

**WASHOE COUNTY COMMISSION
RENO CITY COUNCIL
SPARKS CITY COUNCIL**

TUESDAY

9:00 A.M.

NOVEMBER 13, 2001

PRESENT:

Jim Shaw, Washoe County, Chairman
Pete Sferrazza, Washoe County Commission, Vice Chairman

Jim Galloway, Washoe County Commission
Ted Short, Washoe County Commission

Jeff Griffin, City of Reno, Mayor
Dave Aiazzi, Reno City Councilmember
Sherrie Doyle, Reno City Councilmember
Toni Harsh, Reno City Councilmember
Pierre Hascheff, Reno City Councilmember
Jessica Sferrazza-Hogan, Reno City Councilmember
Dave Rigdon, Reno City Councilmember

Geno Martini, Sparks City Councilmember
Ron Schmitt, Sparks City Councilmember

ABSENT:

Joanne Bond, Washoe County Commission

The Board and Councils met in joint session at the Reno City Council Chambers, 490 South Center Street, Reno, Nevada. Also present were Washoe County Manager Katy Singlaub, Deputy District Attorney Paul Lipparelli, and County Clerk Amy Harvey.

AGENDA

In accordance with the Open Meeting Law, on motion by Councilmember Rigdon, seconded by Commissioner Shaw, which motion duly carried, Mayor Griffin ordered that the agenda for the Joint Meeting of the Reno and Sparks City Councils and the Washoe County Commission for November 13, 2001, be approved.

PUBLIC COMMENTS

Sam Dehne, area citizen, expressed his discontent with various local governmental entities and officials, and alleged that the Nevada Ethics Commission is a corrupt organization.

Richard Hobbs, area citizen, discussed the Open Space Plan stating that it should be a part of the Regional Plan that is currently being updated. He further stated development is destroying the mountains to the east, and the affect that will have on tourism should be considered.

01-1137 PIONEER INN SITE MASTER PLAN & 195 SOUTH SIERRA SITE - INTERLOCAL AGREEMENT FOR RENO MUNICIPAL COURT/DISTRICT ATTORNEY FACILITY

Richard Gammick, Washoe County District Attorney, pointed out that it has been almost two years since discussions started on new court and office facilities and the space situation in both his office and the Public Defender's office is critical. Both have authorization to hire needed additional personnel, but cannot do so because they have no place to put the extra bodies. Noting that design and construction will take two to three years, Mr. Gammick urged the County Commissioners and the Reno City Councilmembers to make a decision, one way or the other, so that the project can begin soon.

Sam Dehne, Reno citizen, stated he cannot understand why Washoe County bought the Pioneer Inn property after the voters turned down the concept of the Courts complex and that the County is trying to put their blunder on the citizens of Reno.

Mayor Griffin asked if there was a need to have another presentation on the proposal regarding the proposed Municipal Court/District Attorney facility, or if Board members just wanted to ask questions of staff. City of Reno Public Works Director Steve Varela stated he provided an updated staff report, which reflects the discussion from the previous joint meeting.

Councilmember Hascheff asked that the advantages of tearing down the structure at 195 South Sierra, rather than building behind that structure, be explained in detail.

Walter Estay, Tate Snyder Kimsey Architects, stated the proposed building would fit behind the building at 195 South Sierra, but because the site is small, a below grade parking garage could not be built, which means the floors of the new building could not be aligned with the floors of the One South Sierra structure. He stated tearing down the existing structure would allow enough room to get a ramp underneath the building, thereby providing for the underground parking and the ability to align the floors of the two court facilities on the same level so that in the future all the court clerks would be on the same floor and everyone would go to one place to pay their fine. Mr. Estay stated if the buildings are side-by-side and the floors are lined up, there could be sharing

of courtrooms, future consolidation of the municipal and justice courts could be accomplished much easier, and, without that, many of the efficiencies and public conveniences of collocation would be lost.

