

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

TUESDAY

2:00 P.M.

OCTOBER 9, 2001

PRESENT:

**Jim Shaw, Chairman**  
**Pete Sferrazza, Vice Chairman**  
**Joanne Bond, Commissioner**  
**Jim Galloway, Commissioner**  
**Ted Short, Commissioner**

**Amy Harvey, County Clerk**  
**Katy Singlaub, County Manager**  
**Madelyn Shipman, Legal Counsel**

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

**01-1035      WORK CARD PERMIT APPEAL – WESLEY LOUIS JENNINGS**

This appeal was considered on Monday, October 8, 2001, prior to the Caucus meeting. The Board convened in open session with Chairman Shaw presiding to consider the appeal of Wesley Louis Jennings from the Sheriff's denial of his work card permit application.

On motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, the Board convened in closed session to hear testimony as to why the work card should or should not be granted. The appellant and his attorney, Steve Hess, were present to offer testimony during the closed session. Maureen Thomas, Chief Records Clerk of the Permits and Registration Department of the Sheriff's Department, read into the record her memo to the Board dated October 8, 2001. The Board then reconvened in open session, and the following action was taken.

Having convened in OPEN SESSION, on motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, with Commissioner Sferrazza abstaining because he arrived during the appeal hearing, Chairman Shaw ordered that the appeal of Wesley Louis Jennings be upheld and the work card permit granted.

**01-1036      WORK CARD PERMIT APPEAL – JULIAN A. REYNOLDS**

This appeal was considered on Monday, October 8, 2001, prior to the Caucus meeting. The Board convened in open session with Chairman Shaw presiding to

consider the appeal of Julian A. Reynolds from the Sheriff's denial of his work card permit application.

On motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, the Board convened in closed session to hear testimony as to why the work card should or should not be granted. The appellant was present to offer testimony during the closed session. Maureene Thomas, Chief Records Clerk of the Permits and Registration Department of the Sheriff's Department, read into the record her memo to the Board dated October 8, 2001. The Board then reconvened in open session, and the following action was taken.

Having convened in OPEN SESSION, on motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that the appeal of Julian A. Reynolds be granted and the work card permit issued.

**01-1037      AGENDA**

In accordance with the Open Meeting Law, on motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried with Commissioner Galloway temporarily absent, Chairman Shaw ordered that the agenda for the October 9, 2001, meeting be approved.

**PUBLIC COMMENTS**

Patrick Davis, area resident, read a statement from Cynthia Davis, his wife and former employee of the Washoe District Health Department. The statement expressed her concerns that careless and inaccurate reporting and recording of immunizations are being given to the public; and that unlawful discrimination is occurring in Community and Clinical Health Services.

**2:07 p.m.**      Commissioner Galloway arrived at the meeting.

Mr. Davis continued reading the statement which said that everyone from the County Manager to the Supervisor has failed to follow County procedures and protocols; that the Washoe County Commissioners are responsible for insuring that all County employees follow the policies and procedures set forth; and that a timely response to these concerns would be appreciated.

Chairman Shaw advised that he received documentation from Mrs. Davis, as a member of the Health Board and as Chairman of the Board of County Commissioners, and has advised her that the matter is being reviewed.

Sam Dehne, Reno citizen, said he is against the kitty litter scheme and demolishing the Pioneer Inn to put up a courts complex, noting that the citizens voted down the courts complex concept. He discussed his concerns that Ira Hansen, talk show

host, was fired from a local radio station. He then stated that he is opposed to Mayor Griffin being appointed to a committee of people who will be analyzing national security issues.

### **COMMISSIONERS'/MANAGER'S COMMENTS**

Katy Singlaub, County Manager, advised that the questions presented by Mr. Davis today were referred to staff and she will provide a written response regarding the matter.

Commissioner Bond advised that the Palomino Valley volunteer group is desperately trying to buy a second-hand truck bed to be used for water tender purposes. She asked whether County staff could determine if there is any way to assist with the funding for this acquisition. County Manager Singlaub advised that staff will look at the possibility of putting this through a budget process.

Commissioner Bond said a family in Spanish Springs has a trash hauling business and occasionally brings pallets to their personal property for repair. She advised the business is in a severe decline and the pallet industry portion is keeping it afloat, but because of fire regulations, the owner is not able to have pallets on the property. She asked if anything could be done to accommodate the situation so they do not go out of business. County Manager Singlaub advised that she would refer the issue to the Fire Department to check into the fire codes and see if there is an appeal process.

Commissioner Sferrazza stated that he reviewed a breakdown on some of the County's principal boards and commissions and found there is disproportionate representation from different commission districts and that the method of appointment may not comply with State law. He requested that the Board review the rules governing membership and appointments to boards and commissions to insure there is representation from throughout the County. Commissioner Sferrazza then stated a surprise press conference was held with respect to emergency preparedness. He said that, since it is the County's role to provide that function in Washoe County, although the Cities also have a role, he would request that the County set the meeting and the agenda with respect to emergency preparedness; and that the meeting be set for Monday, October 22 instead of Tuesday, October 23, which date was chosen without consulting the County.

### **01-1038      SEXUAL ASSAULT - MEDICAL CARE - PAYMENT**

Pursuant to NRS 217.280 to 217.350, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that payments with funds from the District Attorney's account designated Sexual Assault Victims Expenses be authorized for initial emergency medical care and follow up medical or psychological treatment for 77 sexual assault victims in an amount totaling \$23,403.49 as set forth in a memorandum from Lidia Osmetti, Office Manager, District Attorney's Office, dated September 17, 2001, and placed on file with the Clerk.

**01-1039      APPOINTMENT – SAFETY COMMITTEE – RISK  
MANAGEMENT**

Upon recommendation of Jim Caughron, Risk Management Division, through John Sherman, Finance Director, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that Matt Beckstedt, Information Technology Director, be appointed to the Safety Committee with term to expire September 30, 2003.

**01-1040      ACCEPTANCE OF DONATION – WILSON TURBO HOCKEY  
TABLE FOR MCGEE CENTER – JUVENILE SERVICES**

Upon recommendation of Michael Pomi, Division Director, Early Intervention and Prevention, Department of Juvenile Services, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the donation from Robert Baker of a Wilson Turbo Hockey Table to the McGee Center be accepted with gratitude.

**01-1041      ACCEPTANCE OF DONATION – INCLINE VILLAGE  
SUBSTATION BOAT PROGRAM – SHERIFF**

Upon recommendation of Dennis Balaam, Sheriff, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the donation by the Parasol Foundation of Incline Village for the Incline Village Substation Boat Program to repair the spare out-drive for Patrol Boat Marine 9 be accepted with gratitude. It was noted that the estimated repair cost of Marine 9 is \$2,420.20.

**01-1042      TRANSFER OF APPROPRIATION AUTHORITY – TRAVEL FOR  
INCLINE CONSTABLE'S OFFICE – BUDGET**

Upon recommendation of Brian Mirch, Budget Division, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the transfer of appropriation authority within the Incline Constable Office for travel purposes be approved and the following account adjustments be authorized:

<b>Decrease Account</b>	<b>Amount</b>	<b>Increase Account</b>	<b>Amount</b>
1261-7370 Safety Expense	\$500	1261-7620 Travel	\$500

**01-1043      FUNDING PURCHASE – DISTRICT ATTORNEY FILE SERVERS  
– INFORMATION TECHNOLOGY/DISTRICT ATTORNEY**

Katy Singlaub, County Manager, provided information in response to questions raised at yesterday's caucus meeting. She advised that the life expectancy of the file servers is approximately three years; that two servers are for data bases and two

are for e-mail and scheduling; and that the servers work in pairs to insure they are not down at the same time.

Upon recommendation of Matt Beckstedt, Information Technology Director and Dick Gammick, District Attorney, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that funding for the purchase of four file servers for the District Attorney's Business System automation project in the amount of \$99,000 be approved.

It was noted that the funds for the computer hardware purchase for the DA Business System are included in the FY 2000/2001 CIP Program and are budgeted within key org 920324.

**01-1044      EXPENDITURE INCREASE – LEXIS-NEXIS SERVICES – SECOND JUDICIAL DISTRICT COURT**

Katy Singlaub, County Manager, advised that, as discussed in yesterday's caucus, the 9% increase in cost for this item is attributable to greater use of the Lexis-Nexis service for legal research.

Upon recommendation of Ron Longtin, District Court Administrator, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the payment of \$27,324 to Lexis-Nexis, the charge for the on-line subscription to Shepard's Lexis.com for the period July 1, 2001 through June 30, 2002, be approved.

**01-1045      ACCEPT FEDERAL GRANT MONIES – VIOLENCE AGAINST WOMEN ACT – FUNDING TRANSFER – SHERIFF**

Upon recommendation of Dennis Balaam, Sheriff, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the Federal Grant under the Violence Against Women Act, in the amount of \$4,500 to be used for domestic violence training be accepted and the following budget adjustments be authorized:

<b>Increase Revenues:</b>		
152472G-4301	Federal Contributions	\$4,500.00
<b>Increase Expenditures:</b>		
152472G-7385	Training	\$2,040.00
152472G-7620	Travel	\$2,460.00

It was noted that the County matching funding requirement of \$1,500 will be met with in-kind contributions of the Investigator's salary and benefits who is currently assigned to the Domestic Violence Investigations Unit.

**01-1046      ACCEPT BYRNE MEMORIAL FOUNDATION GRANT AWARD –  
NORTH STAR TREATMENT AND RECOVERY CENTER –  
SECOND JUDICIAL DISTRICT COURT**

Upon recommendation of Ron Longtin, District Court Administrator, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the Byrne Memorial Formula Grant Award between the State of Nevada, Department of Motor Vehicles and Public Safety, Office of Criminal Justice Assistance, and Second Judicial District Court, as Subgrantee of funds to the North Star Treatment and Recovery Center in the amount of \$55,088 for the Reach-In Program for the period July 1, 2001 through June 30, 2002, be accepted and the Comptroller be directed to make the following account changes:

Increase Revenues		Increase Appropriations	
Account	Amount	Account	Amount
121082G-4301	\$55,088	121082G-7103	\$55,088

**01-1047      DISINTERMENT OF HUMAN REMAINS - HEALTH**

Upon recommendation of Barbara Hunt, District Health Officer, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the request from Harold Morehouse of Reno, Nevada to disinter and remove the remains of Johanna Morehouse, his daughter, who died on January 18, 1982 be approved.

