

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

TUESDAY

10:00 A.M.

APRIL 10, 2018

PRESENT:

Marsha Berkbigler, Chair

Kitty Jung, Vice Chair

Bob Lucey, Commissioner

Vaughn Hartung, Commissioner

Jeanne Herman, Commissioner

Nancy Parent, County Clerk

John Slaughter, County Manager

Paul Lipparelli, Deputy District Attorney

The Washoe County Board of Commissioners convened at 10:00 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:

18-0253 AGENDA ITEM 3 Public Comment.

Commissioner Herman commented there was still flooding in Lemmon Valley and said the balance of water was misrepresented. She claimed water was being introduced from a foreign source and not being returned after use, creating an imbalance in the basin. She stated Granite Construction should be consulted about how to bring Swan Lake to a safe water level since they were able to lower the Great Salt Lake in Utah when the surrounding area was in danger. She pointed out residents demanded a moratorium on all development until the situation in Lemmon Valley was permanently remedied.

Ms. Tammy Holt-Still said Director of Engineering and Capital Projects Dwayne Smith indicated Deodar Way was supposed to get chip sealed for emergency services but that never happened. She displayed a letter, a copy of which was placed on file with the Clerk, about medical help for a child being delayed due to road closures. She showed photographs and expressed frustration that the water level approached the barriers. She alleged 7,200,000 gallons of water were being pumped into Swan Lake but she said Mr. Smith felt the amount was negligible.

Ms. Denise Ross asked the Board to consider the moratorium on development to give relief to the citizens of Lemmon Valley. She said everyone needed to work together and a short-term moratorium would allow them to get answers about lake levels. She expressed concern that the Hesco barriers were starting to lean.

Ms. Greta Anderson expressed frustration with the engineering department and stated there was an ordinance precluding changes in landscaping that would alter the natural directional flow of water. She said her ditches were deemed appropriate but in 2010 her neighbor placed a ditch and a berm wall which caused flooding on her property.

Ms. Elise Weatherly spoke about the use of unflattering pictures in the media, Dorothy Kilgallen, a student who was expelled from a Christian school, and her own website.

Mr. Shannon Dobbs commented he was a disabled veteran who used cannabis to get through each day. He said his wife quit her job to take care of her son, who used cannabis to help with nerve issues and seizures. Mr. Dobbs said the social isolation his son faced was difficult because he could not medicate in public. He urged the Board to legalize on-premise distribution, noting the downtown area already held chaotic events like the Santa Crawl. While he recognized the financial benefits of cannabis regarding tourism, he asked the Board to help people who lived in the area.

Mr. Sam Dehne spoke about Burning Man, the Santa Crawl, and *The Reno Gazette-Journal*.

Ms. Maureen Collins commented staff recommended not permitting marijuana lounges. Citing the study found in the staff report, she asked who was polled. She pointed out marijuana was different than it was in the 1960s. She questioned the idea of creating lounges so people from out of state could consume marijuana and stressed the importance of the safety of unincorporated Washoe County residents.

Ms. Carolyn Sasek disputed Mr. Smith's assertion water was not impacting residents and property in Lemmon Valley. She stated Washoe County did not respond to her requests for work on Deodar Way and said the road was treacherous; people also drove too fast considering it was a dirt road. She supported a moratorium on development and disagreed that developers should remedy the infrastructure issues in the North Valleys.

Mr. Ed Hawkins requested assistance for Greta Anderson and corroborated her ditches were legal. He claimed Ms. Anderson's neighbor made his own lake and requested the Board put pressure on County Manager John Slaughter to rectify the problem.

18-0254 AGENDA ITEM 4 Announcements/Reports.

County Manager John Slaughter suggested hearing Agenda Item 18 after lunch, not to be heard sooner than 1:00 p.m.

Commissioner Hartung asked staff whether the issue in Red Rock brought up during public comment was on public property and said he wanted information about how Code enforcement staff interacted with the parties involved. Regarding the 7.2

million gallons of water referenced during public comment, he indicated that equaled 22 acre feet while Swan Lake contained 1,700 acre feet of water. He calculated moving Swan Lake 1 foot would take 386 days at that pumping level. He brought up complaints he heard about the Board purposely moving forward with the Lemmon Valley discussion at the March 27, 2018 meeting even though Commissioner Herman was absent. He pointed out Commissioner Herman had an emergency but she requested the Board move forward with the item.

Commissioner Hartung reviewed a series of pictures of the Rise building in Spanish Springs, copies of which were placed on file with the Clerk. He felt the building color was garish and the owners were not abiding by their promise to be good neighbors. He thought architectural and color standards were set forth in the original development agreement when the shopping center was approved,. He noted the owners said they would paint over it and he thanked Commissioner Lucey for addressing the issue.

Commissioner Hartung asked what happened with the plan to chip seal a number of roads in Spanish Springs. He said staff could reach out to him offline to discuss single roads like Deodar Way, though he acknowledged the County's budget had dramatically changed due to other issues.

Commissioner Jung commented she was a speaker at the AmeriCorps' Day of Service event and said AmeriCorps volunteers were the reason why there was a senior services master plan. She indicated there were 250 volunteers there to receive the recognition. She stated she was a guest at a talk on bipartisanship held by Senator Harry Reid and Secretary of State John Kerry at the University of Nevada Reno (UNR). She added Senator Reid donated all his papers and writing to the UNR library system which would be studied by historians. She mentioned the Reno-Tahoe International Airport would be celebrating the inaugural flight to Austin, Texas at 3:30 p.m.

Commissioner Jung noted she, Mr. Slaughter, and Assistant Manager Kate Thomas toured the Washoe County Jail to examine changes made by medical services provider NaphCare in response to concerns. She said many people housed at the jail had mental illnesses or suffered from substance abuse and the doctor reported most people were malnourished. Providing multivitamins to inmates resulted in better decision-making. She praised the jail and the special housing unit specifically for taking care of people with emotional and psychological problems.

Commissioner Jung mentioned WestCare closed its Reno office, which was where law enforcement took people who were too inebriated to care for themselves. Instead they would go to the jail, which already had an overpopulation problem. She declared 47 percent of all inmates were from Reno. At a Criminal Justice Advisory Commission meeting she heard WestCare closed because a new behavioral health hospital which was opening down south hired away WestCare's experts.

Commissioner Jung said she attended the Cèsar Chávez dinner and presented Mr. Chavez's aunt with a Proclamation. She said the American Association of Retired People (AARP) informed her they would do a lunch-and-learn event for County staff about resources for people who were caretakers. She said this would benefit the County's 2,500 employees.

Commissioner Jung announced it was Women's Equal Pay Day and said Human Resources took part in a statewide survey about pay disparity in government. She said women made 80 cents for each dollar a man made for the same work. She said the extra \$10,000 per year would help the economy and provided statistics about the cost of that loss of income. She said the County was committed to not having any pay disparities based on gender or race. The County was the first entity in the region to take the survey, though it would also be given to the Cities of Reno and Sparks. She hoped to see corrections if any disparities were found in the State of Nevada.

Commissioner Herman agreed with Commissioner Hartung about the color of the Rise building. She explained she was in favor of moving forward with the home elevation discussion at the prior meeting because it took so long to get on the agenda and she did not want to delay it further. She disagreed with Commissioner Jung about unequal pay since she was never in a situation where she was paid less than a co-worker.

Commissioner Lucey mentioned he participated with members of the judicial system and the National Council for Juvenile and Family Court Justices at a pinwheel ceremony recognizing Child Abuse Prevention Month. He pointed out there were pinwheels around County offices to signify children in the foster care program and those affected by child abuse. He said the Board was working with the District Attorney's office, the court system, and multiple non-profit organizations to eradicate the issue. He stated it was costly to taxpayers to have children remain in foster care since those children often depended on government services later in life. He encouraged people to support National Child Abuse Prevention Month.

Commissioner Hartung added he participated in the sold-out Heels and Hounds event and mentioned the dog he was paired with was adopted that day. He welcomed a discussion on a development moratorium but said residents paid for a stormwater utility in Spanish Springs and development paid its pro-rata share; this reduced many flooding issues near La Posada Drive. He noted it was difficult to get developers to do offsite improvements. He requested that staff provide a timeline for answers to his questions on the home elevation program and stated it could be possible to move some of the affected homes rather than elevate them. He said he would be willing to discuss home elevation if the Federal Emergency Management Agency would participate. Lastly, he asked for a discussion on the timing of the home purchase program.

Chair Berkbigler said the moratorium issue could come back before the Board if staff deemed it appropriate. She referenced a newsletter put out by the Planning

Commission (PC) which approved a housing development for Washoe County but noted the development never came before the Board. She stated she would have opposed the development since there was water at the proposed location for the development. She took issue with the PC approving things for which the Commissioners would be held responsible. Chair Berkgigler thanked the citizens in the park where she broke her ankle for assisting her as well as the Reno firefighters who helped.

Commissioner Hartung asked Deputy District Attorney Paul Lipparelli whether the PC's role was laid out in the Nevada Revised Statute. Mr. Lipparelli commented the agenda was not set up for a discussion about moratoria. Commissioner Hartung requested a future discussion on the PC's role in deciding planning items that were not part of an appeal process.

Commissioner Lucey remarked any discussion about moratoria needed to include a discussion about the availability of affordable housing as it was the Board's responsibility to allow for certain development.

PROCLAMATIONS

18-0255 **5A** Proclamation - Proclaim April 8, 2018 through April 14, 2018 as National Crime Victims' Rights Week.

Commissioner Lucey thanked the Board for allowing a Proclamation to be made at this meeting since it was National Crime Victims Week. He pointed out criminals were provided rights that district attorneys had to abide by but victims were often not granted the rights they deserved. He read and presented the Proclamation to Scott Scheid.

Mr. Scheid thanked Washoe County for recognizing Crime Victims Rights Week and reminded the Board anyone could be a victim of crime regardless of race, socio-economic status, or political ideology. He stated Marsy's Law would ensure victims the right to notification of inmate release or hearing information pertinent to their cases, the right to privacy, and the right to full and timely restitution. He looked forward to the community supporting the measure by voting yes at the ballot.

Commissioner Herman commented she supported Marsy's Law and expressed sympathy as she was the victim of a crime.

On the call for public comment, Mr. Sam Dehne praised Marsy's Law and spoke about *The Reno Gazette-Journal*, the University of Reno Nevada library, and Open Meeting Law.

On motion by Commissioner Lucey, seconded by Commissioner Jung, which motion duly carried, it was ordered that Agenda Item 5A be adopted.

CONSENT AGENDA ITEMS – 6A THROUGH 6E2

- 18-0256** **6A1** Acknowledge the communications and reports received by the Clerk on behalf of the Board of County Commissioners. Clerk. (All Commission Districts)
- 18-0257** **6A2** Approval of minutes for the Board of County Commissioner’s concurrent meeting of February 27, 2018 and regular meetings of March 13, 2018 and March 20, 2018.
- 18-0258** **6B** Approve the settlement of the claim of Tehan Slocum v. Washoe County, et al for a total sum of [\$100,000] for all claims against all defendants. Comptroller. (All Commission Districts.)
- 18-0259** **6C** Approve the revised direct grant award increase from the State of Nevada, Office of Criminal Justice Assistance FFY 2017/2018 Justice Assistance Grant (JAG), Project No. 14-JAG-44 [additional \$371.45 funding for a total of \$2,093.13] and 14-JAG-45I [additional \$359.21 funding for a total of \$420.24], for an additional funding total of [\$730.66 and a grand total of \$2,513.37, no County match required] to purchase equipment for Marine 9 & 10 for the retroactive grant period of 1/1/18 - 5/31/18; and authorize Comptroller’s Office to make the necessary budget amendments. Sheriff. (All Commission Districts.)
- 18-0260** **6D** Approve an Interlocal Cooperative Agreement (ICA) and acceptance of a contribution of [\$25,000.00] from the Truckee River Flood Management Authority (TRFMA) for a regional Flood Response Action Plan (FRAP) and authorize Comptroller to make appropriate budget amendments. Manager. (All Commission Districts.)
- 18-0261** **6E1** Approve a Resolution calling a public hearing (to be set for May 8, 2018) on the amendment of the boundaries of District No. 24 (Groundwater Remediation/Central Truckee Meadows Remediation District) in Washoe County, Nevada; providing for a notice of hearing, and providing other matters properly related thereto. Community Services. (All Commission Districts.)
- 18-0262** **6E2** Approve an Agreement for Professional Consulting Services between Washoe County and CH2M Hill, Engineers, Inc. to provide programming and design services for the South Truckee Meadows Water Reclamation Facility Chemical Storage Building Rehabilitation [\$123,000.00]. Community Services. (Commission District 2.)

Commissioner Herman requested clarification on Consent Agenda Item 6E1. County Manager John Slaughter indicated staff would provide an explanation but the item would remain in the Consent Agenda, to which the Commissioner agreed.

Chris Benedict, Remediation District Program Manager with the Community Services Department, explained the Department presented this item every year. Statute dictated the process for amending the boundaries for the Central Truckee Meadows Remediation District began with the passage of a Resolution. He noted the Department changed boundaries every year as water purveyors added customers to their service territory.

Commissioner Hartung stated as boundaries expanded, contaminants from dry cleaners and automobile repair shops were found. He indicated the water innovation campus was developing a program to remove those types of contaminants. He asked whether a change in location of the contaminants was why boundaries were increasing. Mr. Benedict replied there were two components to the remediation district boundaries: the contaminant boundary, where the contaminant was historically known to exist, and the service area boundary for water companies. He clarified the contaminant boundary had shrunk from 20 square miles to 9 square miles; the area that increased was the service area boundary.

