAS, the Board has determined, and does hereby determine, that the notice, both mailed and published, for the hearing held on September 27, 2011, on the assessment roll was reasonably calculated to inform each interested person of the proceedings concerning the District which may directly and adversely affect his or her legally protected rights and interests.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE, IN THE STATE OF NEVADA:

Section 1. This resolution shall be known as and may be cited by the short title "District No. 32 (Spanish Springs Valley Ranches Roads) Assessment Protest Resolution" (the "Resolution").

Section 2. All complaints, protests and objections, both written and oral, are hereby found to be without sufficient merit and are hereby overruled, except as otherwise provided in this Resolution.

Section 3. The Board hereby validates and confirms the assessment roll for the District, as made out by the Board, together with the Engineer, and filed in the records of the office of the County Clerk on August 23, 2011, as hereinabove modified, revised, corrected and made de novo.

Section 4. All action, proceedings, matters and things heretofore taken, had and done by the County and the officers thereof (not inconsistent with the provisions of this Resolution) concerning Special Assessment District No. 32 (Spanish Springs Valley Ranches Roads), including, but not limited to the acquisition of the Project and the validation and confirmation of the assessment roll and the assessments therein, be, and the same hereby are, ratified, approved and confirmed.

Section 5. The Engineer and officers of the County be, and the same hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

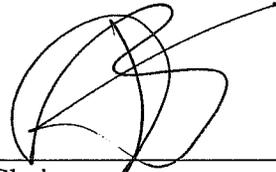
11-071

Section 6. All resolutions, or parts thereof, in conflict with this Resolution are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution or part of any resolution heretofore repealed.

Section 7. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall in no way effect any remaining provisions of this Resolution.

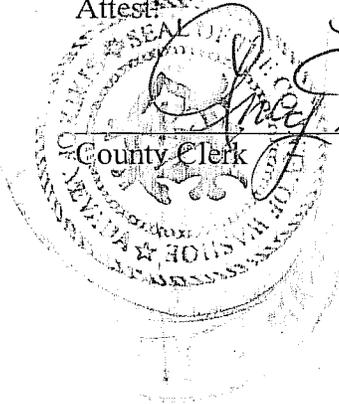
Section 8. The Board has determined, and does hereby declare, that this Resolution shall be in effect immediately after its passage in accordance with law.

PASSED, ADOPTED AND APPROVED this September 27, 2011.



Chairman
Board of County Commissioners
Washoe County, Nevada

(SEAL)
Attest:



Mary Hawey
County Clerk

11-077

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

I am the duly chosen, qualified and acting County Clerk of Washoe County (the "County"), in the State of Nevada, and do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution of the Board of County Commissioners (the "Board") adopted at a meeting of the Board held on September 27, 2011 (the "Resolution").

2. The members of the Board voted on the Resolution as follows:

Those Voting Aye:	John Breternitz David Humke Kitty Jung Robert M. Larkin Bonnie Weber
Those Voting Nay:	<u>Kitty Jung</u> _____ _____
Those Absent:	_____ _____

3. The original of the Resolution has been approved and authenticated by the signatures of the Chairman of the Board and myself as County Clerk and has been recorded in the minute book of the Board kept for that purpose in my office, which record has been duly signed by the officers and properly sealed.

4. A copy of the minutes of the September 27, 2011 meeting evidencing the public hearing on the Assessment Roll is attached hereto as Exhibit B.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the County this 27th of Sept., 2011.



County Clerk
Washoe County, Nevada



(SEAL)

11-07-1

The undersigned does hereby certify:

1. All members of the Board were given due and proper notice of the meeting held on September 27, 2011.

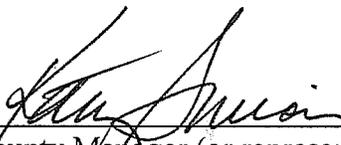
2. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting and excerpts from the agenda for the meeting relating to the Resolution, as posted not later than 9:00 a.m. on the third working day prior to the meeting, on the County's website, and at the following locations:

- (i) Washoe County Administration Complex
1001 East Ninth Street, Bldg. A
Reno, Nevada
- (ii) Washoe County Courthouse-Clerk's Office
Virginia and Court Streets
Reno, Nevada
- (iii) Washoe County Central Library
301 South Center Street
Reno, Nevada
- (iv) Sparks Justice Court
630 Greenbrae Drive
Sparks, Nevada

is attached as Exhibit A.

3. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was mailed to each person, if any, who has requested notice of meetings of the Board in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

IN WITNESS WHEREOF, I have hereunto set my hand this September 27, 2011.



County Manager (or representative thereof)
Washoe County, Nevada

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