It was noted that disinterment will be from Masonic Memorial Gardens in Reno and reinterment will be in Evergreen Cemetery, Boonville, California; that NRS 451.050, Subsection 2, authorizes the Board of County Commissioners to grant permits for such disinterments and removal of human remains; and that the death certificate indicates that the death was not due to a communicable disease.

**01-1048      BUDGET AMENDMENT – FY 01/02 STATEWIDE WIC  
MARKETING PROGRAM – DISTRICT HEALTH**

Upon recommendation of Barbara Hunt, District Health Officer, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the amendment to the FY 01/02 Statewide WIC Marketing Program Budget be approved and the following account transactions be authorized:

Account	Description	Amount of Decrease	
		Revenue	Expense
002-1700-1707G2-4304	Medicaid	(\$1,399)	
002-1700-1707G2-7140	Other Professional Services		(\$1,399)
	<b>Total</b>	(\$1,399)	(\$1,399)

01-1049

**BUDGET AMENDMENT – FY 01/02 IMMUNIZATION OPERATIONS AND IMMUNIZATION COALITION EDUCATION PROGRAMS – DISTRICT HEALTH**

Upon recommendation of Barbara Hunt, District Health Officer, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that amendments to the Immunization Program (1735G1) and Immunization Coalition Education Program (1735G4) for FY 01/02 be approved and the following account transactions be authorized:

<b>Account Number</b>	<b>Description</b>	<b>Amount of Increase</b>
002-1700-1735G1-4301	<b>Federal Funds</b>	\$98,000
002-1700-1735G1-7003	Overtime	\$ 4,000
-7036	Contractual Wages	\$25,200
-7140	Other Professional Services	\$27,640
-7205	Minor Furniture/Equipment	\$ 2,500
-72051	Personal Computers	\$ 5,000
-7237	Computer Software-PC	\$ 3,000
-7304	Advertising	\$10,000
-7357	Printing	\$ 500
-7375	Special Awards	\$ 3,000
-7382	Telephone	\$ 360
-7849	Capital Outlay – Other	\$16,800
	<b>Total Expenditures</b>	<b>\$98,000</b>
002-1700-1735G4-4301	<b>Federal Funds</b>	\$ 2,000
002-1700-1735G4-7261	Postage/express	\$ 1,000
-7357	Printing	\$ 1,000
	<b>Total Expenditures</b>	<b>\$ 2,000</b>

01-1050

**AWARD OF BID – AERIAL PESTICIDE ABATEMENT - BID NO. ITB-2303-01/RW – DISTRICT HEALTH DEPARTMENT**

This was the time to consider award of bid, Notice to Bidders for receipt of sealed bids having been published in the Reno Gazette-Journal on September 5, 2001, for Aerial Pesticide Abatement Services for the Environmental Health Division of the District Health Department. It was noted that the Invitation to Bid was also made available through the online services of Demandstar.com. Proof was made that due and legal Notice had been given.

One bid, copy of which was placed on file with the Clerk, was received from the following vendor:

Alpine Helicopter Service, Inc.

Upon recommendation of John Balentine, Purchasing and Contracts Administrator, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that Bid No. ITB-2303-01/RW for Aerial Pesticide Abatement for the Environmental Health Division of the District Health Department be awarded to the sole responsive bidder, Alpine Helicopter Service, Inc., as follows:

**Bid Item #1:**

Aerial spraying of pesticides: \$900 per work hour.

**Bid Item #2:**

Minimum total charge per service call: \$2700.00.

**Bid Item #3:**

Surcharge during hours of darkness: \$200.00 per hour.

**Bid Item #4:**

Ferrying charges to and from Reno: \$600.00.

**Bid Item #5:**

Support Equipment to and from Reno: \$1.50 per mile, per vehicle.

It was noted that the effective period of award shall be for approximately twenty-four months and shall run until October 31, 2002; that services shall be used and procured on an as-needed basis; and that the budgeted dollar amount for fiscal years 2001/2002 is \$50,000.00. It was further noted that Alpine Helicopter Service, Inc. is one of four certified and verified helicopter aerial abatement services that are registered in the State of Nevada and are competitively priced in this region; that they are the County's previous contractor for these services and have proven to be a responsive, responsible supplier; and that they have agreed to perform in a manner consistent with the terms, conditions and specifications of the Invitation to Bid. The current bid pricing represents an average 7% increase.

Commissioner Sferrazza advised that he received information that grant monies are available for integrated pest management programs, and requested that staff review a document he received from conservationleaders.com concerning that matter. He noted that the program is currently available in Oregon, Washington, Idaho and Alaska but could also be available in other states.

**01-1051      SCHEDULE FOR REVIEW AND UPDATE OF 1995 – 2015  
REGIONAL WATER PLAN – WATER RESOURCES**

Upon recommendation of the Regional Water Planning Commission (RWPC), on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, Chairman Shaw ordered that the following schedule for review and update of the 1995 – 2015 Regional Water Plan be approved:

**Proposed Schedule**

<b>Start</b>	<b>Finish</b>	<b>Task</b>
On approval	02/22/02	Conduct Plan review and make recommendations for update
	03/12/02	Plan Review Summary Report to BCC
03/04/02	08/30/02	Prepare Plan Update Amendment and Resolution
	09/16/02	RWPC public hearing as per NRS540A.170
	09/18/02	Forward resolution and draft amendment to BCC for adoption as per NRS540A.180

NRS 540A.220 (noted below) requires the RWPC to review the plan within five years after its adoption, on a schedule established by the County Commission; and that after the RWPC completes its review, any proposed amendment, or a report that an amendment is not necessary, shall be submitted to the County Commission which shall then follow the adoption process described in NRS 540A.170-210, as outlined in the agenda memorandum dated September 28, 2001.

NRS 540A.220 Periodic Review. The adopted plan must be reviewed by the commission on a schedule to be established by the board, which must at least provide for review of the initial plan within 5 years after its adoption and every 3 years thereafter. After each review, the commission shall submit any proposed amendment to the board or report that there are none. (Added to NRS by 1995, 2655; A 1997, 1342)

The RWPC proposes a 6-month review process ending by February 24, 2002, the 5-year anniversary of the 1995 – 2015 Regional Water Plan adoption, and 6 months to write the plan update amendment. This timeframe will allow thorough review and recommendations by the plan update workgroup, time for contractors to finish projects, coordination with the preparation of TMWA's resource plan and coordination with the regional plan update.

**01-1052      INTERLOCAL AGREEMENT – REGIONAL WATER MANAGEMENT FUND – INVESTIGATION OF MERCURY IN STEAMBOAT CREEK WATERSHED – WATER RESOURCES**

Upon recommendation of the Regional Water Planning Commission (RWPC), on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the Interlocal Agreement between Washoe County and the Board of Regents, University and Community College System of Nevada, for the University of Nevada, Reno, to conduct an investigation of mercury in the Steamboat Creek watershed in a not-to-exceed amount of \$29,555 to be paid from the Regional Water Management Fund be approved, and Chairman Shaw be authorized to execute.

**01-1053**

**WATER RIGHTS DEED - JOHN C. SERPA – WATER SALE AGREEMENT - WADE M. PENEGOR – WATER RESOURCES**

Upon recommendation of John Collins, Manager, Utility Services Division, through Stephen Bradhurst, Director, Department of Water Resources, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the following actions be taken:

1. The Water Rights Deed for 0.56 acre-feet of ground water rights from Permit 57914 between John C. Serpa, as Grantor, and Washoe County, as Grantee, be approved, and Chairman Shaw be authorized to execute.
2. The Water Sale Agreement for 0.56 acre-feet of ground water rights from Permit 57914, further changed by Application 67734, between Washoe County and Wade M. Penegor be approved, and Chairman Shaw be authorized to execute.
3. The Utility Services Division Manager be directed to record the Water Rights Deed and Water Sale Agreement with the County Recorder.

It was noted that John C. Serpa is dedicating 0.56 acre-feet of ground water rights on behalf of Wade Penegor in support of his Equestrian Facility; that the Assessors Parcel Number for this project is 050-330-05; and that Washoe County, in turn, is making this water available to Wade Penegor as a source of water supply.

**01-1054**

**WATER SALE AGREEMENT - TRUCKEE MEADOWS WATER AUTHORITY – WATER RESOURCES**

Upon recommendation of John Collins, Manager, Utility Services Division, through Stephen Bradhurst, Director, Department of Water Resources, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the following actions be taken regarding Southwest Vista, Unit 5, landscaping:

1. The Water Sale Agreement between Washoe County and Truckee Meadows Water Authority (TMWA) for 2.30 acre-feet of surface water rights from a portion of Permit 57282 and 0.07 acre-feet of surface water rights from a portion of Claim 128, further changed by Application 67223, for a total of 2.37 acre-feet be approved, and Chairman Shaw be authorized to execute.
2. The Utility Services Division Manager be directed to record the Water Sale Agreement with the County Recorder.

**01-1055**      **WATER SALE AGREEMENT - TRUCKEE MEADOWS WATER AUTHORITY – WATER RESOURCES**

Upon recommendation of John Collins, Manager, Utility Services Division, through Stephen Bradhurst, Director, Department of Water Resources, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the following actions be taken regarding Southwest Vista, Unit 4C, landscaping:

1. The Water Sale Agreement between Washoe County and Truckee Meadows Water Authority (TMWA) for 8.97 acre-feet of surface water rights from a portion of Permit 62288, further changed by Application 67911 be approved, and Chairman Shaw be authorized to execute.
2. The Utility Services Division Manager be directed to record the Water Sale Agreement with the County Recorder.