Commissioner Hartung pointed out the staff report showed no fiscal impact in increasing the boundary but stated there was a fiscal impact to remove contaminants from the water. Mr. Benedict responded there was no fiscal impact related to the Resolution. He said as the process went on there would be discussion about details of the boundary change and the associated fee ordinance.

There was no public comment on the Consent Agenda Items listed above.

On motion by Commissioner Hartung, seconded by Commissioner Jung, which motion duly carried, it was ordered that Consent Agenda Items 6A through 6E2 be approved. Any and all Resolutions or Interlocal Agreements pertinent to Consent Agenda Items 6A through 6E2 are attached hereto and made a part of the minutes thereof.

BLOCK VOTE – 7 THROUGH 10

18-0263 **AGENDA ITEM 7** Recommendation to approve a retroactive extension of the contract for three months for Allied Universal Security Services for Courthouse Security Officer (CSO) Services to support the Washoe County court security system. If approved, authorize the Purchasing and Contracts Manager to execute the Courthouse Security Officer Services Agreement between Allied Universal Security Services and Washoe County for the term of April 1, 2018 through June 30, 2018. The estimated contracted amount for this three month extension is [\$188,000.00]. If approved, authorize Purchasing and Contracts Manager to execute the agreement. Comptroller. (All Commission Districts.)

There was no response to the call for public comment.

On motion by Commissioner Jung, seconded by Commissioner Hartung which motion duly carried, it was ordered that Agenda Item 7 be approved and authorized.

18-0264 **AGENDA ITEM 8** Recommendation to approve Washoe County Leave and Accommodations for Victims of Domestic Violence Policy. Human Resources. (All Commission Districts.)

County Manager John Slaughter pointed out the County already allowed for this type of leave pursuant to statute, but the item would codify requirements from the last legislative session.

There was no response to the call for public comment.

On motion by Commissioner Jung, seconded by Commissioner Hartung, which motion duly carried, it was ordered that Agenda Item 8 be approved.

18-0265 **AGENDA ITEM 9** Recommendation to approve Intrastate Interlocal Contract between Public Agencies, the County of Washoe, Second Judicial District Court and the State of Nevada, Department of Health and Human Services and Division of Welfare and Supportive Services, for Master's System July 1, 2018 through June 30, 2022, for the purpose of enforcing child support obligations, locating non-custodial parents, establishing paternity, obtaining child support and adjusting support orders. The estimated budget for these services for fiscal years 2018-19, 2019-20, 2020-21 and 2021-22 [approximately \$1,271,116], reimbursed through federal Title IV-D funds, no match required). District Court. (All Commission Districts.)

There was no response to the call for public comment.

On motion by Commissioner Jung, seconded by Commissioner Hartung, which motion duly carried, it was ordered that Agenda Item 9 be approved. The Interlocal Contract for same is attached hereto and made a part of the minutes thereof.

18-0266 **AGENDA ITEM 10** Recommendation to certify charges, levy and direct the Treasurer to collect [\$32,538.75] in special assessments for fiscal year 2018/19 as requested by the State Engineer of the State Department of Conservation and Natural Resources, for Honey Lake Valley Groundwater Basin (\$1,371.22), Hualapai Flat Water District (\$3,123.05), San Emidio Desert District (\$3,435.10), Warm Springs Valley Groundwater Basin (\$2,543.50), Washoe Valley Groundwater Basin (\$2565.88), Warm Springs/Winnemucca Creek Basin (\$4,000.00); Cold Springs Valley Groundwater Basin (\$0.00), Lake Tahoe Groundwater Basin (\$1,000.00), Lemmon Valley Water District (\$2,500.00 no assessment required due to sufficient cash resources in Lemmon Valley

Water District Fund), Pleasant Valley Groundwater Basin (\$2,500), Spanish Springs Valley Groundwater Basin (\$3,000), Tracy Segment Groundwater Basin (\$2,000), Truckee Canyon Segment Groundwater Basin (\$2,000), and Truckee Meadows/Sun Valley Basin (\$2,500.00). The Board of Commissioners authorizes the County Treasurer to remove uncollectible assessments and/or correct assessments on the tax roll as requested by the Division of Water Resources; and direct the Comptroller to pay to the Department of Conservation and Natural Resources the requested funds. Manager. (All Commission Districts.)

Commissioner Herman requested clarification of this item as it related to Lemmon Valley. Assistant County Manager Dave Solaro mentioned staff had determined there was never a Lemmon Valley Water District entitlement. He explained this item pertained to an accounting system whereby Washoe County received money from property taxes and placed it into a fund until it was sent to the State engineer. He said there was a balance of \$15,000 associated with Lemmon Valley that would be passed on to the State engineer to monitor the groundwater basin.

There was no response to the call for public comment.

On motion by Commissioner Hartung, seconded by Commissioner Jung, which motion duly carried, it was ordered that Agenda Item 10 be certified, levied, directed, and authorized.

18-0267 **AGENDA ITEM 11** Discussion and direction to staff on establishing considerations for regulations for marijuana consumption lounges in Unincorporated Washoe County. Manager. (All Commission Districts.)

Assistant County Manager Dave Solaro noted staff was in the process of providing for permanent regulations associated with marijuana establishments in Washoe County, adding there would be a relevant second reading later on the agenda. He indicated a question regarding marijuana consumption lounges came up during the Board's strategic planning retreat. Staff requested that discussion be kept separate from the permanent regulations to allow implementation of the regulations before the quick-start regulations expired. He commented everything was on schedule so any current and future dispensaries going through State and County processes could open.

Mr. Solaro introduced the discussion about marijuana lounges in Washoe County, noting the Cities of Reno and Sparks would be responsible for their own regulations. He said staff sought the Board's direction to craft language about consumption lounges. He pointed out they had received public feedback and Commissioner Jung had provided feedback from hotels requesting the ability to provide places to smoke marijuana. He remarked there was concern about tourists smoking in cars and then driving under the influence. He confirmed there was a survey about consumption lounges and the results were split, though staff heard concerns about public

safety, traffic safety, and second-hand smoke. He added those were all things that could be regulated within the process but staff requested the direction of the Board.

When asked by Chair Berkbigler if consumption lounges were available anywhere else in Nevada, Mr. Solaro confirmed the State had not yet enacted any regulations and there were no existing lounges. Commissioner Hartung asked whether the Cities of Reno and Sparks had progressed on this topic, to which Mr. Solaro replied there had been discussions at a staff level but no discussions had been held during public meetings.

Commissioner Jung inquired whether there was a Legislative Council Bureau (LCB) decision that allowed lounges based on State Question 2. Mr. Solaro read the opinion's conclusion, which stated a business could operate a lounge where patrons could use marijuana and a government entity could adopt an ordinance requiring businesses to purchase business licenses and to comply with any restrictions imposed by that entity. The opinion was requested by Senator Tick Segerblom. Commissioner Jung requested staff to come up with best practices and address speculative consequences.

Commissioner Jung claimed Washoe County was the first in the State to introduce regulations for dispensaries even before the State made any recommendations, a point which Mr. Solaro could not confirm. She stated as a result the County worked on updates for the Development Code. She said other Commissioners wanted to wait for Clark County but she felt Washoe County should be the model for the State. She said she was a speaker at the inaugural Cannabis Convention and heard concerns about tourists getting \$500 cleaning bills for smoking in hotel rooms. She pointed out it was legal to smoke in Nevada but the only place for tourists to do it was in their cars, which was dangerous. She said casino and hotel/motel owners were requesting places for tourists to smoke. She asked the Board to give staff more than three hours to explore this, adding it was being done in other states.

Commissioner Jung commented the State had the strictest regulations on dispensing, cultivating, and producing in the country because of research which identified the problems encountered in states like Arizona, Washington, Oregon, and California. She noted there were no products in Nevada that looked like something a child might mistake for candy. She urged the Board to allow staff to research issues like impaired driving and she said did not want to wait for State Legislature to act.

Deputy District Attorney Paul Lipparelli said the item was the Board's opportunity to direct staff on policy about regulating this type of activity. He stated the opinion of the LCB did not bind the County and it should not be considered legal advice. He felt the County should get its advice from the elected District Attorney. He said the opinion was guidance but it was merely one public attorney's view of the law; it should be considered but not taken as gospel.

Commissioner Lucey expressed he was conflicted by the item. He said recreational marijuana in Washoe County had only been legal for a brief time and added

that not all six allowable dispensaries were even open. He felt it was too premature to consider lounges. He commented people did not visit bars with the intent to get drunk but he opined people would visit consumption lounges to get high. He acknowledged the majority of citizens approved recreational marijuana but expressed concern for the citizens who did not approve of it.

Commissioner Lucey said the property owners he spoke to were not advocates for consumption lounges. Those that did advocate for lounges wanted to get marijuana off their properties but they were not convinced lounges were conducive to northern Nevada. He pointed out there was no mass transit in the unincorporated County and law enforcement was challenged to patrol all those areas with minimal staff. He felt the addition of lounges would increase impaired driving and stated he could not support the idea.

Commissioner Hartung agreed with Commissioner Lucey and said it would be difficult to separate lounges from dispensaries. He expressed concern about anyone driving under the influence of anything and mentioned Second Judicial District Court Judge David Hardy lost his daughter to a drunk driver. He alleged the level of potency in marijuana was stronger than forty years ago. He said there was no viable methodology to test for marijuana impairedness and remarked if someone had tetrahydrocannabinol (THC) in their system and they were involved in an accident, even if they were not high, they could be charged. He advised not one hotel owner he spoke to wanted marijuana on their premises but there were no hotels in unincorporated Washoe County.

Commissioner Hartung acknowledged he understood Commissioner Jung's position but pointed out the fiscal impact associated with the staff report was not determined. Commissioner Jung responded it was because they had not performed a study. Commissioner Hartung added the fiscal impact of marijuana laws on law enforcement was also unknown even without considering the potential addition of lounges.

Commissioner Herman agreed with Commissioners Lucey and Hartung.

Chair Berkbigler called Mr. Ed Alexander to speak, adding for the record she toured his facility on April 9 and stated it would be a wonderful facility.

On the call for public comment, Mr. Alexander urged the Board to allow staff to explore the pros and cons of cannabis lounges. He pointed out he was not endorsing or condemning the subject itself; he wanted staff to have the ability to answer the questions of the Commissioners so they could make informed decisions. He affirmed the Nevada Resort Association expressed concern about \$500-\$600 cleaning bills even though people voted to allow recreational marijuana. He equated marijuana lounges to development and mentioned some apprehension about marijuana prior to the opening of dispensaries was no longer present. He thought it was in the best interest to give staff the time to explore the topic.

Mr. Douglas R. Studwell Jr., citing the survey in the staff report, pointed out the sample size was small and he questioned who took the survey. He felt the County should be working together with the Cities of Sparks and Reno as well as with Citizen Advisory Boards. He remarked the next item on the agenda was to designate County parks as smoke-free and pointed out all hotel rooms had no-smoking signs on them. He inquired what the standards were for public intoxication, what viable testing methods were available to law enforcement, and how customers would get from lounges to their ultimate destinations.

Commissioner Hartung expressed concern about customers traveling from lounges to their destination especially since there was no public transit. He wanted law enforcement to be able to determine intoxication levels since he was concerned with impaired drivers.

Commissioner Lucey contended County residents passed recreational marijuana and it was not passed for residents outside Nevada. He reiterated all hotels were located in the municipalities and, while lounges might be more suitable for those city areas, he did not find them to be appropriate for unincorporated Washoe County.

Commissioner Jung said the arguments made by Commissioners Lucey and Hartung were evidence staff needed time to research whether the area needed public transit or if tourists would be interested in lounges. She said as Reno-Sparks Convention and Visitors Authority President Commissioner Lucey should be against customers from California returning home to imbibe. She indicated the item was not about establishing lounges but allowing staff to determine the validity of some of the concerns. She moved to direct staff to look into consideration for regulations in terms of lounges in unincorporated Washoe County, which could prepare the County for the legislative session where she felt many bills would pass. She thought the Board's reluctance to act on lounges was inconsistent with the County's ordinance about Dotty's later in the meeting even though there were no Dotty's in unincorporated areas.

Chair Berkbigler said she would second the motion because she was a proponent of staff study. She stated the issue would come up at the Legislature because a senator in southern Nevada intended to bring it forward. She felt there was value in knowing what the impact on the County would be so she supported the concept of the study.

Commissioner Hartung repeated he would like to see more information from law enforcement. He noted District 4 voted against recreational marijuana and he opined people in the dispensary business sought to have lounges to make more money. Commissioner Berkbigler responded she thought the Sheriff's Office would be participating in the study to get answers to Commissioner Hartung's concerns.

Commissioner Jung moved to direct staff to look into consideration for regulations in terms of lounges in unincorporated Washoe County. Chair Berkbigler

seconded the motion. The motion failed on a vote of 3 to 2 with Commissioners Lucey, Hartung, and Herman voting “no”.

On motion by Commissioner Hartung, seconded by Chair Berkbigler, which motion duly carried, it was ordered that the item be brought back before the Board in early 2019 when law enforcement had more information.

Chair Berkbigler announced the Board would be in recess until 1:00 p.m.