Commissioner Galloway and Mr. Estay discussed the underground parking at One South Sierra and Mr. Estay explained why that parking could not be extended under the new building. Commissioner Short asked about abandonment of all or part of Rainbow Street in order to have more room for the ramp for the underground parking. Mr. Estay stated the street abandonment really needs to be looked at and planned.

In response to questions, Mr. Varela stated their estimate to build behind 195 South Sierra with a two-story parking garage was \$13.5-million, without any land costs; and they are planning to build 46,000 square feet for the Municipal Courts.

Councilmember Aiazzi stated the Council had discussed a cap of \$15-million for this project and asked if that was included in this interlocal agreement. He stated there was also supposed to be a cap on the amount the City would pay for relocating the County staff from the 195 South Sierra building. Mr. Varela responded that the \$15-million project cap is not in the current agreement, and County staff felt that, if there were savings, they should also be included.

Councilmember Sferrazza-Hogan asked several questions about the building at 195 South Sierra. Dave Roundtree, Washoe County Public Works Director, stated that it is an old building, but he is not aware of any structural deficiencies or mold problems; and that, if necessary, the County could continue to utilize the building for many, many years.

Councilmember Hascheff asked several questions about the different alternatives presented in Mr. Roundtree's staff report, which Mr. Roundtree explained and stated the County is going to have a very difficult time financing whatever they decide to do. The disadvantages of developing surface parking on the Pioneer site in the interim were also discussed.

Commissioner Galloway stated he was concerned about the waste of \$2-million for relocating the staff currently in 195 South Sierra and asked if there was any way to build on the parking lot area and not take down the building until absolutely necessary. Mr. Roundtree stated that would not be very practical. In response to Chairman Shaw, he stated demolition of 195 South Sierra is probably the right approach, but that does obligate the County to debt.

Councilmember Aiazzi stated the issues and the needs have been identified; and all that is left to be resolved is the financing of the project. Councilmember Sferrazza-Hogan stated that, after what she has heard today, she is leaning towards building behind the building at 195 South Sierra. Councilmember Aiazzi stated if the project is going to be done, the whole thing needs to be done and done right.

Councilmember Hascheff stated he does not believe building behind 195 South Sierra is the better idea, and he is convinced tearing that down to build the new facilities will result in the savings and efficiencies of collocation for both entities. He expressed that he also feels the City should provide the \$2.4-million for County staff relocation costs.

Katy Singlaub, County Manager, clarified some of the financing issues stating that the County will have to finance this project, thereby incurring new debt. She also stated the building at 195 South Sierra is fully occupied and has a value of approximately \$2.2-million.

Commissioner Galloway asked for confirmation that the gains and efficiencies realized by collocation would justify the relocation expense. Mr. Roundtree listed reasons why he believes, in the long term, tearing down 195 South Sierra would be better than building behind it. Noting that the County is giving the City the land, Commissioner Galloway stated he believes the County should get something for the value of the building at 195 South Sierra in addition to the relocation costs.

Councilmember Hascheff stated the City has already come up with an extra million dollars over other sites they considered to try to work this out in order to accomplish the collocation so the ultimate savings that will accrue to both entities can be realized. He then offered the following proposal: The City of Reno would pay the County \$2.3-million for the 195 South Sierra site; the County would use those funds to relocate the tenants of 195 South Sierra until the new facilities can be built; and City and County staff work together on developing parking at the Pioneer site.

Councilmember Aiazzi stated there still needs to be agreement on how the savings will be shared between the two entities.

Commissioner Galloway stated if the City expects the County to forego any compensation for the building at 195 South Sierra, as well as other considerations, the City is going to have to drop further demands for sharing cost-savings of prisoner transport. He stated the County is giving the City the land and a building that could still be used; and that he is willing to agree to Councilmember Hascheff's proposal for relocation costs.