**01-1056**      **INTERLOCAL AGREEMENT – WASHOE-STOREY CONSERVATION DISTRICT - EXPENDITURE – REGIONAL WATER MANAGEMENT FUND – STREAM RESTORATION DESIGN – EVANS CREEK – WATER RESOURCES**

Upon recommendation of the Regional Water Planning Commission (RWPC), on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the Interlocal Agreement between Washoe County and the Washoe-Storey Conservation District to obtain stream restoration design for the middle and lower reaches of Evans Creek, a tributary to Steamboat Creek, in a not-to-exceed amount of \$63,800 to be paid from the Regional Water Management Fund be approved, and Chairman Shaw be authorized to execute.

**01-1057**      **INTERLOCAL CONTRACT – HOMELESS EVALUATION LIAISON PROGRAM - CITY OF RENO, RENO POLICE DEPARTMENT - SHERIFF**

Upon recommendation of Dennis Balaam, Sheriff, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the Interlocal Agreement between the Washoe County Sheriff and the City of Reno, Reno Police Department concerning formal establishment of a cooperative effort to operate the Homeless Evaluation Liaison Program in the amount of \$25,000 be approved, and Chairman Shaw be authorized to execute.

**01-1058**      **INTERLOCAL CONTRACT – STATE OF NEVADA**  
**DEPARTMENT OF PUBLIC SAFETY, DIVISION OF PAROLE**  
**AND PROBATION – COORDINATION OF INMATES THROUGH**  
**COMMUNITY WORK PROGRAM – SHERIFF**

Upon recommendation of Dennis Balaam, Sheriff, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the Interlocal Contract between the Washoe County Sheriff and the State of Nevada Department of Public Safety, Division of Parole and Probation, concerning coordination of inmates through the Sheriff's Community Work Program be approved, and Chairman Shaw be authorized to execute.

It was noted that the Sheriff's Office will receive \$10,000 per year for two years for providing this service; that the first year will be funded through salary savings and in the second year there will be an increase in budget appropriation by \$10,000.

**01-1059**      **CONTRACT – ARCHITECTURAL SERVICES – VERDI JUSTICE**  
**COURT – PUBLIC WORKS**

This was the time to consider award of Contract for Architectural Services for design development, construction document development, and construction administration services for the Verdi Justice Court on behalf of the Public Works Department. Staff's recommendation was to award the contract to Architects + in the amount of \$29,900.

Katy Singlaub, County Manager, provided information in response to questions raised at yesterday's caucus meeting.

Commissioner Sferrazza requested that this item be deferred in order to review the possibility of having a Reno Township, a Sparks Township, an Incline Village Township, and adding additional Justice Courts in Reno and Sparks to service the demands of the outlying areas. He advised that the District Attorney has indicated there is no requirement to have more than two townships in Washoe County, and it might be more efficient to consolidate the courts in light of recent discussions concerning court consolidation.

Upon inquiry of Commissioner Bond, County Manager Singlaub said the matter should be back before the Board within 60 days. Commissioner Bond said she would not want it deferred any longer than that. Commissioner Galloway said that management staff could present alternatives to the Board within 60 days concerning how much could be saved if the Justice Courts were consolidated.

On motion by Commissioner Sferrazza, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that the Agreement for Architectural Services concerning the Verdi Justice Court Expansion be continued.

**01-1060**      **ACCEPT LOW- INCOME HOUSING TRUST FUNDS – 2002**  
**WELFARE SET-ASIDE AGREEMENT – STATE OF NEVADA**  
**HOUSING DIVISION – GRANTS ADMINISTRATOR**

Upon recommendation of Gabrielle Enfield, Grants Administrator, on motion by Commissioner Bond, seconded by Commissioner Galloway, which motion duly carried, it was ordered that the Low-Income Housing Trust Funds - Welfare Set-Aside from Nevada Housing Division (State Pass-Through Funds) be accepted, and Chairman Shaw be authorized to execute the agreement with the State of Nevada Housing Division for 2001/2002 Low Income Housing Trust Funds.

**01-1061**      **OVERVIEW OF REGISTRAR OF VOTERS DEPARTMENT**

Dan Burk, Registrar of Voters, presented an overview of the Registrar of Voters (ROV) Department. He advised that the number of registered voters in Washoe County has increased approximately 14% over the last four years. He stated that after the problems of the 1998 election, where Washoe County was the last jurisdiction in the United States to complete certification of the ballot, an elections task force was established and significant changes were made. Mr. Burk advised that the ROV now has the Global Elections Management System, which is one of the most advanced systems in the United States and works very effectively; and that it will be a long time before Washoe County needs to upgrade the system. He reviewed other improvements that have been made including the establishment of a new level of security, operational accountability both internally and externally, and mandatory training of poll workers and other improvements at polling places.

Mr. Burk said that now that redistricting lines have been established, the ROV is charged with assuring that each registered voter is classified in the right district. He then discussed future trends including continued expansion of early and absentee voting, DRE Touch Screen voting, and expansion of Website services. Mr. Burk responded to questions of the Board and advised he believes the DRE Touch Screen voting is the way Washoe County needs to go.

Commissioner Galloway commented that paper ballots allow for recount and is the price to pay for the sanctity of the vote; and that he is concerned that once a system goes electronic it could be hacked into making the electronic record false. Commissioner Sferrazza said that fraud can be also be committed with paper ballots, and the security of the system is what insures against fraud. Mr. Burk advised that the electronic system has two recording systems, one reporting the result and one within the machine that is sealed until time to prepare the certification. He said the system is being sold all over the United States, and the demonstrations he has seen indicate that the level of security is quite high.

## **UPDATE – NEVADA TAHOE CONSERVATION DISTRICT**

Jason Drew, Program/Project Manager, Nevada Tahoe Conservation District, provided an update of District activities. He advised he was hired by the District about four months ago, and he and his board instituted a procedure to visit each of their funding members every six months to provide an update of the projects they have been working on. He said they are primarily grant funded, and the funding Washoe County provides the District is essential to their function. Mr. Drew discussed the projects they are currently working which include (1) assisting in the implementation of the large stormwater treatment and soil erosion projects as part of the Tahoe Bond Act, (2) helping constituents implement best management practices in accordance with the Tahoe Regional Planning Agency's (TRPA) retrofit ordinance, (3) working with cooperative partners to put together a feasibility study to determine if biomass in the basin could be used for things such as producing energy, fuels, or wood products that would offset the cost of thinning the forests, and (4) conducting a sanitary survey for the Incline Village GID and several water purveyors in Douglas County to help them meet their five-year study requirements.

Commissioner Galloway stated that the Environmental Improvement Program (EIP) of the TRPA has a \$1.4-billion price tag for these combined projects, and it is great that for the first time there is some measure of effectiveness of these projects before the remainder of the \$1.4-billion is invested.

## **UPDATE – SIERRA FOREST FIRE PROTECTION DISTRICT – NEVADA DIVISION OF FOREST ACTIVITIES**

Robert Ruffridge, Regional Forester, Nevada Division of Forestry, provided an update of Sierra Forest Fire Protection District and Nevada Division of Forestry activities. He advised that he would be bringing the facilities assessment to the Board in December. He said they are ready to start the interview process for paramedic positions that have been approved, and are conducting the recruitment process for approved training captains positions. Forester Ruffridge advised that projected new positions will start in October of each year instead of July in order to start positions on a date that is realistic. He then reviewed this year's fire season events. He advised that, subsequent to the September 11, 2001 events, the firefighters from the Sierra Forest Fire District and the Division of Forestry were able to collect approximately \$70,000, which will be forwarded to New York to assist with the families that lost firefighters in those events.

### **01-1062      EXTENSION OF TIME – ECO:LOGIC, LLC – SOUTH TRUCKEE MEADOWS FACILITY PLAN**

Katy Singlaub, County Manager, advised that additional information has been provided regarding this item in response to questions raised at yesterday's caucus meeting. Commissioner Sferrazza advised that the additional information has satisfied his questions.

Steve Bradhurst, Director, Water Resources, was present to respond to questions. He advised that the study focuses on the issue of how much water is available and what the demands will be over time.

John Enloe, ECO:LOGIC, LLC, conducted a PowerPoint presentation of the South Truckee Meadows Facility Plan. He advised that the plan is primarily a water resources supply plan for the South Truckee Meadows intended to identify and plan for a reliable water supply into the future based on build-out of the approved land uses in the area. He said that some of the activities that have delayed the schedule are attributed to determining the water availability from the tributary creeks; that they now have all the data they need to evaluate the different water supply options; and that the time extension will allow adequate time to address the technical issues and conduct the public input and review process. Mr. Enloe then responded to questions of the Board.

On motion by Commissioner Sferrazza, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that the request by ECO:LOGIC for a no-cost extension of time to June 30, 2002 to complete the South Truckee Meadows Facility Plan be approved.

**01-1063**      **WASHOE COUNTY TO FILE SUIT - JUANITA S. LARUE -**  
**JUANITA S. LARUE AND ROBERT L. SIMS, TRUSTEES OF W.**  
**DALTON LARUE, SR. – JUANITA S. LARUE INTER VIVOS**  
**TRUST – CONVEYANCE OF REAL PROPERTY**

Upon recommendation of John Collins, Manager, Utility Services Division, through Stephen Bradhurst, Director, Department of Water Resources, on motion by Commissioner Sferrazza, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that the following actions be taken:

1. Washoe County be authorized to file suit against Juanita S. LaRue, individually, and Juanita S. LaRue and Robert L. Sims, Trustees of W. Dalton LaRue, Sr. and Juanita S. LaRue Inter Vivos Trust to compel the conveyance of certain real property to the County, and to collect certain sums of money due to the County.
2. The law firm of Allison, MacKenzie, Hartman, Soumbeniotos, & Russell, Ltd. be authorized to file the suit and continue its representation of Washoe County in this matter. Said law firm has represented Washoe County on this matter since 1987.