12:03 p.m. The Board adjourned.

1:00 p.m. The Board reconvened with Commissioner Jung absent.

18-0268 **AGENDA ITEM 12** Update and possible direction to staff on designating Washoe County parks as smoke free parks through changes to Chapter 95 of Washoe County Code. Community Services. (All Commission Districts.)

Eric Crump, Division Director of Operations with the Community Services Department, said staff sought direction about designating Washoe County parks as smoke-free. He noted there was a joint meeting on January 17, 2018 between the Washoe County Open Space and Regional Park Commission, the City of Reno Recreation Parks Commission, and the City of Sparks Park Commission, at which a presentation was given by the Health District. As a result, a joint agency working group was formed to consider a smoke-free initiative consistent across all jurisdictions. He said all three commissions voted to support smoke and vape-free parks to protect the health of the community through changes to their respective ordinances.

Mr. Crump indicated two surveys showed a majority of the respondents were in favor of some form of smoke-free parks; details of those surveys were included in the staff report. He remarked enforcement would take the form of positive signage consistent across the jurisdictions. He pointed out a list of agencies throughout the country that enacted similar regulations in the staff report. He added the Sparks City Council voted in favor of designating parks smoke-free at their April 9 meeting and the Reno City Council would hear the topic at their April 11 meeting. He requested the Board’s direction.

When asked by Commissioner Hartung about enforcement, Mr. Crump answered much would be handled through social pressure and signage. He commented as per language in Washoe County Code Chapter 95, parks’ staff could ask for compliance. Changes to Chapter 95 could include citation authority much like Animal Services had. He acknowledged it wasn’t a prevalent problem so he did not foresee enforcement being a huge issue.

Commissioner Hartung asked for clarification whether parks would have smoke-free areas or if entire parks would be smoke-free. Mr. Crump replied staff

concluded it made sense for neighborhood parks with no buildings to be smoke-free, but in parks with buildings there would be designated smoking areas. Commissioner Hartung said he feared citizens could take it upon themselves to enforce the ordinance. He compared it to littering and expressed concern about how it would be enforced.

Chair Berkgigler mentioned she was the non-smoking lobbyist for Nevada in the 1980's and she was responsible for non-smoking laws in the State. She concurred it would be difficult to enforce but stated if Sparks and Reno felt it was a good idea, she thought the County should approve it.

Mr. Crump admitted parks' staff was small considering the number of acres it had to manage and it already patrolled for illegal trash disposal and animal ordinance infractions. He wondered whether the challenge of law enforcement was a good enough reason not to proceed. He reiterated it was not a prevalent problem and there were few altercations because of this. He added citizens already tried to enforce issues like unleashed dogs themselves.

Commissioner Lucey stated the inability to enforce it did not mean it should not be considered. He said if the County's stance was to support smoke-free parks, citizens would take it upon themselves to enforce as they did with pets. He noted the Commissioners were proud of the area's open spaces and supporting the policy was the right thing to do. Using the parks for beauty and recreation as well as to promote physical activity was in line with the County's mission, and individuals could be relied on to police the initiative.

Commissioner Hartung expressed disgust at seeing cigarette butts in planters at the parks and found no issue with creating smoke-free zones. He wished to convince society smoking was a detriment to people's health.

Commissioner Herman agreed designating County parks as smoke-free was the responsible thing to do.

County Manager John Slaughter added he received letters of support from The American Heart Association, The Nevada Tobacco Prevention Coalition, The Nevada Public Health Association, The Truckee Meadows Park Foundation, and Keep Truckee Meadows Beautiful, copies of which were placed on file with the Clerk.

Commissioner Lucey emphasized the item would not preclude only smoking cigarettes but vaping as well, adding people could obtain marijuana for vape pens. This ordinance would eliminate smoking any product that was considered hazardous to people.

On the call for public comment, Mr. Michael Hackett, President of the Nevada Tobacco Prevention Coalition and consultant for the Nevada Public Health Association, stressed expanding smoke and vape-free areas throughout the State were priorities for both organizations. Both organizations supported efforts that focused on

healthy communities and sustainable living, and the proposal was an important step in that direction. He noted the letters of support provided data about current smoking rates in the State and the economic impact of that. He thanked the Board for its consideration.

Ms. Kelli Goatley-Seals of the Washoe County Health District said she supported the ordinance on behalf of the public health community. Making parks smoke free would eliminate exposure to secondhand smoke, encourage youth not to smoke, and offer a supportive environment for people who wanted to quit. She reported 85 percent of Washoe County citizens were non-smokers and 92 percent did not vape. She thanked the Board and offered technical assistance.

Ms. Geanette Orton with the Truckee Meadows Parks Foundation, citing a survey conducted in September, announced 76 percent of the 963 responses supported either a full or partial ban of smoking in parks. She indicated the people surveyed were park goers, of whom 87 percent did not smoke and 98 percent did not vape. She and the Foundation supported smoke-free parks.

Commissioner Hartung stated the County rented out certain facilities for events like weddings and asked how the ban would affect those places. Mr. Crump said it was the opinion of staff to be strategic in its designation of smoking areas associated with certain buildings. To accommodate citizens and staff who attended those events, the County would strategically determine those areas and be in constant communication with the renters of those facilities.

On motion by Commissioner Hartung, seconded by Commissioner Lucey, which motion duly carried with Commissioner Jung absent, it was ordered that Agenda Item 12 be approved.

18-0269 **AGENDA ITEM 15** Public hearing: Second reading and adoption of an ordinance amending the Washoe County Code at Chapter 25 (Business License Ordinance), Chapter 53 (Miscellaneous Crimes), and Chapter 110 (Development Code) to provide for limited exemption of certain acts from criminal prosecution and for the licensing and land use authorization required to operate marijuana establishments (including cultivation facilities, distributors, product manufacturing facilities, testing facilities, and retail marijuana stores/medical dispensaries) which are licensed by the State of Nevada under NRS Chapter 453A and/or NRS Chapter 453D; to allow for all marijuana establishments in general commercial and industrial regulatory zones; to allow for retail marijuana stores/medical dispensaries in neighborhood commercial and tourist commercial regulatory zones as well; and, to address other matters necessarily connected therewith and pertaining thereto. The Board of County Commissioners introduced and conducted a first reading of the proposed ordinance on March 27, 2018. Community Services. (All Commission Districts.)

The Chair opened the public hearing by calling on anyone wishing to speak for or against adoption of said Ordinance.

Jan Galassini, Chief Deputy Clerk, read the title for Ordinance No. 1616, Bill No. 1802.

Commissioner Hartung expressed reservation about dispensaries being placed in neighborhood commercial zones (NCZs), adding the City of Sparks was intent on keeping them in industrial areas. He mentioned NCZ was a very common land use designation.

Commissioner Lucey asked about the current allotment of dispensaries in Washoe County. Planning Manager Bob Webb replied Nevada Revised Statute 453D allowed a maximum of 20 dispensaries in the County. He said 13 of those 20 had been allocated, six of which were in the unincorporated County, four in Reno, and three in Sparks. He believed the remainder would go to populous areas in the County, most likely in the City of Reno.

Commissioner Lucey agreed there were challenges with the NCZ designation. Commissioner Hartung asked whether they could omit that language. Deputy District Attorney Paul Lipparelli responded that change would be too significant and it would require the ordinance to start over. He confirmed Chair Berkgigler's assertion the Board could pass the ordinance as written then remove the NCZ language at a later time.

On the call for public comment, Mr. Will Adler, representing the Sierra Cannabis Coalition, praised the County for the way it vetted its ordinances. He noted they met with members of the industry and the public. Regarding the NCZ designation, he pointed out dispensaries had other restrictions besides zoning, noting they could not be placed near schools or residences. He claimed there were only about 10 suitable buildings outside of the Lake Tahoe area to move dispensaries from Incline Village.

Commissioner Lucey moved to introduce Ordinance 1616. Mr. Lipparelli corrected the ordinance should be adopted. Mr. Lucey amended his motion, which was seconded by Chair Berkgigler.

Commissioner Hartung was uncomfortable voting for the item without concrete plans that they would revisit the ordinance to remove the NCZ designation. He pointed out there were many rural areas throughout the County that could be candidates to become NCZs. He praised Commissioner Lucey and Mr. Adler for the work they did on the ordinance but expressed concern about dispensaries acting on their own accord. He noted the Rise dispensary wanted to move into a standalone building. Disputing Mr. Adler's earlier claim, Commissioner Hartung alleged there were 10 to 15 parcels in his district alone that could accommodate a dispensary.

Chair Berkbigler asked whether an item to remove the NCZ language could appear at the last meeting of April. Mr. Lipparelli indicated if the ordinance was approved there would be a publication period and typically an ordinance would take effect ten days after adoption. At that point they could have a first reading of a new ordinance, but it could not all get accomplished in April.

Commissioner Hartung noted it would have to go back to the Planning Commission. Assistant County Manager Dave Solaro noted they were reviewing all County Code Chapters that could be impacted by recreational marijuana. He made note the Board wanted the NCZ issue addressed and asked that staff be able to include it in their research of the Code.

Commissioner Lucey mentioned six dispensaries were currently located in NCZs and requested clarification about how modifying the ordinance would affect those dispensaries as well as new dispensaries. Commissioner Hartung thought the dispensary in South Washoe Valley was on a piece of commercial property. Someone from the audience confirmed it was in a general commercial zone. Chair Berkbigler indicated the one in Incline Village was in a NCZ. Commissioner Hartung reiterated his concerns about having dispensaries in a NCZ. He stated he would reluctantly support the ordinance but requested additional work on the NCZ designation.

Commissioner Lucey mentioned a number of dispensary locations were proposed on Mt. Rose Highway and Arrowcreek Parkway that were in NCZs and it was a big point of contention. He felt delaying the ordinance was not prudent.

Mr. Lipparelli stated in general if the zoning scheme were changed to make something impermissible, any prior non-conforming use would be grandfathered; if the establishment was abandoned, the right to that use would go away. Ordinances could be structured to leave existing businesses as is while prohibiting future ones from relocating to NCZs. Commissioner Hartung stated that was his intent. He stated he would take the Board at its word that the item would be revisited and he would support the measure.

Chair Berkbigler said the Board did not want to see a facility on Mt. Rose Highway or in Incline Village. She asked staff to research the item to address the Board's concerns.

Commissioner Lucey questioned whether the right to use would remain with the property in the event of a sale. He stated as different neighborhoods grew, areas no longer suitable for dispensaries could encounter that issue. He asked whether the Board could mandate a new owner to move to a new location more beneficial to that type of business. Commissioner Hartung agreed and drew a parallel to the discussions the City of Reno was having regarding adult entertainment.

On motion by Commissioner Lucey, seconded by Chair Berkbigler, which motion duly carried on a 3 to 1 vote with Commissioner Herman voting "no" and

Commissioner Jung absent, Chair Berkbigler ordered that Ordinance No. 1616 , Bill No. 1802, be adopted, approved and published in accordance with NRS 244.100.

18-0270 **AGENDA ITEM 16** Public hearing: Adoption of an updated Master Business License Fee Schedule which includes a new quarterly marijuana establishment license fee as authorized pursuant to AB 422, Sec. 65.6 (2017) and Washoe County Code section 25.728 and a new marijuana establishment relocation application fee; and, if approved, authorize the Chair to sign a Resolution adopting the Master Business License Fee Schedule with an effective date of April 20, 2018. The proposed quarterly marijuana establishment license fee will be 3% of a marijuana establishment's reported quarterly gross revenue and the proposed marijuana establishment relocation application fee will be \$500. Community Services. (All Commission Districts.)

The Chair opened the public hearing by calling on anyone wishing to speak for or against adoption of Agenda Item 16. There being no response, the hearing was closed.

Commissioner Hartung stated he felt \$500 was not enough to cover the staff time required when someone wanted to apply for relocation. He suggested a base fee of \$500 and an opportunity for additional fees to cover the hundreds of hours of staff time. Spurred by Chair Berkbigler's query, he confirmed he wanted staff to revisit this item at a future time.

Assistant County Manager Dave Solaro mentioned a third-party evaluator was reviewing all fees and charges assessed by the County and indicated he would emphasize this item. He added the \$500 was just for the application and they charged additional fees for inspection. He agreed it made sense to ensure the fee was great enough to recoupe any staff time needed. Commissioner Hartung expressed concern about how many employees needed to be present at every publicly-held meeting.

Commissioner Lucey stated cost recovery was essential to what the County was trying to accomplish, especially based on mandates in the legislation. He sought to address the application fee now but remarked the third-party evaluator could determine how much staff time would be required to cover those costs.

On motion by Commissioner Lucey, seconded by Commissioner Hartung, which motion duly carried with Commissioner Jung absent, it was ordered that Agenda Item 16 be adopted and authorized. The Resolution pertinent to Agenda Items 16 is attached hereto and made a part of the minutes thereof.