Councilmember Rigdon asked if the \$15.3-million will take care of the land, the building and the parking. Katy Singlaub, County Manager, stated the County did commit to 58 parking spaces. Commissioner Short asked if the County is just providing the land or would the 58 spaces be paved. Mr. Roundtree stated the County is providing the land for the 58 spaces and the City will provide their own improvements. Councilmember Rigdon stated he draws the line at \$15.3-million for the new municipal court facility and the 58 parking spaces.

Councilmember Aiazzi stated the 10-year cost-savings to the City are estimated at \$900,000, whereas the 10-year cost-savings to the County will be \$4,000,000,

and reiterated some of those cost-savings should be shared over time. Councilmember Rigdon stated the savings will accrue to the taxpayers anyway.

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10:25 a.m. - Commissioner Sferrazza arrived at the meeting.
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Councilmember Hascheff moved to direct staff to proceed with the County to tear down 195 South Sierra and build a Municipal Court/District Attorney's office on that site as represented by the architect in the schematics that were presented; that the City will contribute \$2.3-million to the County immediately for the purpose of paying tenant relocation and tenant improvement costs; that the \$2.3-million is a cap and if the County can do it for less, they can keep the difference; that the City will receive 58 spaces of surface parking and the City will contribute towards the costs of that surface parking; that in the event the County builds a parking garage, the City will receive 58 parking spaces free of charge in the garage; that because the City will need more than 58 spaces, if and when the County proceeds with a parking garage, the City will be given the opportunity to contribute towards construction costs, including the foundation, of the parking garage to acquire additional spaces. Councilmember Harsh seconded the motion.

Mayor Griffin asked the County to clarify where the 58 parking spaces would be. Ms. Singlaub stated the County is also relocating the 67 spaces behind 195 South Sierra and needs the ability to move the City's 58 spaces around. She stated she wants to make sure there is flexibility to work with staff to be sure the 58 spaces are in the neighborhood. City Manager Charles McNeely clarified that the County Manager was saying the County needs flexibility in case there is a need to relocate the 58 spaces off the Pioneer site, but what he heard in Councilmember Hascheff's motion is that the 58 spaces would be at the Pioneer site, assuming the County moves forward with a parking structure.

Councilmember Hascheff stated it would be all right for the County to move the 58 spaces offsite and then, if the County builds a parking structure, the City would get 58 spaces in that parking structure. He stated his motion also includes no more arguing about cost savings because he is hoping for consolidated governments before he leaves office.

Mayor Griffin stated the 58 parking spaces must be within reasonable proximity to the new Municipal Court.

The Mayor then called for the vote on the motion. The motion carried unanimously by all Reno City Councilmembers present.

Chairman Shaw noted that Commissioner Sferrazza just arrived and asked that he be updated and provided an opportunity to ask questions before the County votes on the motion.

Ms. Singlaub recapped and responded to additional questions by Commissioner Sferrazza.

Commissioner Galloway stated he would make the same motion on behalf of Washoe County except that he would request the \$2.3-million be a “fixed” amount rather than capped. Commissioner Sferrazza seconded the motion. Upon call for the vote, the motion carried unanimously by all Commissioners present, and it was ordered that staff be directed to proceed with the City to tear down 195 South Sierra and build a Municipal Court/District Attorney's office on that site as represented by the architect in the schematics that were presented; that the City will contribute \$2.3-million to the County immediately for the purpose of paying tenant relocation and tenant improvement costs; that the \$2.3-million is a fixed amount and, if the County can do it for less, they can keep the difference; that the City will receive 58 spaces of surface parking and the City will contribute towards the costs of that surface parking; that, in the event the County builds a parking garage, the City will receive 58 parking spaces free of charge in the garage; that because the City will need more than 58 spaces, if and when the County proceeds with a parking garage, the City will be given the opportunity to contribute towards construction costs, including the foundation, of the parking garage to acquire additional spaces.

Commissioner Galloway noted that there is nothing to discuss at this time on Agenda Item No. 5, Pioneer Inn Site Master Plan, and moved to defer the item until some time in the future when there is something to discuss. Councilmember Hascheff agreed and stated he would like staff to cooperatively work together on planning future use of the site.