**01-1064**      **BILL NO. 1310 – ESTABLISHING PROCEDURE FOR**  
**DETERMINING HARDSHIP FOR PROPERTY INCLUDED**  
**WITHIN BOUNDARIES OF AN IMPROVEMENT DISTRICT**

Bill No. 1310, entitled, "AN ORDINANCE ESTABLISHING A PROCEDURE TO ALLOW A PERSON WHOSE PROPERTY WILL BE INCLUDED

WITHIN THE BOUNDARIES OF AN IMPROVEMENT DISTRICT TO APPLY FOR A HARDSHIP DETERMINATION; PROVIDING THE DETAILS OF SUCH PROCEDURE TO BE FOLLOWED; RATIFYING ACTION HERETOFORE TAKEN NOT INCONSISTENT HEREWITH; AND PROVIDING OTHER MATTERS PROPERLY RELATED THERETO" was introduced by Commissioner Short, the title read to the Board and legal notice for final action of adoption directed.

Later in the meeting, Chairman Shaw noted that he had received a comment card from Terri Shannon in reference to this item. County Manager Singlaub provided information in response to Ms. Shannon's questions about the ordinance.

**01-1065      AWARD OF BID – LAW ENFORCEMENT UNIFORMS & ACCESSORIES - BID NO. 2291-01 - SHERIFF**

This was the time to consider award of bid, Notice to Bidders for receipt of sealed bids having been published in the Reno Gazette-Journal on July 18, 2001, for Law Enforcement Uniforms & Accessories for the Sheriff's Office. Proof was made that due and legal Notice had been given.

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

Dick Bruhn, Inc. dba Butler's Uniforms  
Don Hume Leathergoods, Inc.  
Uniforms of Distinction  
Miller's School Jackets

Doug-Helmer – Flying Cross did not respond to the Invitation to Bid.

Upon recommendation of John Balentine, Purchasing and Contracts Administrator, on motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that Bid No. 2291-01 for Law Enforcement Uniforms & Accessories for the Sheriff's Office be awarded on a requirements basis to the overall lowest qualified bidder, Butler's Uniforms, for an approximate award amount of \$320,000 over a two-year period, with an option for two one-year extensions. The City of Reno Police Department, after evaluation, will make their own recommendation and award for the items requested as part of the bid.

It was further ordered that the Purchasing and Contracts Administrator be authorized to enter into an approximate two-year Agreement with Butler's Uniforms, commencing from the date of Bid award through June 30, 2003 with the option for two one-year extensions.

It was noted that prices shall not increase for the duration or the resultant Agreement through June 30, 2003 and after initial award prices may be negotiated for the option to extend for two one-year extensions.

01-1066

**AWARD OF BID – DEMOLITION OF THE PIONEER INN HOTEL & CASINO – PWP-WA-2001-788 – PUBLIC WORKS**

This was the time to consider award of bid, Notice to Bidders for receipt of sealed bids having been published in the Reno Gazette-Journal on September 5, 6, 7, 12, and 13, 2001 for the Demolition of the Pioneer Inn Hotel & Casino, PWP-WA-2001-788 for the Public Works Department. Proof was made that due and legal Notice had been given.

The following bids were received:

<b>Contractor</b>	<b>Base Bid</b>
Advanced Demolition Technologies	\$ 965,000
ICONCO	\$1,130,000
Clauss Construction	\$ 937,767
Diversified Concrete Cutting, Inc.	\$ 738,222
CST Environmental, Inc.	\$1,327,800

Rod Savini, Public Works Department, responded to questions of Commissioner Sferrazza concerning qualifications and demolition experience of the low bidder for the project. Some discussion was held on issues relative to the Pioneer Inn site. Commissioner Sferrazza advised that he did not support the removal of the Heart of Reno Wedding Chapel, who vacated the premises on July 31st, as he thought the County could continue to realize the lease payment and just demolish the other portion of the building.

Chairman Shaw read a comment card from Sam Dehne stating his opposition to demolishing the Pioneer building and to Washoe County and the City of Reno ignoring the vote of the citizens in November, 2000 that said no to new courts.

Upon recommendation of Rod Savini, Capital Projects Division Manager, through David Roundtree, Public Works Director, on motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, with Commissioner Sferrazza voting "no," it was ordered that Bid No. PWP-WA-2001-788 for Demolition of the Pioneer Inn Hotel & Casino be awarded to the low, responsive, responsible bidder, Diversified Concrete Cutting, Inc. in the amount of \$738,222 and Chairman Shaw be authorized to execute the contract concerning same.

01-1067

**MOVING EXPENSES – HUMAN RESOURCES MANAGER**

Upon recommendation of Joanne Ray, Director of Human Resources, on motion by Commissioner Sferrazza, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that the moving expenses of approximately \$2,000 for Jim German, new Human Resources Manager, be approved.

**01-1068**      **POSITION CHANGE – COMMUNITY AND CLINICAL HEALTH SERVICES DIVISION – HEALTH**

Upon recommendation of Barbara Hunt, District Health Officer, on motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that the changes to one authorized position in the Community and Clinical Health Services Division be approved, and the Human Resources Department be directed to make the changes as follows:

Position Control #32: increase, change title and salary distribution for a vacant part-time Community Health Nurse II position from 21 hours/week to a 30 hours/week Licensed Practical Nurse. This will a) increase PC#32 to a 30-hour part time position, with benefits, b) change the position from a Community Health Nurse II to a Licensed Practical Nurse, and c) change the salary distribution from 100% in 17060 (local) to 50% in 17350 (Immunizations) and 50% in 17140 (TB Control), both local funding.

**01-1069**      **POSITION CHANGES – WOMEN, INFANTS AND CHILDREN (WIC) PROGRAM – HEALTH**

Upon recommendation of Barbara Hunt, District Health Officer, on motion by Commissioner Sferrazza, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that changes to five authorized positions and creation of two positions in the Women, Infants and Children (WIC) Program be approved and the Human Resources Department be directed to make the changes as follows:

- 1) **Position Control (PC) #96: abolish** a part-time 29 hours/week Human Services Support Specialist II position effective December 31, 2001.
- 2) **PC#216: abolish** a full-time Human Services Support Supervisor position.
- 3) **PC#97: abolish** a full-time Human Services Support Supervisor position.
- 4) **PC#187: abolish** a full-time Human Services Support Supervisor position.
- 5) **PC#201: decrease** a full-time Community Health Nutritionist position from 40 hours/week to a 21 hours/week position.
- 6) **PC#TBA: create** a full-time Human Services Support II position.
- 7) **PC#TBA: create** a full-time Human Services Support II position.

**01-1070**      **POSITION RECLASSIFICATIONS – CREATION OF NEW CLASSES – TITLE CHANGES AND ABOLISHMENT OF CLASSES – HUMAN RESOURCES**

Commissioner Sferrazza commented that it is his understanding the existing classifications were based on 1999 determinations and since it has been over a year,

he will support the recommendation. County Manager Singlaub advised that, pursuant to discussion at yesterday's caucus meeting, she has directed staff to look into a possible policy recommendation for a 12-month limitation on reclassification requests, whereby an employee would have to stay in a position at the similar job duties for 12 months.

Upon recommendation of Joanne Ray, Director of Human Resources, on motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that the following reclassifications of positions into existing classes, new classes and abolishment of classes be approved:

Department	Current Position	Pay Grade	New Class	Pay Grade
Sheriff	Office Assistant II (9 positions in Sheriff's Office)	E	Office Assistant III	G
Sheriff	Office Assistant II	E	Office Support Specialist	H
Water Resources	Licensed Engineer	Q(R)	Senior Licensed Engineer	R(S)
Water Resources	Program Assistant	K	Accountant I	L
Social Services	Eligibility Case Compliance Reviewer	K	Eligibility Case Compliance Reviewer	L
Public Works	Engineering Technician II	H	Surveying Technician	J
Assessor	Personal Property Field Representative	I	Personal Property Appraiser (New class)	K
Health	Program Assistant	K	Administrative Assistant I	K
Public Defender	Deputy Public Defender V	V	Deputy Public Defender IV	U
Public Defender	Legal Secretary Lead	J	Legal Secretary	I

**Abolishment of Class:**

Deputy Public Defender V

**Title change of existing class:**

Department	Current Class Title	Recommended Class Title
Building & Safety	Building Inspection Tech I	Building Inspection Technician
District Attorney	Programmer Analyst	Department Programmer Analyst
Countywide	Department Network Specialist	Department Computer Specialist

**01-1071 BUDGET AMENDMENT – FY 2001/2002 FAMILY PLANNING PROGRAM – HEALTH**

Upon recommendation of Barbara Hunt, District Health Officer, on motion by Commissioner Sferrazza, seconded by Commissioner Bond, which motion duly carried, Chairman Shaw ordered that the purchase orders to Planned Parenthood Mar Monte in the amount of \$181,347 for the Planning Title X Expansion Project and in the

amount of \$31,263 for family planning services to low income patients be approved. It was further ordered that the amendment to the Family Planning Program (1730G1) FY 01/02 budget be approved, and the following account changes be authorized:

<b>Account Number</b>	<b>Description</b>	<b>Amount of Increase</b>
002-1700-1730G1-4301	<b>Federal Funds</b>	\$132,206
002-1700-1730G1-7002	Part Time Salaries	16,117
-7036	Contractual Wages	14,720
-7042	Group Insurance	3,601
-7043	Dependent Insurance	3,120
-7048	Retirement	3,022
-7050	Medicare	234
-7140	Other Professional Svcs	12,000
-7205	Minor Furn/equipment	2,000
-72052	Printers	1,000
-7245	High Risk Supplies	900
-7247	Medical Supplies	20,000
-7250	Office Supplies	1,000
-7304	Advertising	10,500
-7403	Biologicals	4,915
-7418	Outpatient Services	22,606
-7423	Referral Services	16,471
	<b>Total Expenditures</b>	<b>\$132,206</b>

**01-1072      INTERLOCAL CONTRACT – STATE OF NEVADA DIVISION OF CHILD AND FAMILY SERVICES - LOCAL CHILD WELFARE SERVICES INTEGRATION – SOCIAL SERVICES**

Katy Singlaub, County Manager, provided information in response to questions raised at yesterday's caucus meeting. She advised that the contract contains a termination clause that could be exercised by either party if necessary. Commissioner Sferrazza said he would support this item with the understanding that there is a 90-day termination without cause clause.