18-0271

AGENDA ITEM 18 Public hearing: Second reading and possible action to adopt an ordinance amending Chapter 30 of the Washoe County Code, Intoxicating Liquor and Gaming Licenses and Regulations as follows:

Section 30.010 - Definitions, to amend definitions for taverns, tavern-restaurants, and associated gaming devices, to restrict the manner of alcohol sales within taverns or tavern-restaurants with limited or restricted gaming within the bar top, and to add a definition and certain exemptions from these rules for a grandfathered tavern and grandfathered tavern-restaurant operating with restricted or limited gaming prior to April 20, 2018;

Section 30.355 - Operation of a Tavern or Tavern-Restaurant with Restricted or Limited Gaming, to add a requirement for the type and number of gaming devices allowed for a tavern or tavern-restaurant with restricted or limited gaming;

Section 30.360 - License Application, to add a requirement for submittal of a diagram and written declaration with an application for license or renewal of a restricted or limited gaming license;

Section 30.400 - Renewal; notice of due date; substantial changes, to add a provision for non-compliance with these new rules in Section 30.355 requiring the restricted or limited gaming operator to reduce the number of slot machines on the premises to 7; and Section 30.419 - Suspension and revocation of gaming licenses, to include non-renewal of a license for good cause, and to allow enforcement of gaming licenses in association with misrepresentation on gaming license applications; and other matters necessarily connected therewith and pertaining thereto. Community Services. (All Commission Districts.)

The Chair 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.

Jan Galassini, Chief Deputy Clerk, read the title for Ordinance No. 1617, Bill No. 1803.

Assistant County Manager Dave Solaro remarked the item was intended to tighten up regulations that would address any potential complaints the County might receive about limited gaming establishments. He noted State law permitted 15 gaming machines in establishments if they were not the primary source of business. In places where slot machines were the primary source, the owner could either have seven machines or they could obtain an unlimited gaming license with the State. He mentioned there was concern from the community that the County could not enforce the provisions. The County worked with the Cities of Sparks and Reno to create parameters in the Code to address limited gaming establishments within city limits, and the County wanted to adopt the same regulations within unincorporated Washoe County. This would allow Code enforcement officers to recognize at once if machines were an ancillary use of the facility, giving them a better approach to enforce current Codes.

Commissioner Hartung admitted some businesses found a loophole to allow them to put in what he considered a slot parlor. He asked why the County did not address the issue in the land use code and questioned how they would be able to enforce the new ordinance. Mr. Solaro responded the County originally intended to introduce sections in both County Code Chapters 110 and 30, but at the request of the industry it was decided to address the issue in the business license process. This approach was consistent with the other jurisdictions in the area.

Commissioner Hartung presented a scenario where an owner had a certain bar height approved but then it was determined to be too low. He felt this should be something the State of Nevada should address. He asked whether the County would have to check what businesses were doing when they obtained a business license, adding it would be easier to enforce if it was addressed under the land use.

Mr. Solaro responded bar height compliance was dictated partially by the Americans with Disability Act (ADA). Regarding enforcement, he indicated the County sent out bills to operators on a quarterly basis requesting the business layout. He admitted owners complied with Code largely on an honors system but said the County would review everything in the event of any complaint to ensure businesses complied with Code. It was the same system used by compliance officers reviewing land use infractions. Commissioner Hartung maintained the establishment was not a tavern and compared it to a photography studio being assigned a different designation if it had a darkroom.

Commissioner Herman stated she thought the County was targeting a small business and cautioned against being overly restrictive.

Commissioner Lucey asked whether there were any businesses in unincorporated Washoe County who would be impacted by the change. Mr. Solaro answered there were a limited number of tavern/restaurants in Washoe County. Mr. Solaro confirmed Commissioner Lucey's assumption those businesses would be grandfathered in since they were licensed under the original Code and no businesses currently operating would be forced out. The ordinance would create consistency among businesses' primary and secondary function.

Commissioner Lucey said it was common sense to create consistency within the region regarding how owners did business. He acknowledged there could be a reason to discuss gaming parlors in the future, indicating the current Code had the potential for loopholes.

Mr. Solaro affirmed Chair Berkbigler's point that it was not the County's intention to close any businesses. Commissioner Hartung commented he felt this was a solution looking for a problem.

Commissioner Lucey pointed out enforcement was always complaint-driven and there was not enough staff to enforce every aspect of the County Code. He stated regardless of enforcement there was a need for Code to provide proper direction.

On the call for public comment, Mr. Michael Hillerby, speaking on behalf of Nevada Restaurant Services also known as Dotty's, said he felt the ordinance was directed at Dotty's. He repeated a comment made in the staff report that the ordinance would give the County a better opportunity to define and enforce in the event there was a complaint about the company's primary business model. He argued the appropriate venue for that should be the Gaming Control Board (GCB). He remarked the definition of 'incidental' had been debated in legislation for more than 50 years and he cited a study that recommended companies had to abide by existing gaming control laws. He alleged a Commissioner would have no way of knowing which aspects of a Dotty's or a sports bar were primary and which were incidental. He read from Washoe County Code about the definitions of eating establishments.

Chair Berkgigler announced Mr. Hillerby would receive additional time to speak.

Mr. Hillerby pointed out County staff would not enforce fast-food restaurants by counting how many people were sitting down to eat. He wondered what the problem was with an owner who invested in the community and was willing to pay taxes. He declared there were ways to expand the Code so it did not target one business model. He noted there could be times in more traditional taverns where gaming revenue beat the sale of food. He quibbled over the definitions of a kitchen, noting according to County Code all an establishment needed was an oven and a refrigerator or sink. He concluded saying uniform bar height was not the type of detail that necessitated regional conformity.

Chair Berkgigler noted Mr. Michael Alonso would also receive five minutes to speak.

Mr. Alonso, on behalf of the Nevada Resort Association, reminded the Board they were discussing a privileged license, owners of which had to do things differently than other people. He affirmed the Association wanted to get consistency so things could be enforced more uniformly. Responding to previous comments made by Commissioner Hartung and Mr. Hillerby, Mr. Alonso pointed out the GCB did not set land use nor decide which establishments were taverns; local governments did. He noted no one would ever argue whether gaming was incidental inside grocery stores or drugstores because they needed to meet certain requirements. Convenience stores and liquor stores also had limits on the number of machines they could have. He commented slot parlors were not allowed as per the State GCB and a license was issued to the subject establishments only through their designation as a tavern, grocery store, or some other permitted entity.

Mr. Alonso said they were trying to address a situation where an owner took over an existing location by remodeling. If passed, the ordinance would allow that owner to place seven slot machines, not 15; the owner would need a primary business that was not slot machines. He pointed out the law in Washoe and Clark Counties was changed in 2013 which required new establishments to have a permanent physical bar and at least 2,500 square feet available for patrons. He reviewed some of the other requirements established by the 2013 law. He summarized a new business would have to follow all State requirements to obtain a restricted gaming license. He stated those establishments already set up were grandfathered under the Statute but the purpose of the ordinance was to regulate owners against transforming an existing business into a slot parlor.

Ms. Cathy Brandhorst spoke about matters of concern to herself.

Commissioner Hartung explained his prior comparison to a photography studio was made because different types of activities triggered different requirements for a license. When asked by Commissioner Hartung about the requirements necessary to be considered a kitchen, Mr. Solaro answered the Health District regulated the requirements for commercial kitchens. He said the definition within the County's Development Code related to residential-use kitchens.

Commissioner Hartung asked about ADA requirements for bar height. Mr. Solaro responded 42 inches was the standard bar height but the Code allowed for additional items to be at a lower range of heights to be ADA compliant. Commissioner Hartung reiterated his belief the subject establishment was a gaming parlor.

Commissioner Lucey moved to adopt the ordinance. Commissioner Hartung seconded the motion but maintained it should have been addressed with the land use and business type.

Commissioner Lucey said he wanted to assist in determining how it could be addressed in Code to adjust to the changing community.

Chair Berkgigler stated she supported the motion because regionalization with the Cities of Reno and Sparks required working on all issues, not just the ones she desired.

On motion by Commissioner Lucey, seconded by Commissioner Hartung, which motion duly carried on a 3 to 1 vote with Commissioner Herman voting "no" and Commissioner Jung absent, Chair Berkgigler ordered that Ordinance No. 1617, Bill No. 1803, be adopted, approved and published in accordance with NRS 244.100.

18-0272 **AGENDA ITEM 13** Introduce and conduct a first reading of an ordinance amending Washoe County Code Chapter 110 (Development Code) within Article 406, Building Placement Standards, to amend the standards within Section 110.406.05, General; and to address other matters necessarily connected therewith and pertaining thereto. The proposed amendment would require all yard setbacks to be measured from the property line with two exceptions: (1) when an access easement or right-of-way greater than 20 feet in width traverses the property, in which case the setback would be measured from the edge of the easement closest to the proposed structure, or (2) when a county-maintained road located outside a recorded easement or right-of-way traverses a property, regardless of width, in which case the setback would be measured from the edge of the road. If supported, set the public hearing for second reading and possible adoption of the Ordinance for April 24, 2018. Community Services. (All Commission Districts.)

The Chair 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.

Commissioner Hartung noted this was a housekeeping item to remove a loophole in the Code.

Jan Galassini, Chief Deputy Clerk, read the title for Bill No. 1804.

There was no public comment on this item.

Bill No. 1804 was introduced by Commissioner Hartung, and legal notice for final action of adoption was directed.

18-0273 **AGENDA ITEM 14** Introduce and conduct a first reading of an ordinance amending Washoe County Code Chapter 110 (Development Code) within Article 306, Accessory Uses and Structures, to amend Section 110.306.10 Detached Accessory Structures, to define how the height of an accessory structure is measured both (1) when the structure is located within the required rear or side yard setback (12 feet maximum height as measured from the lowest finished grade of the structure to the average height of the highest of a pitched or hipped roof), and (2) when it is located outside of all applicable setbacks (35 feet maximum height as currently measured per Article 902); and to address other matters necessarily connected therewith and pertaining thereto; and if supported, set the public hearing for second reading and possible adoption of the Ordinance for April 24, 2018. Community Services. (All Commission Districts.)

The Chair 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.

Jan Galassini, Chief Deputy Clerk, read the title for Bill No. 1805.

Bill No. 1805 was introduced by Commissioner Hartung, and legal notice for final action of adoption was directed. He clarified the item was a housekeeping issue.

18-0274 **AGENDA ITEM 17** Public hearing: Master Plan Amendment Case WMPA17-0012 - Hearing and discussion to: (1) Adopt an amendment to the Spanish Springs Area Plan to modify Policy SS.1.3(f), by removing the date limitation that currently limits the General Commercial (GC) regulatory zone to properties with a regulatory zone of GC prior to August 17, 2004, and (2) Authorize the Chair to sign the Resolution to adopt the amendment. If adopted, the amendment will be effective if and when the Regional Planning Commission finds that it conforms to the Truckee Meadows Regional Plan. Community Services. (Commission District 4.)

The Chair opened the public hearing by calling on anyone wishing to speak for or against adoption of Agenda Item 17. On the call for public comment, Ms. Cathy Brandhorst spoke about matters of concern to herself.

Commissioner Hartung noted the subject area was historically zoned as neighborhood commercial but this would change it to general commercial like the parcels across the street.

On motion by Commissioner Hartung, seconded by Commissioner Lucey, which motion duly carried with Commissioner Jung, it was ordered that Agenda Item 17 be adopted and authorized. The Resolution pertinent to Agenda Items 17 is attached hereto and made a part of the minutes thereof.

18-0275 **AGENDA ITEM 19** Possible Closed Session for the purpose of discussing labor negotiations with Washoe County and Truckee Meadows Fire Protection District per NRS 288.220.

County Manager John Slaughter indicated this item was not needed.

18-0276 **AGENDA ITEM 21** Announcements/Reports.

The Board remarked on a picture of Commissioner Hartung with a dog from a recent Humane Society event. Commissioner Hartung spoke about the event. After this brief discussion, the Board heard Agenda Item 20 and returned to this item afterward.

Chair Berkbigler requested an item on a June agenda regarding indoor tennis courts.

Chair Lucey thanked the Humane Society for their work with animals and Commissioners.

Commissioner Hartung referenced a comment made by Commissioner Herman about draining the Great Salt Lake and he requested more information from staff about that. He noted he and Commissioner Lucey had conversations with a neighboring entity about the possibility of that entity purchasing the effluent water coming out of the Stead plant. He mentioned a developer working along Chickadee Drive was considering bringing in a dry line, though he cautioned only so much water could be conveyed through an 8 inch line. He said he was receptive to hearing all options as it was difficult to drain a terminus lake.

Commissioner Lucey requested an update from the Community Services Department about stormwater districts throughout the area. He referenced complaints received from the Galena area and sought potential options to deal with stormwater there. Commissioner Hartung noted staff would need to wait for the map the Board requested from the Western Regional Water Commission, which would allow the Board to understand where the water was coming from and where it was going.

18-0277 **AGENDA ITEM 20** Public Comment.

Ms. Cathy Brandhorst spoke about matters of concern to herself.

AGENDA ITEM 21 Announcements/Reports.

Chair Berkbigler reopened the item after public comment; see Minute Item Number 18-0276 for the discussion.

* * * * *

2:51 p.m. There being no further business to discuss, the meeting was adjourned without objection.

MARSHA BERKBIGLER, Chair
Washoe County Commission

ATTEST:

NANCY PARENT, County Clerk and
Clerk of the Board of County Commissioners

Minutes Prepared by:
Derek Sonderfan, Deputy County Clerk

**INTERLOCAL AGREEMENT
(Flood Response Action Plan Funding Agreement)**

THIS AGREEMENT is by and between

County Washoe County, a political subdivision of the state of Nevada
1001 E. Ninth Street; P.O. Box 11130
Reno, Nevada 89520-0027

TRFMA Truckee River Flood Management Authority,
a body corporate and politic and a public agency
9635 Gateway Dr., Suite A
Reno, Nevada 89521
Attn: Executive Director

Article 1 Definitions

¶1.01 **Flood Response Action Plan (FRAP)** means the plan compiled by the Washoe County Regional Partners that serves as the operational document to guide those governmental entities in responding to and recovering from flooding incidents.