01-1138 REPORT - WASHOE COUNTY'S UNINCORPORATED SERVICES STUDY - FISCAL EQUITY STUDY

Gary Goelitz, Washoe County Senior Administrative Analyst, distributed a handout regarding the methodology used to conduct the Unincorporated Services Study and a comparison of City of Reno tax rates showing the outcome of shifting \$.0844 from the City of Reno rates to an unincorporated tax rate. He noted that the \$1.1861 remaining on the City tax rate designated for Washoe County is to fund the regional services provided by the County, such as the District Courts, Juvenile Probation, Social Services, the Jail, etc. Mr. Goelitz stated the rate to fund municipal-type services in the unincorporated area would be \$.1153 for County residents. He then responded to questions from Board members.

Commissioner Sferrazza asked several questions about the rates, the services, and what other counties that were studied are doing. He specifically requested information about the unincorporated services tax rate in Clark County. Mr. Goelitz stated that in the unincorporated town of Paradise in Clark County, 62 percent of their revenue is from consolidated tax and 27 percent is property tax.

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11:00 a.m. - Councilmember Doyle arrived at the meeting.
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Guy Hobbs, Hobbs, Ong and Associates, provided historical information about the consolidated tax system, stating that it is very difficult to compare the different counties for a number of reasons. Commissioner Sferrazza asked if it could be explained on a per capita basis stating that he wanted to be sure the amount, on a per capita basis, is not higher for the unincorporated residents than for the City of Reno residents. Mr. Goe-litz stated that a mix of per capita and assessed value allocation was used because the as-sessed values in the unincorporated areas are higher than those in the two Cities, and the reason for using both was to try to balance the two.

Tim Yeomans, Economic & Planning Systems, Inc., reviewed the re-sponse to the County's Unincorporated Services Study that he prepared on behalf of the Cities of Reno and Sparks and presented his key findings via overhead slides. He stated this is a good "first step" by the County in addressing the problem, but he is not sure it will go far enough to make up the entire fiscal inequity. Mr. Yeomans also explained the differences between his methodology and the County's, noting areas that the County has not yet addressed and stated he believes it would be more appropriate to address the issue of who benefits from services and who pays for services.

Commissioner Galloway stated the crux of the disagreement is the actual amount of the inequity. Commissioner Sferrazza asked several specific questions re-garding the numbers in the reports. Mr. Yeomans explained that, in their original report, they analyzed the figures from fiscal year 1998-99 and have not updated their numbers, whereas the County is using 1999-00, so it is impossible to compare accurately.

Mayor Griffin suggested that this item and the remaining items on the agenda that have not yet been discussed be continued to the next meeting, since the Reno Council meeting is scheduled to begin in less than 30 minutes and asked what the priori-ties for the next meeting should be. He suggested the item on the fiscal equity study(s) be the first item on the next agenda.

Commissioner Galloway stated the Regional Plan Update is very impor-tant and is scheduled to be taken out to the public soon. Councilmember Schmitt stated the fiscal equity issues and consolidation of fire services are very, very important.

Commissioner Sferrazza asked that staff and the consultants get together before the next meeting and see if they can agree on the numbers. Councilmember Hascheff concurred stating he has heard a lot of agreement today and feels progress is being made. Reno City Manager Charles McNeely confirmed that the direction is for staff to get together with the consultants and identify areas of agreement and disagree-ment. County Manager Katy Singlaub agreed.

The meeting adjourned at 11:38 a.m. with the unaddressed agenda items, No. 8, Regional Fire Consolidation status report, and No. 9, report on Regional Planning Process/Regional Plan Update, being continued to the next joint meeting.

JAMES M. SHAW, Chairman
Washoe County Commission

ATTEST: **AMY HARVEY**, County Clerk

*Minutes Prepared by
Sharon Gotchy
Deputy County Clerk*