Upon recommendation of Michael Capello, Director, Department of Social Services, on motion by Commissioner Sferrazza, seconded by Commissioner Short, which motion duly carried, it was ordered that a two-year Interlocal Contract with the State of Nevada Division of Child and Family Services (DCFS) for payment to Washoe County for one-time costs of local child welfare services integration be approved, and Chairman Shaw be authorized to execute.

It was noted that the amount of one-time costs of local child welfare services integration needed by Washoe County over the biennium is anticipated to be \$377,714; and that the State has budgeted general fund monies for this purpose in the amount of \$240,842 and anticipates that an additional \$136,872 is available to the County from Federal reimbursements.

**01-1073**      **COOPERATIVE AGREEMENT PLAN – U.S. DEPARTMENT OF JUSTICE – JAN EVANS JUVENILE JUSTICE FACILITY - JUVENILE SERVICES**

Upon recommendation of Mary Ann Woolley, Division Director, Department of Juvenile Services, on motion by Commissioner Sferrazza, seconded by Commissioner Short, which motion duly carried, it was ordered that the Cooperative Agreement Plan Package between the Washoe County Department of Juvenile Services, the United States Marshals Service and the Immigration and Naturalization Service concerning construction of the new Jan Evans Juvenile Justice Facility be approved, and Chairman Shaw be authorized to execute.

It was noted that the United States Department of Justice will provide \$150,000 for construction, and in return Juvenile Services will guarantee three bedspaces - two for the US Marshals Service and one for Immigration and Naturalization; and that Juvenile Services will be reimbursed for the cost of care for the length of stay at a negotiated rate that will not be less than the current contract rate of \$80 per day.

**01-1074**      **UPDATE – JAN EVANS JUVENILE JUSTICE FACILITY – PUBLIC WORKS**

Rod Savini, Public Works Department, provided an update on the design development for the new Jan Evans Juvenile Detention Center and responded to questions of the Board concerning costs, land acquisition, and housing unit expansion potential. Leonard Pugh, Director, Juvenile Services, advised that they are now in the value engineering phase of the project and will be looking at everything possible where costs could be reduced. He thanked Mr. Savini and his staff for their efforts and cooperation regarding the project. County Manager Singlaub complimented everyone working on the project.

**01-1075**      **ELDORADO CANYON LAND EXCHANGE – TOQUOP LAND EXCHANGE - BUREAU OF LAND MANAGEMENT – COMMUNITY DEVELOPMENT**

Bill Whitney, Planner, Department of Community Development, provided a display map showing the location of two land exchange proposals between Washoe County and the Bureau of Land Management (BLM). He advised that, concerning the Eldorado Canyon Land Exchange, the BLM would dispose of approximately 162 acres of public land located in Lyon County adjacent to a developing industrial park in Dayton, Nevada and would acquire approximately 604 acres south of Dayton in an area of existing Federal lands known as Eldorado Canyon. The BLM would also acquire approximately 388 acres of private lands in the Pah-Rah Range located approximately three miles east of the end of La Posada Drive. The property is designated as potential open space in the Washoe County Regional Open Space Plan.

Mr. Whitney advised that, concerning the Toquop Land Exchange, the BLM would dispose of approximately 640 acres of public land located in Lincoln County about 12 miles northwest of Mesquite. This land is located in an area known as the Toquop Wash and would be used for economic development, and the Board of County Commissioners of Lincoln County passed a resolution supporting the exchange. In exchange the BLM would acquire approximately 640 acres located about 20 miles east of Sparks in the Pah-Rah Range and Truckee River Canyon East area. This property lies outside of but is directly adjacent to the Regional Open Space Plan boundary and is not designated as potential open space in the Washoe County Regional Open Space Plan. Mr. Whitney advised that the acquisition of these properties by the BLM would "fill-in" an existing checkerboard pattern of public ownership. He then responded to questions of the Board.

David Buhlig, Carson City BLM Field Office, reviewed the typography of the Toquop/Pah-Rah parcel.

On motion by Commissioner Short, seconded by Commissioner Bond, which motion duly carried, the Board voted to support the Eldorado Canyon Land Exchange and the Toquop Land Exchange between Washoe County and the Bureau of Land Management.

**01-1076      FINAL ENVIRONMENTAL IMPACT STATEMENT – RENO  
CLAY PLANT PROJECT (OIL-DRI) – COMMUNITY  
DEVELOPMENT**

Bill Whitney, Planner, Community Development, said that Washoe County is a cooperating agency in the development of the Environmental Impact Statement (EIS). The Board as well as the Washoe County Planning Commission and staff submitted comments in response to the Draft EIS. He reviewed the responses by the Bureau of Land Management (BLM) to the comments submitted. Mr. Whitney said the staff report dated October 8, 2001, included 10 non-satisfactory responses, and the concerns they represent are appropriate to address through the conditions in the County's Special Use Permit (SUP) process, which is just beginning. Staff never anticipated that all questions would be answered in the EIS, as it is a disclosure document that looks at the project as a whole and does not deal with potential impacts that the BLM does not have control over.

Commissioner Bond asked whether a noise study was done for the North Valley area and if so, was it included in the EIS. Mr. Whitney said the County's comment concerning noise level is listed on page 7-83, comment 5-32 in the Final EIS. He said noise studies were conducted at Oil-Dri's other mining pits, and although they are in other states they are similar to the one near Hungry Valley and were found to be at an acceptable level.

Chairman Shaw asked whether the groundwater monitoring, as proposed in the Final EIS, would be sufficient to assure that the quality of the groundwater is still

usable. Mr. Whitney responded that soil monitoring would be conducted to determine whether certain types of minerals are in the soil and whether they would leach or not; and that staff believed it would be appropriate to monitor what is actually leaching out of the soil.

Commissioner Bond said, to her knowledge, there has been no in-depth study in the area concerning water availability and things of that sort. She has seen no documentation generated by the County or the State regarding the water issue. There are wells going dry in that area, especially the back part of Lemmon Valley, and the issue of how much water Oil-Dri is going to need is very important. She said Oil-Dri has assured her that they have plenty of water rights, but the issue is how much water will they be pumping and the effects of that use. Mr. Whitney said the changes between the Draft and Final EIS on those particular issues were that wells and well levels were to be monitored in a half-mile radius of where the processing plant will be. He said on page 4-27 of the Final EIS it states, "should adverse impacts occur to a private well that can be attributed to Oil-Dri's groundwater pumping, Oil-Dri would be responsible for correcting the problem." There was another change in the EIS that increases the anticipated or approximate consumptive use for the Oil-Dri project from 13.5 acre-feet a year to 17.2 acre-feet a year. He suggested moving item 5-11/26 to the non-satisfactory column for closer scrutiny in the SUP process.

Commissioner Bond asked how many acres Oil-Dri would mine at a time, and how much bare land would there be before any reclamation process is started. Mr. Whitney stated, as each panel is mined, the ones behind are filled in with whatever material is left, and the overburden is put on top of that and then treated for dust. Commissioner Bond requested the water issue be included as a non-satisfactory response.

Terri Knutson, EIS Project Manager, Carson City BLM, said that she attended the North Valleys Citizen Advisory Board (CAB) meeting where they discussed the SUP for Oil-Dri. She noted there was a change to the 17.2 water quantity for more than that amount; and that there have been revisions to the water balance since the Final EIS came out, such as defining how much more water would be needed for fugitive dust control, etc. Mr. Whitney said the Air Quality Department would be monitoring the dust at the site, and if it is not being watered enough, they could conceivably lose their air quality permit. The Water Resources Department and the State Water Engineer will monitor the water usage in comparison to the water rights they have.

Chairman Shaw asked if all concerns and issues had been addressed in the Final EIS. Ms. Knutson said all concerns have been responded to, whether it was satisfactory or not, to the agency making the comment.

In response to Commissioner Bond's inquiry regarding wells 203 and 204, Ms. Knutson said they could find out the pumping capacity of both wells, and Oil-Dri is discussing the possibility of drilling new wells right next to those wells. Mr. Whitney said that question could be combined with item 5-11 of the non-satisfactory responses forwarded to staff.

Commissioner Sferrazza asked about the traffic impact on Lemmon Drive and said the comments reflect that Oil-Dri truck traffic would replace Sha-Neva truck traffic on Lemmon Drive. Mr. Whitney said public health, safety and welfare could dictate any SUP conditions for additional safety improvements. Commissioner Sferrazza said employees could not be restricted to use Preferred Alternative C as the route to get to and from work. Mr. Whitney said that is why that comment was included with the non-satisfactory responses, and maybe the SUP could provide direction to Oil-Dri on how their employees get to and from work.

Commissioner Sferrazza asked whether the mosquito abatement issue was addressed satisfactorily. Mr. Whitney responded that the response was inadequate and staff felt the issue could have been addressed better. He said pools left in reclaimed pits and the possibility of mosquito issues that should be addressed in the SUP conditions.

In response to Commissioner Sferrazza's inquiry regarding project impact fees, Madelyn Shipman, Legal Counsel, advised that impact fees are required of all development within Washoe County. The designation for the use of those fees benefit districts that are administered through the Regional Transportation Commission (RTC), and the roads benefited through the utilization of the collective impact fees would be part of the RTC work program each year. She said there is no way to specifically tie impact fees paid to a specific roadway.

In response to Commissioner Short's inquiry, Ms. Knutson said they do know the exact number of trucks using the road now. Sha-Neva's SUP for their sand pit expires in January 2003, which is about the same time Oil-Dri would start hauling, and the numbers are approximately the same. She noted that Sha-Neva's trucks are doubles and triples and Oil-Dri's are not.

Todd Irvine, representing the Reno-Sparks Indian Colony (RSIC), stated he is pleased the Board is taking such an in-depth look at this project and considering the people who live in the area and the impacts this project would have on them. He advised that RSIC provided numerous comments to the Draft EIS and 90% of the responses from the BLM were inadequate. The most common answers were "beyond the scope of the document" and "comment noted," with little or no explanation. One of the questions raised by the Board concerning the Particle Matter (PM) PM2.5 standard had the response that the Nevada Environmental Protection Agency (NEPA) does not require the BLM to speculate about impacts that cannot be reasonably ascertained or described at the time the EIS is prepared. He said the RSIC hopes the Board and other departments do not find the safety, wellbeing and health of the community beyond the scope of their authority and responsibilities.