¶1.02 **Washoe County Regional Partners** means Washoe County, the City of Reno, the City of Sparks, TRFMA, Reno-Sparks Indian Colony, and the Pyramid Lake Paiute Tribe.

Article 2 Recitals

¶2.01.A The Regional Partners have developed and maintain a Flood Action Response Plan. The FRAP serves as the overarching operational document to guide the regional partners through the response to and recovery from flood incidents.

¶2.01.B Because of recent flooding events it is necessary to update the FRAP, and Washoe County has engaged the services of Ecology and Environment, Inc. to conduct that work.

¶2.01.C TRFMA wishes to contribute to efforts to update the FRAP as one of the Washoe County Regional Partners.

NOW THEREFORE in exchange for the mutual covenants contained herein, and pursuant to the provisions of NRS Chapter 277B, the parties agree as follows:

0200-81

Article 3 Duties

§3.01 Contribution by TRFMA

TRFMA shall contribute \$25,000 toward the update of the FRAP. Those funds will be made in a single payment to Washoe County within 10 working days of the last signature on this agreement. TRFMA is not in contractual privity with Ecology and Environment, Inc., and has no liability for any breach of the agreement between Washoe County and Ecology and Environment, Inc. TRFMA has no obligation or right to oversee the work of Ecology and Environment, Inc. or assure that its work complies with any requirements of the agreement with Washoe County.

§3.02 Washoe County is Lead Agency

Washoe County shall be the lead agency for the completion of the FRAP and shall function as the administrator for the FRAP per NRS 277.120(2)(b). Washoe County shall be the sole contracting party with Ecology and Environment, Inc., and shall be responsible to oversee its work.

Article 4 Obligations; Relationship of Parties; Indemnifications.

§4.01 Books, records, inspection and audit; access.

¶4.01.A Washoe County agrees to keep adequate and accurate books and records as to aspects of its performance under this Agreement and the administration of the agreement between Washoe County and Ecology and Environment, Inc.

¶4.01.B Washoe County will provide TRFMA with such records and documents as may be needed by TRFMA to verify that the contributed funds are used for the purposes agreed upon in this agreement.

§4.02 Status of Parties, Officials and Employees.

¶4.02.A Nothing in this Agreement creates or implies a partnership, joint venture or similar association. The parties are independent of one another, and neither is an agent of or obligated to the other except as specifically provided herein.

¶4.02.B No official or employee of any party to this Agreement shall be personally liable to any other party or any successor in interest, in the event of any default or breach by the party or for any amount which may become due to any other party or its successor, or as a result of any representation (except any representation regarding the authority to execute this Agreement), warranty or obligation under the terms of this Agreement.

§4.03 Indemnifications.

To the fullest extent allowed by law, and without waiving any immunities (except as provided under the law of Nevada, including NRS 41.0305 through NRS 41.039, as amended from time to time) that may be available, each party (the “Indemnifying Party”) shall indemnify, hold harmless and defend the other party (the “Indemnified Party”) from and against all claims or liability to the extent caused by an act, error or omission of the Indemnifying Party or a Related Party arising out of the administration of this Agreement.

Article 5 Timing; performance; breach and remedies.

§5.01 Time schedule and Termination.

This Agreement expires on February 28, 2019, unless sooner terminated or discharged, or unless extended by written agreement of the parties. Either party may terminate this agreement upon 30 days written notice. Any funds not spent or committed at the time of notice of termination shall be returned to TRFMA.

§5.03 Default and Remedies.

¶5.03.A Default. A default occurs when (i) a party repudiates, breaches or fails to perform any material obligation, term or provision in this Agreement including a failure to perform any requirement in accordance with any schedule attached hereto; (ii) a party who is responsible to cause a material event to occur fails to have such event occur by the time required; (iii) any representation of a material fact expressed herein was false at the time it was made, or, if a continuing representation, becomes false as a result of a subsequent event or occurrence; (iv) any event occurs that is otherwise described in this Agreement as a breach or default.

¶5.03.B Notice and Right to Cure. Unless otherwise specified in this Agreement, and unless prohibited by law, in the event of the default, the non-defaulting party shall provide written notice of such default and the specific action required to cure such default and the defaulting party shall have thirty (30) days from the date that the notice is deemed given to cure the default; provided however, that in the event such default is not capable of being cured within said time period but is capable of being cured, the defaulting party has substantially commenced to cure said default and diligently pursues cure, the defaulting party shall be granted an additional period not to exceed sixty (60) days to so cure said default

¶5.03.C Remedies

1. In general. If the event of a material default is suffered or caused by any party and not cured within the period of time specified, the non-defaulting party may, subject to any specific provision regarding remedies herein, (i) suspend any counter-performance due hereunder until the default is cured; (ii) terminate this Agreement; (iii)

pursue any other remedy specifically provided in this Agreement, and/or (iv) bring an action for damages or equitable relief.

2. Remedies cumulative. All remedies stated in this Agreement are cumulative with each other and with any remedy afforded in law or equity. The election of any remedy does not constitute a waiver of any other remedy.

¶5.03.D Waivers Any forbearance, inaction, or failure to promptly pursue any remedy (whether intentional or negligent) shall not be deemed a waiver of any default or remedy. Waivers must be expressed in writing signed by the waiving party, and a waiver of a default is limited to the specific default identified in the written waiver and does not constitute a course of dealing or implication that similar defaults will be waived in the future.

Article 6 General Provisions.

§6.01 Assignment; Delegation; Binding Effect

¶6.01.A Accept as provided elsewhere in this Article, neither TRFMA or Washoe County shall assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the written consent of the other, which consent may be withheld for any reason, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

¶6.01.B This Agreement shall be binding on and runs to the benefit of the parties, their respective successors and any assignees or delegates if the assignment or delegation is permitted. Unless otherwise specifically identified in this Agreement, there are no third party beneficiaries intended by this Agreement and no third parties have any standing to enforce any of the provisions of this Agreement.

§6.02 Applicable Law

This Agreement shall be construed under and governed by the laws of the State of Nevada, and any action to enforce it shall be brought in the Second Judicial District Court for the State of Nevada

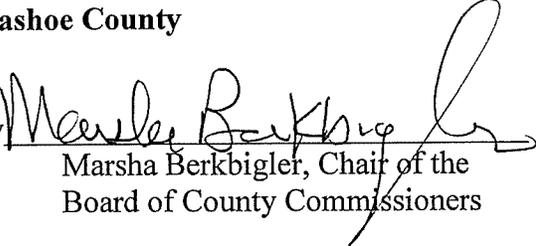
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Truckee River Flood Management Authority,

By _____
Jay Aldean, Executive Director

Date _____

Washoe County

By  _____
Marsha Berkbigler, Chair of the
Board of County Commissioners

Date April 10, 2018

INTRASTATE INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES

A Contract Between the State of Nevada
Acting By and Through Its

Department of Health and Human Services
Division of Welfare and Supportive Services
1470 College Parkway
Carson City, NV 89706

And

Washoe County through the Second Judicial District Court of the State of
Nevada in and for Washoe County
75 Court Street
Reno, NV 89501

WHEREAS, NRS 277.180 authorizes any one or more public agencies to contract with one or more other public agencies to perform any governmental service, activity or undertaking with any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, it is deemed that the services of The Second Judicial District Court of the State of Nevada, hereinafter set forth are both necessary to Division of Welfare and Supportive Services (DWSS) and in the best interests of the State of Nevada;

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. REQUIRED APPROVAL. This Contract shall not become effective until and unless approved by appropriate official action of the governing body of each party.
2. DEFINITIONS. "State" means the State of Nevada and any state agency identified herein, its officers, employees and immune contractors as defined in NRS 41.0307. "Court" and "County/City" are used interchangeably throughout this contract and both are responsible parties under the terms of this contract.
3. CONTRACT TERM. This Contract shall be effective: **July 1, 2018 subject to Board of Examiners' approval to June 30, 2022**, unless sooner terminated by either party as set forth in this Contract.
4. TERMINATION. This Contract may be terminated by either party prior to the date set forth in paragraph (3), at any time without cause upon provision of sixty (60) days notice in writing to either party; or in the event of: (1) material breach of this contract by either party; (2) failure to take corrective action; (3) termination of the program established by Congress in Title IV-D of the Social Security Act; (4) any significant change in federal or state funding provisions. Termination will be effective sixty (60) days after written notice is received by the other party. DWSS shall reimburse the Judicial District Court for costs incurred pursuant to this contract through the last effective date of this contract, unless Section III. E of Attachment A of this contract applies. The parties expressly agree that this Contract shall be terminated immediately if for any reason federal and/or State Legislature funding ability to satisfy this Contract is withdrawn, limited, or impaired.

18-0025

5. NOTICE. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address set forth above.

6. INCORPORATED DOCUMENTS. The parties agree that the services to be performed shall be specifically described; this Contract incorporates the following attachments in descending order of constructive precedence:

ATTACHMENT A: SCOPE OF WORK

ATTACHMENT B: NOTICE/APPEAL PROCESS

ATTACHMENT C: BUDGET ANALYSIS

ATTACHMENT D: IRS SAFEGUARDING CONTRACT LANGUAGE

7. CONSIDERATION. The Second Judicial District Court of the State of Nevada agrees to provide the services set forth in paragraph (6) at a cost to be determined per Attachment C and not to exceed \$1,271,116; \$308,580 for FY19, \$314,632 for FY20, \$320,804 for FY21 and \$327,100 for FY22 or the approved annual budget, whichever is less. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require.

8. ASSENT. The parties agree that the terms and conditions listed on incorporated attachments of this Contract are also specifically a part of this Contract and are limited only by their respective order of precedence and any limitations expressly provided.

9. INSPECTION & AUDIT.

a. Books and Records. Each party agrees to keep and maintain under general accepted accounting principles full, true and complete records, agreements, books, and documents as are necessary to fully disclose to the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.

b. Inspection & Audit. Each party agrees that the relevant books, records (written, electronic, computer related or otherwise), including but not limited to relevant accounting procedures and practices of the party, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location where such records may be found, with or without notice by the State Auditor, Employment Security, the Department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the State Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives.

c. Period of Retention. All books, records, reports, and statements relevant to this Contract must be retained a minimum three years and for five years if any federal funds are used in this Contract. The retention period runs from the date of termination of this Contract. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

10. BREACH; REMEDIES. Failure of either party to perform any obligation of this Contract shall be deemed a breach. Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including but not limited to actual damages, and to a prevailing party reasonable attorneys' fees and costs.

11. LIMITED LIABILITY. The parties will not waive and intend to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Actual damages for any State breach shall never exceed the amount of funds which have been appropriated for payment under this Contract, but not yet paid, for the fiscal year budget in existence at the time of the breach.

12. FORCE MAJEURE. Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Contract after the intervening cause ceases.

13. INDEMNIFICATION. Neither party waives any right or defense to indemnification that may exist in law or equity.

14. INDEPENDENT PUBLIC AGENCIES. The parties are associated with each other only for the purposes and to the extent set forth in this Contract, and in respect to performance of services pursuant to this Contract, each party is and shall be a public agency separate and distinct from the other party and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other party.

15. WAIVER OF BREACH. Failure to declare a breach or the actual waiver of any particular breach of the Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

16. SEVERABILITY. If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

17. ASSIGNMENT. Neither party shall assign, transfer or delegate any rights, obligations or duties under this Contract without the prior written consent of the other party.

18. OWNERSHIP OF PROPRIETARY INFORMATION. Unless otherwise provided by law any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by either party in performance of its obligations under this Contract shall be the joint property of both parties.

19. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents may be open to public inspection and copying. The parties will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests.

20. CONFIDENTIALITY. Each party shall keep confidential all information, in whatever form, produced, prepared, observed or received by that party to the extent that such information is confidential by law or otherwise required by this Contract.

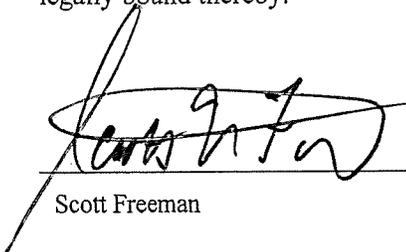
21. PROPER AUTHORITY. The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract and that the parties are authorized by law to perform the services set forth in paragraph (6).

22. GOVERNING LAW; JURISDICTION. This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The parties consent to the jurisdiction of the Nevada district courts for enforcement of this Contract.

23. ENTIRE AGREEMENT AND MODIFICATION. This Contract and its integrated attachment(s) constitute the entire agreement of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto, approved by the Office of the Attorney General.

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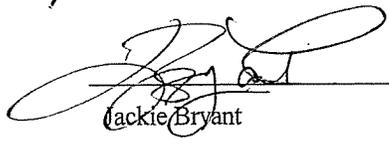
IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.