Darlene Gardipe, Hungry Valley resident, said she attended the North Valleys CAB meeting last night, and the CAB was very concerned about the air, water and traffic issues. The CAB also noted the number of people who commented on the Final EIS, are almost totally against the Oil-Dri project. Ms. Gardipe advised that people in the North Valleys are very concerned about the rapidly disappearing open space areas,

and the impacts to the community. She said she is especially concerned for the children, youth and elders of the community and noted their quality of life will be effected forever. She provided pictures for the Board to review concerning the Tuscarora (Mine) reclamation site and said she is very concerned with this project going forward. (Per legal counsel, the pictures were returned to Ms. Gardipe.)

Diana Crutcher Smith, Hungry Valley resident, advised that the North Valleys CAB unanimously voted to deny the SUP for Oil-Dri. She said she spoke with the Health Department concerning this project, and she toured the site with the Vector Control, who expressed concern with the Final EIS. They were going to provide a report for the Board expressing their concerns. Ms. Smith said she would like to see the County respond to the concerns expressed and not just accept BLM's response "beyond the scope of their responsibility."

Karel Malloy, Great Basin Mine Watch, stated they were very disappointed with the Final EIS. The EIS did not adequately address a lot of the concerns raised through the Draft EIS comment period. She said there would be no monitoring of groundwater contamination or depletion, and it does not adequately address air quality. Great Basin raised the question about the clay being locatable, and BLM's response was that issue was beyond the scope of the EIS, which Great Basin found to be unsatisfactory.

Chairman Shaw read a statement by Sam Dehne into the record, expressing his concern about noisy, dangerous, and polluting growth projects, such as the Oil-Dri scheme, being allowed in Washoe County.

Commissioner Galloway said he is concerned about the PM standard referred to in the Final EIS. He said there is cause for concern because there is no margin for air quality in the North Valleys area, and he is not comfortable with having no margin. Mr. Whitney said the Air Quality Department looks at the North Valleys as a whole and takes into consideration all projects for the area. They review proposed projects and determine if it will take the air quality over the threshold. He noted there are no major emitters in the area right now. Mr. Whitney advised the Air Quality Department would be sending out a draft permit within 2 to 3 weeks for public comment. They will review the feedback from the public before issuing an air quality permit.

Commissioner Bond asked whether the Air Quality Department could put a monitoring system out in the North Valleys to try and get a base line for the Board to consider. Mr. Whitney said the North Valleys already has a system, but it would cost approximately \$100,000 to set the system up to retrieve the information Commissioner Bond is requesting, and around \$10,000 annually to maintain it.

Chairman Shaw said he is the District Health Board representative, and he requested that Andy Goodrich, Director of Air Quality, conduct some studies and review the literature for this project. He said Mr. Goodrich has agreed to do that and will submit a report back to him. Ms. Knutson said the BLM has been working with the Air Quality

Department concerning this project. The BLM has no authority over air quality and is not allowed to put any type of mitigation into an EIS.

Commissioner Sferrazza said the BLM is making a pretty big assumption when they say Sha-Neva will not mine at the same time as Oil-Dri. Mr. Whitney said that Sha-Neva's SUP will expire in 2003, and the aggregate pit of Sha-Neva was sold to someone else. There was an agreement reached for Oil-Dri to use that pit and the road to that pit as their main access off of Lemmon Drive into Hungry Valley. Commissioner Sferrazza said it is not clear that the road will only be used by Oil-Dri truck traffic. Mr. Whitney said the road is private and the agreement was made with Oil-Dri to use that road; and that maybe the SUP could include a condition that only Oil-Dri trucks are allowed to use the road.

In response to Commissioner Sferrazza's inquiry concerning the locatability determination, Ms. Knutson advised that the mineral report was conducted by the federal government, which went to the Solicitor's office in Washington, D.C. where it was affirmed. The County and the public have the right to appeal that issue once the Record of Decision has been filed. She noted there is a 30-day appeal period, and the person filing an appeal could also request a stay. The decision to grant the stay would be determined by the Appeal Board.

Commissioner Bond requested that staff provide information concerning any similar projects in the northwest area.

On motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that the non-satisfactory responses, 5-1/14, 5-2, 5-7, 5-9/23, 5-11/26, 5-15, 5-22/35, 5-23, and 5-33 be sent to staff for review and analysis for the special use permit process, as well as to the Bureau of Land Management.

**6:30 p.m.**      **The Board recessed.**

**6:40 p.m.**      **The Board reconvened with Commissioner Sferrazza absent.**

**01-1077**      **BILL NO. 1307 – ORDINANCE NO. 1131 – AMENDING WCC  
CHAPTER 60 – 1997 UNIFORM FIRE CODE WITH  
AMENDMENTS**

**5:30 p.m.**      This was the time set in a Notice of Public Hearing published in the Reno Gazette-Journal on September 28, 2001, to consider second reading and adoption of Bill No. 1307. Proof was made that due and legal Notice had been given.

The Chairman opened the public hearing and called on anyone wishing to speak for or against the adoption of said Ordinance. There being no one wishing to speak, Chairman Shaw closed the public hearing.

On motion by Commissioner Short, seconded by Commissioner Bond, which motion duly carried with Commissioner Sferrazza temporarily absent, Chairman Shaw ordered that Ordinance No. 1131, Bill No. 1307, entitled, "AN ORDINANCE AMENDING CHAPTER 60 OF THE WASHOE COUNTY CODE BY ADOPTING THE 1997 UNIFORM FIRE CODE WITH AMENDMENTS," be approved, adopted and published in accordance with NRS 244.100.

\* \* \* \* \*

**Commissioner Sferrazza returned to the meeting.**

**01-1078**      **BILL NO. 1308 – ORDINANCE NO. 1132 – AMENDING WCC  
CHAPTER 5 – COUNTY COMMISSIONER ELECTION  
DISTRICTS**

**5:30 p.m.**      This was the time set in a Notice of Public Hearing published in the Reno Gazette-Journal on September 28, 2001, to consider second reading and adoption of Bill No. 1308. Proof was made that due and legal Notice had been given.

The Chairman opened the public hearing and called on anyone wishing to speak for or against the adoption of said Ordinance. There being no one wishing to speak, Chairman Shaw closed the public hearing.

On motion by Commissioner Galloway, seconded by Commissioner Bond, which motion duly carried with Chairman Shaw voting "no," it was ordered that Ordinance No. 1132, Bill No. 1308, entitled, "AN ORDINANCE AMENDING CHAPTER 5 OF THE WASHOE COUNTY CODE RELATING TO COUNTY COMMISSIONER ELECTION DISTRICTS BY ESTABLISHING FIVE COUNTY COMMISSIONER ELECTION DISTRICTS THAT ARE AS EQUAL IN POPULATION AS PRACTICABLE, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO," be approved, adopted and published in accordance with NRS 244.100.

**01-1079**      **BILL NO. 1309 – ORDINANCE NO. 1133 – AMENDING WCC -  
COLLECTION OF FEES CHARGED BY RECORDER –  
RECORDING MAPS OF DIVISIONS INTO LARGE PARCELS**

**5:30 p.m.**      This was the time set in a Notice of Public Hearing published in the Reno Gazette-Journal on September 28, 2001, to consider second reading and adoption of Bill No. 1309. Proof was made that due and legal Notice had been given.

The Chairman opened the public hearing and called on anyone wishing to speak for or against the adoption of said Ordinance. There being no one wishing to speak Chairman Shaw closed the public hearing.

On motion by Commissioner Galloway, seconded by Commissioner Short, which motion duly carried, Chairman Shaw ordered that Ordinance No. 1133, Bill No. 1309, entitled, "AN ORDINANCE AMENDING THE WASHOE COUNTY CODE BY

CHANGING THE COLLECTION OF FEES CHARGED BY THE RECORDER FOR RECORDING MAPS OF DIVISIONS INTO LARGE PARCELS,” be approved, adopted and published in accordance with NRS 244.100.

**01-1080      PROPOSED HOSPITAL REVENUE BONDS – WASHOE  
MEDICAL CENTER INC. – ADDITIONAL HEALTH AND CARE  
FACILITIES AND REFUND OF OUTSTANDING BONDS**

**5:30 p.m.**      This was the time set in a Notice of Public Hearing published in the Reno Gazette-Journal on September 29, 2001, to consider Possible execution of a Resolution approving and authorizing the issuance and sale of not-to-exceed \$58,000,000 principal amount of Washoe County, Nevada, Hospital Revenue Bonds (Washoe Medical Center, Inc. Project) Series 2001A to finance the costs of improving and equipping certain health and care facilities in the County and to refund the portion, if any, of a 1993 Bond issue previously issued by the County for health and care facilities which is economic to effectuate; delegating to County officials the authority to execute and deliver the purchase contract and to determine certain final terms of such Bonds; authorizing the execution and delivery by the County of a loan agreement, and indenture of trust, such Bonds, and escrow agreement if required, and closing documents in connection therewith; ratifying all consistent actions theretofore taken toward the issuance and sale of such Bonds; and making determinations as to the sufficiency of revenues and as to other matters related to such refunding project and new money project and such Bonds. Proof was made that due and legal Notice had been given.

Chairman Shaw opened the public hearing and called upon those wishing to speak.

John Sherman, Finance Director, said the Board needs to make a series of findings, as outlined in the staff report dated October 5, 2001. Mr. Sherman reviewed the findings with the Board, which are required by law. He advised that Washoe Medical Center (WMC) has a fairly decent credit rating.

Commissioner Sferrazza asked if there was a statute that sets out the findings required to be made by the Board. John Swenseid, Bond Counsel, said NRS 244A.711 sets out the required findings and they are included in the resolution.

Chris Bosse, Vice-President of Finance, Washoe Medical Center, stated when they first came before the Board, the bonds were estimated at \$70 million, and are now before the Board in an amount not to exceed \$58 million. Until the bonds are actually issued, the amount will continue to vary because the terms of the bond continue to change. Ms. Bosse reviewed the items WMC would be purchasing with the money, as well as community admission trends from 1996 to 2001. She explained that WMC had \$91 million cash in the bank at the end of the fiscal year, June 30, 2001, but because WMC is a community resource, they need to make sure they have resources available for emergencies. Ms. Bosse stated WMC has a very good bond rating, but it would not be that high if they did not have “days cash on hand” at the level they do. They also get a

much lower interest rate on the bond amount because of their cash in the bank, and keeping it there is the prudent thing to do.