Scott Freeman Date 3/7/18

Chief Judge,
2nd Judicial District Court

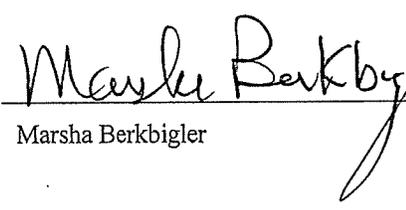
Title



Jackie Bryant Date 3-6-18

Court Administrator,
2nd Judicial District Court

Title



Marsha Berkbigler Date 4-10-18

Chairman,
Board of County Commissioners, Washoe County

Title

Steve H. Fisher Date

Administrator,
Division of Welfare and Supportive Services

Title

Richard Whitley Date

Director,
Department of Health and Human Services

Title

APPROVED BY BOARD OF EXAMINERS

Signature – Board of Examiners

On: _____
Date

Approved as to form by:

Deputy Attorney General for Attorney General

On: _____
Date

**ATTACHMENT A
SCOPE OF WORK**

WHEREAS, Title IV, Part D (Title IV-D), 42 USC § 651, authorizes an appropriation for each fiscal year for the purpose of enforcing support obligations owed by non-custodial parents to their children, locating non-custodial parents, establishing paternity, obtaining financial and medical support, and adjusting support orders; and

WHEREAS, the Child Support Enforcement Program (CSEP) within the Division of Welfare and Supportive Services (DWSS) , has been designated the single and separate organizational unit to develop and administer the Nevada State Plan pursuant to Title IV-D, 42 USC § 654; and

WHEREAS, Title IV-D, 42 USC § 654(7) authorizes DWSS to enter into interlocal contracts with appropriate courts and law enforcement officials to implement an efficient statewide system to meet the purposes of this Act; and

WHEREAS, Title IV-D, 42 USC § 666(a)(2) requires expedited processes for establishing paternity and establishing, modifying and enforcing support obligations and 42 USC § 666(c) more specifically defines this obligation; and

WHEREAS, the NRS authorizes the District Courts of the State of Nevada to take evidence, hear arguments, and issue orders regarding establishing paternity, securing financial and medical support, adjusting support orders, enforcing and recovering support debts for children who may or may not be receiving public assistance; and

WHEREAS, the NRS and Title IV-D of the Social Security Act require DWSS attempt to establish paternity, secure financial and medical support, and recover support debts for children who may or may not be receiving public assistance; and

WHEREAS, DWSS may carry out its responsibilities through, and in coordination with, the District Courts of the State of Nevada in connection with this contract, under the authority of NRS 277.180; and

WHEREAS, the Title IV-D CSEP offers Federal Financial Participation (FFP) in the form of reimbursements with which to plan, coordinate, and improve financial and medical support enforcement services to Nevada's children and taxpayers; and

WHEREAS, the Title IV-D CSEP requires the development of an effective and efficient system to assist children in obtaining and securing their birth rights.

NOW, THEREFORE, the parties agree as follows:

- I. The JUDICIAL DISTRICT COURT(S) agrees:
 - A. To recruit and appoint Court Masters pursuant to NRS 3.405 and NRS Chapter 425 to hold hearings on matters related to paternity, financial and medical support establishment and payment of support in accordance with the purposes of CSEP.
 - B. To appoint a sufficient number of substitute Court Masters to maintain an uninterrupted court calendar in the event the primary Court Master is unavailable.
 - C. To consult with the Chief of the CSEP prior to appointment of Court Masters.
 - D. To ensure Court Masters recommendations are compliant with federal and state laws and regulations.

- E. To permit authorized state and federal personnel to monitor and/or audit the activities, procedures, cases, and accounting records that are subject to this contract, and to develop correctional plans to rectify any exceptions noted in monitoring and/or audit reports that place them out of compliance with this contract or federal/state statutes and regulations.
- F. To ensure through its own court resources and processes: (1) expedited process time frames pursuant to NRS 3.415 are met, and (2) pursuant to NRS 425.3844, it shall approve or reject a master's recommendation for modification(s) within ten (10) days after expiration of the objection time period.
- G. To ensure compliance with 45 CFR Part 300, et. seq.
- H. To pay the unmatched portion of FFP of the allowable costs (County Share) for expenditures which exceed the annual budget approved by the Chief of CSEP.
- I. To conduct a master's court in which the plaintiff/obligor and the defendant/obligee are both given the opportunity to present their side with or without attorney representation.
- J. In IV-D actions brought before the master, cases will be presented pursuant to NRS 425.3852 and a program representative may participate telephonically or by video conferencing whichever is available to present cases before the master.
- K. To submit a budget annually to DWSS for approval. During even numbered years, projected two-year budgets must be provided. The budget projection will commence on July 1 of the even numbered years and end on June 30 two years later. This information will be used to obtain authority from the state legislature for reimbursements.
- L. To limit any claims for reimbursement to those costs for hearings held under the "master system" meeting the purpose of CSEP. Total expenditures shall not exceed the yearly estimated budget as approved by the Chief of CSEP or designee, and subject to work program authority granted pursuant to the State Budget Act, NRS 353.150 to 353.246, inclusive. Any expenditure exceeding yearly budgeted amounts will not be reimbursed by the DWSS. An annual budget must be submitted pursuant to Attachment C attached hereto.
 - 1. Court Masters actual time spent preparing for court, in court, preparing recommendations, in travel status, participating in program related training and/or performing policy analysis may be reimbursable when included as part of the budget approved by the Chief of CSEP or designee; or

A flat rate not to exceed a monthly proportionate share of the State Fiscal Year amounts submitted under the budget approval process contained in Attachment C of this Intrastate Interlocal Contract.
 - 2. Costs not included in the annual budget approved by the Chief of CSEP or designee are not reimbursable without the approval of the Chief prior to the expense being incurred.
 - 3. A monthly IV-D master claim form, as provided by the Chief of CSEP must be completed, approved by the District Court Judge or designee and submitted to the Chief of CSEP before reimbursement can be paid.
 - 4. All masters' requests for training shall be submitted on a travel request form attached hereto and hereby incorporated by reference, to the Chief of CSEP. If approved, the master must submit a travel expense form, attached hereto and

incorporated by reference, to the Chief of CSEP before reimbursement can be paid.

- M. To submit an invoice to DWSS CSEP, 1470 College Parkway, Carson City, Nevada, 89706 for reimbursement of services no later than the 20th calendar day of the month following the month service was provided. Invoices shall include sufficient documentation and detail to support claimed invoice and shall identify those costs in two categories: State share of costs (Hearing Masters expenses) and County share of costs (all other costs for services). All billings for dates of service prior to July 1 must be submitted to the state no later than the third Friday in July of the same calendar year to avoid processing the invoice as a stale dated claim for that fiscal year. Expenses which are more than 90 calendar days older than the date the reimbursement claim is submitted will be considered stale and rejected from reimbursement consideration.
- N. Federal statutes, regulations and policies established for all state IV-D programs will be complied with to the extent they do not violate the U.S. Constitution and the Nevada Constitution. This includes, but is not limited to, the federal requirements for review and adjustment as part of the state IV-D program.
- O. Any equipment or furniture purchased with CSEP/federal funds must be clearly marked and all purchasing records prepared so as to identify CSEP as the source of funds for the purchase. An inventory must be developed based on these records, which identifies where the items are being stored or used in the office. If the Judicial District Court ceases to offer services under this contract, all equipment and furniture purchased must be properly accounted for before first being offered to the Chief of CSEP or disposed of according to federal statutes, regulations, and the CSEP manual.
- P. Any administrative and/or cost recovery amount or program must be approved by the Chief of CSEP or designee prior to implementation.
- Q. Must provide services to all interstate and intrastate cases, whether public assistance/referred under state assignments (45CFR 301.1, i.e. TANF, Title IV-E Foster Care, Medicaid only cases, et. al.) or non-public assistance in an equal manner. This standard includes all services in UIFSA [NRS Chapter 130], parentage, enforcement and modification of court orders.
- R. The parties agree to adhere to all case processing time frames and procedures in 45 CFR Chapter 300, including, but not limited to:
 - 45 CFR 303.4 Establishment of Support Obligations
 - 45 CFR 303.5 Paternity Establishment
 - 45 CFR 303.6 Enforcement of Support Obligations
 - 45 CFR 303.8 Review and Adjustment
 - 45 CFR 303.31 Securing and Enforcing Medical Health Insurance
 - 45 CFR 303.100 Income Withholding
 - 45 CFR 303.101 Expedited Service
- S. The expenditure of funds under this program are subject to the annual audit requirements under the Single Audit Act of 1984 (P.L. 98-502) and the Office of Management and Budget Circular A-133 (Audit of States, Local Governments, and Non-Profit Organizations). OMB A-133 states in part: non-federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provision of this part.

II. DWSS Agrees:

- A. To pay the unmatched portion of FFP of the allowable costs (state share) based upon the budget approved by the Chief of CSEP within 30 days of receiving and approving reimbursement requests, for current billings. The amount for the Judicial District Court shall not exceed the yearly estimated budget as approved by the Chief, and subject to work program authority granted pursuant to the State Budget Act, NRS 353.150 to 353.246, inclusive.
- B. To submit the total cost of the master's system to the federal program for reimbursement. DWSS agrees to reimburse THE JUDICIAL DISTRICT COURT(S) by installments, as documentation of actual costs and travel claims are submitted to the Program within 30 days of receiving and approving reimbursement requests, for current billings.

III. ALL PARTIES Mutually agree:

- A. That this contract is contingent upon DWSS concurring with the rules and procedures adopted by the DISTRICT COURT for application to the master's system. Said concurrence will not be unreasonably withheld.
- B. That the standardized forms developed for the Nevada automated computer system will be used in all IV-D cases, unless specifically exempted by procedures described in the CSEP Manual.
- C. To provide Title IV-D services in compliance with federal law and any other applicable requirements so long as such services are authorized or permitted under the NRS, and regulations adopted by DWSS.
- D. That the parties shall not use or disclose any information concerning a recipient of services under this contract, for any purpose not in conformity with the Social Security Act.
- E. That failure to comply with this contract or any of the federal regulations and state laws pertaining to Title IV-D of CSEP may result in a disallowance of reimbursement by the state for the state share of costs and/or the FFP provided pursuant to this contract. Notice will be provided thirty (30) days prior to the reduction. Notice and appeal process are outlined in Attachment B.
- F. This contract will be reviewed periodically by DWSS, not less than once per duration of the contract, to be conducted not less than ninety (90) days prior to the expiration date of this contract, to ensure that continuous IV-D master's hearings are provided. Renewal of this contract is contingent upon satisfactory levels of compliance with all federal state laws pertaining to the Title IV-D, CSEP.
- G. This contract may be renewed for additional periods as mutually agreed, and shall only be valid when they have been reduced to writing, duly signed, and attached to the original of this contract. Renewal must be approved/negotiated not less than thirty (30) days prior to the existing contract's ending date, and will be effective upon expiration of the existing contract.
- H. There shall be no discrimination on the basis of race, color, sex, religion, ancestry, national origin, age, or handicap. No otherwise qualified individual shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under this contract. The parties agree to treat, without regard to the aforementioned factors, all individuals on an equal basis in employment practices, in connection with CSEP.

ATTACHMENT B

NOTICE/APPEAL PROCESS

Under this contract, the parties responsible for completing each identified function agree to meet the following performance standards:

NOTICE/APPEAL PROCESS:

- A. The Chief of the Child Support Enforcement, DWSS will provide written notice thirty (30) days prior to withholding or assessing a penalty or reducing Federal Financial Participation (FFP) per the terms of this agreement. If the Judicial District Court(s) does not disagree pursuant to paragraph B below, the penalty will be assessed.
- B. The Judicial District Court(s) have thirty (30) days from the date of notice to respond in writing to the Chief if they disagree with the above notice. The response must contain arguments and documentation why the Chief should not withhold FFP or assess the penalty. If the Judicial District Court(s) fails to respond in accordance with the above, the Chief will take the action outlined in "A".
- C. The Chief will respond in writing within thirty (30) days of receipt, indicating what action will be taken.
- D. If the Judicial District Court(s) disagrees with the Chief's decision, an appeal may be submitted in writing to the Administrator, DWSS within fifteen (15) days. The appeal must contain written arguments and documentation why the Chief should not take the action outlined in "A" and "C".
- E. The Administrator may request additional information and will make a written decision within sixty (60) days of receipt of the appeal or all information, whichever is later. The decision of the Administrator is final.

ATTACHMENT C

CHILD SUPPORT ENFORCEMENT PROGRAM BUDGET ANALYSIS

Grant: Child Support Enforcement, Catalog of Federal Domestic Assistance (CFDA) number 93.563

The expenditure of funds under this program are subject to the annual audit requirements under the Single Audit Act of 1984 (P.L. 98-502) and the Office of Management and Budget Circular A-133 (Audit of States, Local Governments, and Non-Profit Organizations).

Attachment C, Budget Analysis, is divided into two parts. Part one is a general explanation of the budget process. Part two contains instructions on how to prepare your annual budget analysis. Budgets must be submitted in a format approved by the State of NV Division of Welfare and Supportive Services.

PART ONE: EXPLANATION

The budget review process is implemented to provide an estimate of Title IV-D funds needed in any fiscal year, and to analyze requests for FFP, state share and County/City match to examine the cost effectiveness of the proposal.

Based on fiscal guidelines provided by DWSS on or before April 15th of each year, a budget must be submitted to the Chief of the Child Support Enforcement Program, for establishment of a maximum level of reimbursements no later than May 15th.

FFP is approved at the applicable matching federal rate by the federal government through the Federal Offset of Child Support Enforcement (OCSE) and transmitted to your office.