Commissioner Short asked how much WMC projected to save by refinancing existing debt. Ms. Bosse said initial projections are between \$300,000 and \$500,000.

Commissioner Galloway asked if there was any long-term debt on the \$5 million worth of equipment purchased previously. Ms. Bosse said no. Commissioner Galloway asked if WMC would be willing to consider an arrangement in which the term of the indebtedness on the equipment items is less. He said under the current proposal, 30 years is a long time to be paying for equipment that will either be in the trash can or totally obsolete by the time the debt is satisfied. Mr. Swendseid said current federal tax law requires that debt have a term on the average that does not exceed 120 percent of the average life of what is financed. He said WMC's purchases would be reviewed to make sure that any equipment purchased does not exceed 120 percent of the average life.

Commissioner Sferrazza said, once the bonds are issued, WMC would have approximately \$96 million in cash. He stated that WMC has been making a profit of over \$10 million per year for quite a few years, and asked why, if they are supposed to be a community asset, they do not want to use their cash reserves to benefit the community. He inquired why rates are not being reduced instead of accumulating this huge amount of cash. Ms. Bosse responded that not all of WMC's projects are listed on supporting documentation because they are not being paid for with this bond. She stated that WMC reinvests in the neighborhood of \$10- to \$15 million each year back into their facility.

Commissioner Sferrazza said, if WMC paid off existing bonds, they could save \$4.5 million per year in interest, and commented that, presumably, the interest cost is being passed on to the consumers. Keith Lee, Attorney, Finance Counsel for Washoe Medical Center, stated there are rate covenants in all of the bond issues (3 or 4 outstanding), as well as rate covenants in the line of credit and other line of private financing that prohibits them from reducing rates below a certain level. If they did reduce rates, they would be in covenant default of those various indentures and various loan agreements that would then cause a declaration of default, not to just that particular bond issue, but possibly put all of their financing at risk.

Commissioner Galloway asked if Mr. Lee was saying that the rates charged at WMC are the minimum rates allowed by their bondholders. If that is not true, what is the margin between the rates they could charge to be at the minimum and their current rate. Mr. Lee said the rates are set by the market place as well and are not solely set by bond documents. There are no parameters in terms of a percent; it is just included in the financing documents that WMC will not reduce rates.

Commissioner Galloway said when hospital rooms are first set up all of the necessary equipment is considered and included into the cost. When the new Inten

sive Care Unit beds are set up, the necessary equipment for those beds will be included as part of the cost to set them up.

Commissioner Sferrazza said he thought the purpose of privatizing WMC was for the benefit of the community, employees and everyone else involved. He said right now WMC cannot even compete for the County's business, in terms of being a preferred provider for the County. He asked if it was because of the rate covenant that WMC could not underbid St. Mary's Hospital for the County's business. Mr. Lee said approximately a year ago Hometown Health Plan, a subsidiary of Washoe Health Systems, was the HMO and the preferred provider organization of choice to Washoe County. The County went through a bidding process and St. Mary's Hospital gave the County a better offer than WMC did.

Bill Freitas, Operating Engineers Local 3, expressed his concern about the application being technically incomplete. He asked how much money WMC was supposed to save by issuing the bonds and what the savings would be used for. He said he understands that WMC has to be fiscally responsible and prudent and needs to have a cash reserve, but suggested that their bond rating would not change very much if they had \$81 million instead of \$91 million in reserves. Mr. Freitas said the statute says the Board is authorized to approve the bonds as long as it provides high quality health care to the community, as well as benefiting the community. It also says the Board is to liberally construe this statute. He said next week WMC will open a new unit that will be staffed entirely by traveling nurses, and that does not benefit the community in any way.

Mark Beier, area resident, said he would like to know if any of this money would be used for Washoe Health Systems as opposed to WMC, and inquired why there is a difference of \$26.4 million between their support material and the \$58 million requested.

Lila Alabed, area resident, said she has worked at WMC for over 20 years as a nurse in the critical care department. She said, almost on a daily basis, patients are at risk because they do not have qualified bedside nurses. Many of the traveling nurses are incompetent and she resents inadequate nurses being paid to come here and take care of the patients. There are staffing issues that need to be addressed before new units and beds are added, such as how the nurses are supposed to adequately care for the patients. Ms. Alabed said, if the staffing issue is not resolved, it will take them from a dangerous situation to a catastrophic one.

Chairman Shaw read Christine Shalitt's and Faye Wilkes' statements into the record, expressing their concerns about financial management and productivity goals; that failure to meet those goals results in a financial penalty on job performance evaluations for employees; and that they do not have enough staff for the beds they have now and WMC should be trying to hire local people instead of traveling nurses who live outside of the area and do not contribute to the local economy.

Patricia Laizans, area resident, said she has worked at WMC for almost 25 years. She works in the intensive care nursery where they have had a huge increase in patient population. Ms. Laizans asked why there is nothing in the proposed bond request for children.

In response to the comments made, Ms. Bosse said the amount of money saved by issuing tax-exempt bonds is approximately \$4.7 million over the life of the bonds. Mr. Lee said they are in the permitting process for the Harvard Way project and they should be receiving the permits in two to four weeks. The planning permits for the expansion of the operating rooms will be applied for in the normal course of business. He said the difference in the dollar amount that Mr. Beier referred to is the cost to refund a portion of the 1993A series that would otherwise become due on June 30, 2015, as well as the underwriter's discount and the financial advisors fees. He said he does not know if there would be much of a difference in interest rates between \$81- and \$91 million. Mr. Lee said WMC believes it is smart business to keep the \$91 million cash in reserves due to changes in the health care industry.

Ms. Bosse said, in terms of children's services, there is a project (renovation of the Pediatrics Intensive Care Unit) being supported by the WMC Foundation that is not included in the bond projects. She stated that Reno is very fortunate to have credentialed traveling nurses that want to come here; and they continue to focus on hiring local people. She advised that last month WMC hired 17 nurses, but in the interim they will continue to bring in the traveling nurses to meet patient demands.

There being no one else wishing to speak, Chairman Shaw closed the public hearing.

In response to Commissioner Galloway's inquiry concerning retired debt for equipment, Mr. Swendseid said the amount of principal that would be retired in 5 years is between \$4.5- and \$5 million, and in 10 years it is between \$9- and \$11 million, depending on interest rates.

In response to Commissioner Sferrazza's inquiry concerning salary packages and contracts for CEO's, Ms. Shipman requested the Board direct its questions to the information they need to know to make the findings to approve or deny the resolution.

Commissioner Sferrazza stated that the bond interest WMC is currently paying will be reduced in a substantial amount according to the bond schedule; and that WMC's payments at the outset will be substantially less than they currently are, resulting in an increase to the bottom line. He said the bond proposal is back-loaded and the amounts go up in the future. Ms. Bosse said only the interest portion amount would actually impact WMC's income, and overall the interest expense would increase by taking on this new debt, causing income to decline.

Commissioner Sferrazza inquired why traveling nurses are being paid \$30 to \$40 an hour versus \$23 an hour for in-house. Ms. Bosse said they hire two different

types of traveling nurses, one type WMC pays directly and are hired at the existing nursing ranges based on their experience, and the other is a business that WMC pays a combined fee to, which also includes administrative fees and benefits. That business pays their nurses directly and WMC does not know how much those nurses make per hour.

Commissioner Short said WMC is a private business that serves the public and, although the public does want to know how the private business is run, the only thing before the Board today is approving a bond issue that will probably save some money, provide for expansion and add new beds to the existing building. He said he does not believe it is up to the Board to fine-tune the operations of WMC, because they are a separate entity run by responsible people.

Mr. Freitas stated that WMC is not making any type of plan to retain local people, and they are expending an inordinate amount of money for the traveling nurses. He said if they would just take care of the local employees that would keep the money here as well as local employees paying local taxes.

Commissioner Galloway said under NRS 244A.711(3) the Board can refuse to approve even if the criteria is satisfied, and in a later section it talks about the general intent of the legislation, and under 244A.695 it basically says to promote economic welfare. He said he does not believe it is sound management that promotes the public welfare to include all of the equipment in this bond issue. Operating rooms and hospital rooms that are proposed as capital projects are full of equipment. Commissioner Galloway said Mr. Swendseid indicated it would take about 10 years to pay off that much of the principal, and in the meantime the equipment in the rooms is depreciating and the payoff covers none of the depreciation or replacement of that equipment. He would not recommend that anyone borrow more than the depreciation of equipment, and based on that he will not support this resolution as it is set out.

In response to Chairman Shaw's inquiry concerning the approval of a specific amount, Ms. Shipman advised that she is concerned about the Board approving a certain number or figure. She said WMC needs to package their bond the way they need to and the Board should not try to package their financing for them. Mr. Lee said when the underwriter decides to become involved in a project they deal with them from the very beginning of the project, and WMC would not issue a series of bonds on a particular piece of equipment that would go beyond its useful life.

Commissioner Sferrazza said he is making his decision based on the finding of necessity, as well as the provision of services of high quality to residents at reasonable rates. Although he does believe WMC provides high quality care, this hospital was privatized in order to provide better and more reasonable service to the public, and today Washoe County continues to have some of the highest health care in the country. He said the County provides PERS and other benefits to their health nurses, as well as paying them more than WMC pays their nurses. He noted the nursing situation is a very unfortunate situation, but WMC should have settled their employee issues before coming to the Board. He said he will not support hiring scab nurses to come into the community and

cost the community higher patient care than is generally prevalent throughout the country. He will not support the resolution.

Commissioner Galloway said getting involved in details of labor issues might be micro managing, but it is not micro-managing to apply a general rule that you do not borrow money beyond the life of the item you are borrowing it for. There is no way to assure that WMC will not borrow money for 30 years on 5 to 10 year equipment. He said the resolution sets out how the payments are structured, and there is no provision to have two separate payment structures.