Budgetary costs that are not covered by FFP pursuant to 45 CFR 304.21 & 23 includes, but is not limited to the following:

1. Bad Debts
2. Contingencies
3. Contributions and Donations
4. Entertainment
5. Fines and Penalties
6. Governor's expenses
7. Interest and Other Financial Costs
8. Legislative Expenses
9. Under recovery of Costs Under Grant Agreements
10. Building Space and Related Facilities

Budgetary costs that require approval prior to the expenditure in order to be covered by FFP are listed as the following:

1. Data Processing
2. Capital Expenditures
3. Insurance and Indemnification

4. Management Studies
5. Pre-Agreement Costs
6. Professional Services
7. Proposal Costs

Listed are various categories of expenses which could arise. An office's particular cost allocation plan may not provide for every category listed which may necessitate an amendment to that office's plan. The Title IV-D accounting unit will coordinate any required amendments with an office.

The U.S. Congress has shown an interest in reviewing the cost effectiveness of the program, and every state and local unit of government must take appropriate action to protect this valuable funding source. It is recommended that each office review its office operation from the following positions:

1. Ensure office procedures maintain an efficient flow of work;
2. Ensure that Title IV-D resources and staff are directed to Title IV-D matters only;
3. Ensure that efficient and effective methods are applied in processing the legal aspects of cases; and
4. Control program costs so only essential expenditures are made.

Administrators must consider the cost effectiveness of their proposals to assure the Title IV-D Program meets or exceeds its past relationships between total expenditures and child support collected. The only exception to this policy is if an administrator plans a management move that will increase the future efficiency of the office that has been approved by the Chief of the Child Support Enforcement Program.

FFP is reimbursed to each office by the submittal of claims for reimbursement to the state IV-D agency based upon each office's approved annual budget analysis. The claim reimbursement procedure is as follows:

Claims from your office for FFP reimbursement are to be submitted within thirty (30) days from incurred expenditure unless an approval for an extension is granted by the Chief of the Child Support Enforcement Program or designee. Claims not submitted within ninety (90) days of the end of the month in which the expenses are incurred will be considered stale and non payable.

Claims for reimbursement must include a listing of costs incurred pursuant to the Title IV-D Program with receipts for such costs retained and available for review. As noted in part two of this budget analysis, certain expenditures require approval prior to County/City expenditure/claim for FFP reimbursement.

Upon receipt by the state IV-D agency, claims are audited and approved/disapproved. Disapproved claims are returned to the appropriate office with a letter of explanation. Approved claims are vouchered and forwarded for distribution by the state controller's office.

PART TWO: INSTRUCTIONS FOR COMPLETING ITEMS A-K OF THE BUDGET ANALYSIS

Complete the detail for items A-K. For categories in which explanation is requested, please annotate or attach extra pages as needed. Guidelines for completing categories A-K are as follows:

A. PERSONNEL: (salaries only)

1. List titles of positions for which you are requesting reimbursements.
2. List the number of staff within each position classification that are Title IV-D staff.
3. List annual salary of the position(s)
4. Estimate the percentage of time and activities each staff member will be assigned to Title IV-D responsibilities as well as provide the estimated percentage of time and activities spent for non Title IV-D responsibilities.
5. Identify the annual salary apportioned to Title IV-D activities.

Example:

Position Title	Annual Salary	IVD Activity and % of Time Spent	Non IVD Activity and % of Time Spent	Annual Salary Apportioned to IVD Activities
Hearing Master	\$20,000	Court Prep 30% Hearings 40%	Juvenile Hearings 30%	\$14,000
Court Clerk	\$10,000	Filing 20% Court time 40%	Filing 10% Court time 30%	\$6,000

B. FRINGE BENEFITS:

1. The standard benefits given government employees are listed in this category. The rate for each benefit must be identified along with the portion of a staff member's salary that is dedicated to Title IV-D activities. The portion of a staff member's salary that is dedicated to Title IV-D work is multiplied by the rate of the particular fringe benefit.

Example:

<u>Title IV-D</u>		<u>Retirement</u>		<u>Retirement</u>
<u>Costs for DA</u>	x	<u>Rate</u>	=	<u>Cost</u>
\$2,500	x	15%	=	\$375

2. Each category is based on rate except group insurance. The applicant will have to provide a brief explanation of how this category was computed.

C. COUNTY/CITY INDIRECT COSTS:

Indirect costs are those incurred for a common or joint purpose benefiting other programs in your County/City in addition to the Title IV-D Child Support Enforcement Program. Examples of indirect costs are:

- Depreciation or use allowance on buildings and equipment;
- Cost of operating or maintaining facilities such as heat and utilities or building maintenance;
- Salaries for time spent by employees not employed by the IV-D program whom are indirectly performing child support tasks, such as County/City clerks; and
- Supplies purchased by County/City funds which are used by more than one County/City entity, including the use by or benefit of your office, for which your office must reimburse the County/City.

Costs allocated as indirect and calculated in your County/City's indirect cost rate should not be listed as direct costs in this budget proposal.

The indirect cost is computed at a rate of 10% of salaries (not including overtime or fringe costs).

D. INSTATE TRAVEL, TRAINING, AND POLICY ANALYSIS:

1. All travel, training and policy analysis, in which you seek Title IV-D reimbursement, requires PRIOR approval by the Chief of the Child Support Enforcement Program or designee. The travel must be for the purpose of administration of the Title IV-D Program. Travel is approved at the prevailing state rate for travel.
2. Training and policy analysis costs would include registration fees, travel expenses, and per diem allowances at the state rate, or any other related IV-D activity the Chief of the Child Support Enforcement Program approves.

E. OUT OF STATE TRAVEL, TRAINING, AND POLICY ANALYSIS:

Same as instate travel.

F. SUPPLIES, COMMUNICATIONS, EQUIPMENT RENTAL, AND MAINTENANCE(data processing not included):

1. Office/Janitor Supplies:

Identify the various types of supplies your agency defines as office/janitorial.

2. Postage and Freight:

All claims must be supported with documentation of actual Title IV-D expenditures. Records must be retained for audit purposes.

3. Telephone Rental and Tolls:

All claims must be supported with documentation of actual Title IV-D expenditures. Records must be retained for audit purposes.

4. Printing:

Identify the forms/materials for which you are budgeting.

5. Equipment Rental/Maintenance/ Maintenance Contracts:

All contracts must meet state and federal procurement procedures. The use of a rental process must be justified from the point of cost effectiveness of continued use. Maintain copies of all contracts for audit purposes.

6. Other:

This line is for types of expenditures within this category not specifically identified as a cost.

G. EQUIPMENT PURCHASE/DEPRECIATION (data processing not included):

1. Lump sum reimbursements on equipment may be made on expenditures up to \$25,000. Equipment procurements in excess of this amount must be depreciated over the life expectancy of the piece of equipment.
2. Equipment procurements with costs in excess of \$300.00 must receive PRIOR approval by the Chief of the Child Support Enforcement Program or designee to be eligible for Title IV-D reimbursement.
3. An equipment inventory system must be maintained to identify all equipment procured with a federal interest, and the equipment must be managed in compliance with 45 CFR 95, Subpart G. The inventory control form must be updated with each new procurement, and a copy of the updated form must be transmitted to the Title IV-D accounting unit.

H. OTHER EXPENSES:

1. Copies/Reproductions:

This category is for the costs of copying documents (not for equipment procurement). Charges for the shared use of copying systems must include a procedure to log of Title IV-D use exclusive of other office uses.

2. Bonds:

This category is for the cost of premiums on bonds covering employees who handle Title IV-D funds. The County/City must calculate the portion of the premium that applies to the employee(s) when the bond covers other employees handling non-IV-D funds. An explanation of the calculation for bonding costs must be attached.

3. Advertising:

Must be related to Title IV-D matters/activities.

4. Building Maintenance:

This category is for costs incurred for necessary maintenance, repair, or upkeep of property, which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition. Prior approval by the Chief of the Child Support Enforcement Program is required. Expenditures in this category will not be approved if they are calculated and charged to the INDIRECT COST category as explained in Part II, C.

5. Dues and Registration:

Must be related to Title IV-D matters/activities.

6. Publications/Periodicals:

Must be related to Title IV-D matters/activities.

7. Fees (Service of Process, Garnishment):

Must be related to Title IV-D matters/activities.

8. Other:

For categories not specifically identified.

I. DATA PROCESSING:

The planning, development, implementation, operation, equipment replacement, and/or enhancement of all Title IV-D systems must be in compliance with 45 CFR part 307 and Part 95, Subpart F.

PART THREE: APPROVAL OF BUDGET BY CHIEF

The Chief of the Child Support Enforcement or designee will approve the eligible IV-D expenditures and the budget will indicate the amount of expenditures out of FFP, state share and County/City costs.

The Chief of Child Support Enforcement's approval of the budget does not guarantee that all costs are IV-D eligible for reimbursement.

Upon federal review, any disallowed costs will be deducted from future federal reimbursement payments. The Division of Welfare and Supportive Services will provide thirty (30) days notice prior to the reduction. Parties agree to notify the other of any disallowed costs and work together on the disallowance.

TRAVEL REQUEST



In-State _____

Out-Of-State _____

DWSS

Agency _____

Official Station _____

Budget Account _____

Employee Name _____

Employee ID _____

Destination _____

Employee Requested _____

Agency Directed _____

Purpose of Trip (Justification):

Attach agendas, meeting notices, training syllabus, etc.

Departure: _____ Date _____ Time _____

Return: _____ Date _____ Time _____

Special Airline Requests: _____

Motor Pool: _____ Yes/No Note: _____

Hotel: _____ Yes/No Note: _____

Total Budgeted Travel Authority For This Funding Source \$ _____ -

Total Expended and/or Committed Funds for this Source \$ _____ -

Total Balance Available to Fund this Trip \$ _____ -

Estimated Cost for this Trip \$ _____ -

Budgetary Authority Verification: _____

(Documents Accuracy of Balance Available on Date Signed) _____ Acctg. Asst. Signature _____ Date _____

Funding Source:

(Describe in Detail)

Employee Signature: _____ Date _____

(See NOTE below)

Supervisor Signature: _____ Date _____

Signature/Administrator/DWSS (For Out-Of-State Only) Date _____

Signature/Director/DHHS (For Out-Of-State Only) Date _____

NOTE: No travel reservations or commitments should be made without all proper approvals. Employees requesting travel and making commitments prior to approvals will be responsible for the cost of all cancellation fees or charges in the event the trip is not approved or any part of the request is not approved i.e. excessive room charges.

ESTIMATED TRAVEL COSTS

This form must be filled out completely and attached to the Travel Request form when sent to the Accounting Office for processing. If this form is not attached (including supporting documentation), the Request will be returned unsigned.

You must attach current approved GSA rates for per diem and lodging and estimates for airfare and rental car if applicable. Airfare and rental car cost estimates can be easily researched on the internet. Lodging receipts are required for reimbursement. Requests for hotel rate adjustments must be documented below.

Shaded cells are formula driven. Do Not Type In The Shaded Cells.

Start/Stop Time of Travel	Dates of Travel	Breakfast	Lunch	Dinner	Lodging Rate	Tax Rate		Total Lodging	Total
						Hotel Rate Adjustment Requested _____	0.00%		
		\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -			\$ -	\$ -

Total Estimated Per Diem

\$ -

Estimated Miles	Rate		Fiscal Use Only:	
			Cat	GL
0	\$ 0.505	Transportation to/from local airport	\$ -	
<i>Receipt Required</i>		Parking at airport/garages, etc./tolls	\$ -	
<i>Receipt Required</i>		Transportation to/from hotel	\$ -	
<i>Receipt Required</i>		Other transportation/Motor Pool	\$ -	
<i>Receipt Required</i>		Car rental	\$ -	
		Air fare	\$ -	

Total Estimated Transportation

\$ -

<i>Receipt Required</i>	Registration/Tuition	\$ -	
<i>Receipt Required</i>	Books	\$ -	
<i>Receipt Required</i>	ATM Fees	\$ -	
	Incidentals	\$ -	

Total Estimated Misc.

\$ -

ESTIMATED GRAND TOTAL

\$ -

TRAVEL CLAIM SHOULD NOT EXCEED ESTIMATED GRAND TOTAL

Note: Meal Policy (When traveling more than 50 miles one-way from duty station)

Breakfast: Depart at or before 7:00 am

Lunch: Depart at or before 11:00 am and return to work site after 1:30 pm

Dinner: Depart at or before 5:30 pm and return to work site after 6:30 pm

Convention or Meeting Hotel Rate Calculation		
Rate	Adjust %	Allowed Rate
Conus or	300%	\$ -
GSA	175%	\$ -
Convention Rate		

ATTACHMENT D

IRS SAFEGUARDING CONTRACT LANGUAGE

CONTRACT LANGUAGE FOR GENERAL SERVICES

I. PERFORMANCE

In performance of this contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be performed under the supervision of the contractor or the contractor's responsible employees.
- (2) The contractor and the contractor's employees with access to or who use FTI must meet the background check requirements defined in IRS Publication 1075.
- (3) Any Federal tax returns or return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone other than an officer or employee of the contractor is prohibited.
- (4) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.
- (5) No work involving returns and return information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (6) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- (7) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.
- (8) (Include any additional safeguards that may be appropriate.)

II. CRIMINAL/CIVIL SANCTIONS

- (1) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of

returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRCs 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.

(3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

(4) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors must be advised of the provisions of IRCs 7431, 7213, and 7213A (see Exhibit 4, *Sanctions for Unauthorized Disclosure*, and Exhibit 5, *Civil Damages for Unauthorized Disclosure*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

III. INSPECTION

The IRS and the Agency, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with contract safeguards.

ATTACHMENT D

IRS SAFEGUARDING CONTRACT LANGUAGE

CONTRACT LANGUAGE FOR TECHNOLOGY SERVICES

I. PERFORMANCE

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the contractor or the contractor's employees.
- (2) The contractor and the contractor's employees with access to or who use FTI must meet the background check requirements defined in IRS Publication 1075.
- (3) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
- (4) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- (5) The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (6) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- (7) All computer systems receiving, processing, storing or transmitting FTI must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal Tax Information.
- (8) No work involving Federal Tax Information furnished under this contract will be subcontracted without prior written approval of the IRS.

(9) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office. (10) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

(10) (Include any additional safeguards that may be appropriate.)

II. CRIMINAL/CIVIL SANCTIONS

(1) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.

(3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is

prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

(4) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors must be advised of the provisions of IRCs 7431, 7213, and 7213A (see *Exhibit 4, Sanctions for Unauthorized Disclosure*, and *Exhibit 5, Civil Damages for Unauthorized Disclosure*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

III. INSPECTION

The IRS and the Agency, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with contract safeguards.



WASHOE COUNTY COMMISSION

1001 E. 9th Street
P.O. Box 11130
Reno, Nevada 89520
(775) 328-2005

**RESOLUTION
ADOPTING AN UPDATED
MASTER BUSINESS LICENSE FEE SCHEDULE
WHICH INCLUDES A NEW QUARTERLY
MARIJUANA ESTABLISHMENT LICENSE FEE**

WHEREAS,

- A. NRS Chapter 244 was amended by the State Legislature in 2017 (AB 422, Section 65.6) to enable any Board of County Commissioners to collect a license fee on the growing, production, distribution and sale of marijuana, and further set forth that any such license fee may not exceed 3% of a marijuana establishment's gross revenues; and,
- B. This Board, during their December 17, 2017 meeting, directed staff to implement a new business license fee for all marijuana establishments based on the 3% fee enabled by amendments to NRS Chapter 244 and to recover costs associated with regulating marijuana establishments; and;
- C. This Board did adopt amendments to Washoe County Code Chapter 25, Business License Ordinance, on April 10, 2018 which provided for the licensing in unincorporated Washoe County of marijuana establishments which are licensed by the State of Nevada under the provisions of NRS Chapters 453A and 453D; and,
- D. Washoe County Code Section 25.728 establishes a quarterly marijuana establishment license fee and provides that the fee will be in the fee and payment schedule as set forth in the master business license fee schedule adopted by resolution of this Board; and
- E. This Board adopted the Business Impact Statement required by NRS 237.090 for the new quarterly marijuana establishment license fee on March 27, 2018 with a finding that the proposed fee does not impose a direct and significant economic burden on a business; nor does the proposed fee directly restrict the formation, operation or expansion of a business; and

18-024

NOW THEREFORE BE IT RESOLVED:

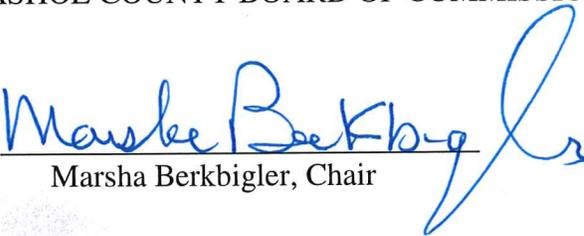
- 1. That this Board does hereby adopt the updated Master Business License Fee Schedule included as Exhibit A to this resolution, which includes a new quarterly marijuana establishment license fee that is 3% of a marijuana establishment's reported quarterly gross revenue and a new marijuana establishment relocation application fee that is \$500.

2. That, following the requirements of NRS 237.100, this Board directs the following procedure be followed for an aggrieved business to object to the adoption of the new quarterly marijuana establishment license fee pursuant to NRS 237.030 through 237.100, inclusive:
- a) Any business such aggrieved must file a petition with the Board;
 - b) Any such petition shall be in writing, must fully explain the matters concerning the new quarterly marijuana establishment license fee causing the aggrieved condition based on NRS 237.100(2), and shall be filed with the Washoe County Clerk within 30 days of the adoption of the updated Master Business License Fee Schedule (prior to May 10, 2018); and,
 - c) The Board will schedule a hearing to determine the merits of the petition at the next available Board meeting based on normal scheduling procedures. At the hearing, the Board may dismiss the petition or amend the new quarterly marijuana establishment license fee if the Board determines the petition has merit.

ADOPTED on April 10, 2018, to be effective on April 20, 2018.

WASHOE COUNTY BOARD OF COMMISSIONERS

By:


Marsha Berkgigler, Chair

ATTEST:

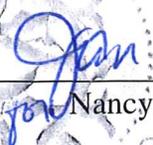

Nancy Parent, County Clerk

Exhibit A:

Master Business License Fee Schedule



Washoe County
Master Business License Fee Schedule
 Washoe County Code Chapter 25
 Effective April 20, 2018

ANNUAL BUSINESS LICENSE RENEWAL FEES

Annual Gross Receipts ¹	Annual Business License Fee ²
\$ 25,000 or less	\$ 57.75
\$ 25,001 to \$ 50,000	\$ 67.75
\$ 50,001 to \$ 100,000	\$ 117.75
\$ 100,001 to \$ 300,000	\$ 142.75
\$ 300,001 to \$ 500,000	\$ 237.75
\$ 500,001 to \$ 1,000,000	\$ 347.75
\$ 1,000,001 to \$ 2,500,000	\$ 602.75
\$ 2,500,001 to \$ 5,000,000	\$ 632.75
\$ 5,000,001 or more	\$ 657.75

Note:

1. "Annual Gross Receipts" is defined in Washoe County Code Section 25.013.
2. All annual business license fees include a \$2.75 Regional Technology Fee. The Regional Technology Fee was adopted by the Washoe County Board of County Commissioners on June 28, 2016 and became effective on October 31, 2016.

Most recent Resolution amending business license fees adopted by the Washoe County Board of County Commissioners on April 10, 2018.

MARIJUANA ESTABLISHMENT LICENSE FEES

Application fee; Term of License; Quarterly 3% License fee; Payment of fee

A marijuana establishment license application fee is \$ 77.75. The application fee includes the \$ 2.75 Regional Technology Fee.

All marijuana establishment licenses are issued for one calendar quarter of a year, and must be renewed within 15 calendar days after the start of the calendar quarter. The calendar quarter periods for each year are as follows:

1. The first quarter begins on January 1st of each year. The quarterly license fee must be paid on or before January 15th of each year.
2. The second quarter begins on April 1st of each year. The quarterly license fee must be paid on or before April 15th of each year.
3. The third quarter begins on July 1st of each year. The quarterly license fee must be paid on or before July 15th of each year.
4. The fourth quarter begins on October 1st of each year. The quarterly license fee must be paid on or before October 15th of each year.

Each marijuana establishment licensed by Washoe County shall pay a quarterly marijuana establishment license fee. **The quarterly license fee is 3% of the marijuana establishment's reported quarterly gross revenue for the preceding quarter.** Gross revenue is defined in WCC Section 25.013. Each marijuana establishment must submit its quarterly gross revenue report to the license division no later than 15 calendar days after the start of each calendar quarter (see chart above). Each marijuana establishment shall calculate its quarterly license fee. The license division will not bill the establishment, but may send courtesy reminder notices to the establishment.

Each quarterly license fee must be paid in full no later than 15 calendar days after the start of each quarter (WCC Section 25.728, and see chart above). License fees may be paid in full, or in parts, in advance of the quarterly calendar due date.

The amount of the license fee which can be charged to any marijuana establishment is limited by the provisions of NRS Chapter 244, which establishes the maximum fee of 3% of a marijuana establishment's gross revenue. Since the license fee is established within State Law, the regional technology fee will not be collected as part of the marijuana establishment license fee.

Any marijuana establishment license may be automatically renewed when the establishment has paid in full the required quarterly license fees and has satisfied all of the provisions of WCC Section 25.748, to include the information required as part of an annual report.

Most recent Resolution amending business license fees adopted by the Washoe County Board of County Commissioners on April 10, 2018.

Applications and fees for a new marijuana establishment license

An applicant for a new marijuana establishment license must pay the license application fee at the time of application submittal. The application must contain the information as set forth in WCC Section 25.712.

An applicant for a marijuana establishment license to replace an existing Washoe County medical marijuana establishment license and/or temporary marijuana establishment license must pay the license application fee at the time of application submittal. The application must contain the information as set forth in WCC Section 25.716.

Once the license division issues the marijuana establishment license, the licensee shall pay the quarterly 3% marijuana establishment license fee. The license fee starts on the date of the next calendar quarter (see chart above). The quarterly license fee must be paid in full no later than 15 calendar days after the start of the calendar quarter. The licensee may pay all of, or in parts, the quarterly license fee in advance.

For example, a marijuana establishment license is issued on August 15. The establishment's quarterly marijuana establishment license fee starts on October 1. The quarterly gross revenues are calculated for the time frame from August 15 (when the establishment opened for business) through September 30. The licensee may pay the quarterly license fee in advance, but the license fee must be paid in full on or before October 15.

Quarterly license fee

Each licensed marijuana establishment must pay a quarterly 3% marijuana establishment fee in full no later than 15 calendar days after the start of each calendar quarter (WCC Section 25.728, and see chart above). The licensee may pay all of, or in parts, the quarterly license fee in advance.

For example, a marijuana establishment will report its quarterly gross revenue for the period from January 1 through March 31 for the second quarterly license fee (starts on April 1). The licensee may pay the quarterly license fee in advance, but the license fee must be paid in full on or before April 15.

Relocation application fee

The application fee for relocation of a Department licensed marijuana establishment to another physical location is \$ 500. The marijuana establishment relocation application and the process for review of the application are available from the Washoe County License Division.

Most recent Resolution amending business license fees adopted by the Washoe County Board of County Commissioners on April 10, 2018.



WASHOE COUNTY COMMISSION

1001 E. 9th Street
P.O. Box 11130
Reno, Nevada 89520
(775) 328-2005

RESOLUTION

ADOPTING AN AMENDMENT TO THE WASHOE COUNTY MASTER PLAN,
SPANISH SPRINGS AREA PLAN (WMPA17-0012)

WHEREAS, the Board of County Commissioners voted unanimously on November 28, 2017 to initiate Master Plan Amendment Case No. WMPA17-0012 to amend the Washoe County Master Plan, Spanish Springs Area Plan to modify Policy SS.1.3(f), which currently limits the General Commercial (GC) regulatory zone to properties with a regulatory zone of GC prior to August 17, 2004;

WHEREAS, On February 6, 2018, the Washoe County Planning Commission adopted Master Plan Amendment Case No. WMPA17-0012 to remove the date limitation within Spanish Springs Area Plan Policy SS.1.3(f);

WHEREAS, this Board held a public hearing on April 10, 2018 and voted 4-0 to adopt the proposed amendment, having affirmed the Planning Commission's findings for approval;

WHEREAS, Under NRS 278.0282, before this adoption can become effective, this Board must submit this proposed amendment to the Regional Planning Commission and receive a final determination that the proposed amendment conforms with the Truckee Meadows Regional Plan;

NOW THEREFORE BE IT RESOLVED,

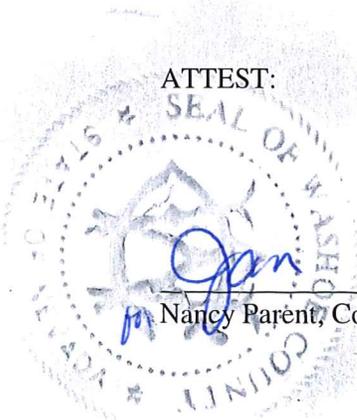
That this Board of County Commissioners does hereby ADOPT the amendment to the Spanish Springs Area Plan (Case No. WMPA17-0012), as set forth in the Exhibit to the Resolution attached hereto, to become effective if and when the County has received a final determination that the amendment conforms to the Truckee Meadows Regional Plan.

ADOPTED this 10th day of April 2018, to be effective only as stated above.

WASHOE COUNTY COMMISSION

Marsha Berkglyer
Marsha Berkglyer, Chair

ATTEST:



Nancy Parent
Nancy Parent, County Clerk

18-0074

Exhibit to the Resolution

SECTION 1. Within the Spanish Springs Area Plan, Policy SS.1.3 is hereby amended to read as follows, with deleted text identified in strikethrough (ex. ~~deleted text~~):

SS.1.3 The following Regulatory Zones are permitted within the Spanish Springs Suburban Character Management Area:

- a. High Density Rural (HDR – One unit per 2.5 acres).
- b. Low Density Suburban (LDS – One unit per acre).
- c. Medium Density Suburban (MDS – Three units per acre).
- d. High Density Suburban (HDS limited to the areas designated HDS prior to August 17, 2004)
- e. Neighborhood Commercial/Office (NC).
- f. General Commercial (GC) — ~~GC limited to the areas designated GC prior to August 17, 2004.~~
- g. Industrial (I).
- h. Public/Semi-Public Facilities (PSP).
- i. Parks and Recreation (PR).
- j. General Rural (GR).
- k. Open Space (OS).
- l. Medium Density Rural (MDR – One unit per 5 acres).