Chairman Shaw stated he believes that concerns expressed by the public have been answered to his satisfaction. He said WMC will continue to provide the service they have over the years, and he believes they will not exceed the \$58 million amount.

On motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried with Commissioners Sferrazza and Galloway voting "no," it was ordered that the following resolution be adopted and Chairman Shaw be authorized to execute:

Summary - authorizing the issuance of bonds for Washoe Medical Center, Inc. and the execution and delivery of various agreements in connection therewith

#### **RESOLUTION NO. 01-1080**

**A RESOLUTION APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$58,000,000 PRINCIPAL AMOUNT OF WASHOE COUNTY, NEVADA, HOSPITAL REVENUE BONDS (WASHOE MEDICAL CENTER, INC. PROJECT) SERIES 2001A TO FINANCE THE COSTS OF IMPROVING AND EQUIPPING CERTAIN HEALTH AND CARE FACILITIES IN THE COUNTY AND TO REFUND THE PORTION, IF ANY, OF A 1993 BOND ISSUE PREVIOUSLY ISSUED BY THE COUNTY FOR HEALTH AND CARE FACILITIES WHICH IS ECONOMIC TO EFFECTUATE; DELEGATING TO COUNTY OFFICIALS THE AUTHORITY TO EXECUTE AND DELIVER THE PURCHASE CONTRACT AND TO DETERMINE CERTAIN FINAL TERMS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY BY THE COUNTY OF A LOAN AGREEMENT, AN INDENTURE OF TRUST, SUCH BONDS, AN ESCROW AGREEMENT IF REQUIRED, AND CLOSING DOCUMENTS IN CONNECTION THEREWITH; RATIFYING ALL CONSISTENT ACTIONS THERETOFORE TAKEN TOWARD THE ISSUANCE AND SALE OF SUCH BONDS; AND MAKING DETERMINATIONS AS TO THE SUFFICIENCY OF REVENUES AND AS TO OTHER MATTERS RELATED TO SUCH REFUNDING PROJECT AND NEW MONEY PROJECT AND SUCH BONDS.**

**WHEREAS**, Washoe County, Nevada (the "County") is authorized by the County Economic Development Revenue Bond Law, Nevada Revised Statutes Sections 244A.669 through 244A.763, as amended (the "Act") to finance and refinance one or more projects within the County so that health and care facilities may be developed, expanded and maintained by enterprisers who will provide health care of high quality at reasonable rates for the benefit of the residents of the County; and

**WHEREAS**, the Act further authorizes the County to issue revenue bonds for the purpose of financing any such project and all necessary and incidental expenses, to secure the payment of such bonds as provided in the Act, and to enter into financing agreements for the purpose of providing revenues to pay such bonds upon such terms and conditions as the Board of County Commissioners of the County (the "Board") may deem advisable; and

**WHEREAS**, the County is further authorized under the Act to issue its revenue bonds in order to refund bonds issued under the Act and establish an escrow in connection therewith; and

**WHEREAS**, Washoe Medical Center, Inc. (the "Corporation") owns and operates certain health and care facilities (the "Facilities") in the County some of which were financed from the proceeds of the County's Hospital Revenue Bonds (Washoe Medical Center, Inc. Project) Series 1993A (the "1993 Bonds"); and

**WHEREAS**, the Corporation proposes that the County refund \$19,015,000 principal amount of the 1993 Bonds outstanding maturing on June 1, 2015, to the extent the Corporation determines on the date of pricing that such refunding will result in present value savings sufficient to justify the refunding (the "Refunding Project"); and

**WHEREAS**, the Corporation has requested the County to issue its economic development revenue bonds pursuant to the Act in an amount sufficient to pay the costs of the New Money Project and, if determined to be feasible by the Corporation, the Refunding Project; and

**WHEREAS**, the Act authorizes the County to take such actions as are necessary or useful in order to accomplish and otherwise carry out the provisions of the Act; and

**WHEREAS**, on September 25, 2001, the Board met in regular session and conducted a public hearing with respect to proposed bonds to be issued for the New Money Project and the Refunding Project, which hearing was preceded by publication of notice in accordance with the County's resolution adopted on August 28, 2001; and

**WHEREAS**, on October 9, 2001, the Board met in regular session and conducted another public hearing with respect to proposed bonds to be issued, which hearing was preceded by publication of notice at least 10 days prior to such hearing; and

**WHEREAS**, the County will issue its "Washoe County, Nevada, Hospital Revenue Bonds (Washoe Medical Center, Inc. Project) Series 2001A" (the "Bonds") in order to provide funds to finance the cost of the New Money Project and; if determined to be feasible by the Corporation, the Refunding Project; and

**WHEREAS**, the provisions of Chapter 350 of NRS (the "General Bond Act") apply to bonds issued pursuant to the Act, including the Bonds; and

**WHEREAS**, there has been presented to the Board at this meeting (1) the proposed form of Loan Agreement dated as of October 15, 2001 (the "Agreement"), between the County and the Corporation (2) the proposed form of Indenture of Trust dated as of October 15, 2001 (the "Indenture"), between the County and BNY Western Trust Company, as trustee (the "Trustee"); (3) the proposed form of Escrow Agreement dated as of October 15, 2001 (the "Escrow Agreement") among the County, the Corporation and BNY Western Trust Company, as trustee for the 1993 Bonds; (4) the proposed form of Supplemental Indenture Number Fourteen, dated as of October 15, 2001 (the "Supplemental Indenture") among the Corporation, the other Members of the Obligated Group, (as defined in the Master Trust Indenture dated as of November 1, 1985 (the "Master Trust Indenture")), if any, and BNY Western Trust Company, as master trustee (the "Master Trustee"); (5) the proposed form of Bond Purchase Contract with respect to the Bonds (the "Purchase Contract") between the County and Morgan Stanley & Co. Incorporated (the "Purchaser"), including the Letter of Representation and Indemnification relating to the Bonds (the "Letter of Representation") from the Corporation to the County and the Purchaser; and (6) the proposed form of preliminary Official Statement with respect to the Bonds (the "Preliminary Official Statement").

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

Section 1. The New Money Project and the Refunding Project (subject to the determination by the Corporation that it is feasible) and the issuance of the Bonds therefor are approved by the County. All action (not inconsistent with the provisions of this resolution) heretofore taken by the Board and the officers of the County directed toward the New Money Project and the Refunding Project and the issuance and sale of the Bonds therefor be, and the same is hereby, ratified, approved and confirmed.

Section 2. The County shall finance the New Money Project and the Refunding Project (subject to the determination by the Corporation that it is feasible) and by making available to the Corporation the proceeds of the Bonds in accordance with the provisions of the Agreement, the Escrow Agreement, and the Indenture.

Section 3. To defray the cost of financing the New Money Project and the Refunding Project (subject to the determination by the Corporation that it is feasible), there is hereby authorized and created an issue of economic development revenue bonds designated the "Washoe County, Nevada, Hospital Revenue Bonds (Washoe Medical Center, Inc. Project) Series 2001A" in the aggregate principal amount (not to exceed

\$58,000,000) shall be dated as of October 15, 2001. The Board hereby delegates, pursuant to NRS 350.165 of the General Bond Act, to the chief administrative officer or the chief financial officer of the County the authority to sign a contract for the purchase of the Bonds. The Bonds shall mature on June 1 of each year, bear interest from their dated date to maturity, and be sold, as determined provided in a certificate to be executed by the chief administrative officer or chief financial officer of the County (the "Sale Certificate"); subject to the following requirements: (i) the coupon rate of interest on any of the Bonds shall not exceed 7.00%; (ii) the date on which the Bonds may be called for redemption prior to their maturity date shall not be later than June 1, 2016; (iii) the price at which any Bonds may be called for redemption prior to maturity shall not exceed 102%; (iv) the price at which the Bonds shall be sold shall reflect an underwriting discount which is no more than 2% of the principal amount of the Bonds and the net effective interest rate at which the Bonds have been sold shall not exceed 6.50% ; (v) the aggregate principal amount of the Bonds shall not exceed \$58,000,000; (vi) the final maturity of the Bonds shall not be later than June 1, 2031 and the Bonds shall mature serially (or in the case of term bonds be subject to sinking fund redemption) commencing no later than June 1, 2022 and shall mature (or be subject to such mandatory redemption) in principal amounts not exceeding \$58,000,000 in anyone year. Interest on the Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months, payable semiannually on each June 1 and December 1, commencing on June 1, 2002.

The Bonds shall be payable, shall be subject to redemption prior to maturity and shall be in substantially the form provided in the Indenture. Pursuant to the Purchase Contract, the Bonds shall be sold to the Purchaser at a negotiated sale. The Bonds shall be initially issued subject to a book entry system of ownership and transfer, as provided in Section 2.11 of the Indenture.

Section 4. The following determinations and findings are hereby made in accordance with the Act:

(a) The total amount of money necessary to be provided by the County to finance the New Money Project and the Refunding Project is not in excess of \$58,000,000, which will be provided by the Bonds.

(b) The Board has heretofore received the 5-year operating history of the Corporation required to be received pursuant to NRS Section 244A.711.

(c) The Facilities are in operation, and the Corporation has sufficient financial resources to continue the operation of the Facilities and the New Money Project, meeting the obligations of the Agreement.

(d) The reasonably anticipated range of amounts necessary in each year to pay the principal of and the interest on the Bonds is as follows:

<b>Annual Period to and Including <u>June 1</u></b>	<b>Low Range for such <u>Period</u></b>	<b>High Range in <u>such Period</u></b>
2002	1,233,522	2,471,929
2003	2,135,163	3,378,808
2004	2,134,073	3,379,238
2005	2,132,223	3,378,618
2006	2,134,613	3,376,948
2007	2,131,053	3,379,228
2008	2,133,733	3,376,623
2009	2,134,645	5,642,110
2010	2,133,790	5,641,975
2011	2,131,168	5,642,848
2012	2,131,778	5,639,183
2013	2,135,368	5,645,708
2014	2,131,685	5,646,333
2015	2,130,983	5,645,785
2016	2,133,008	3,166,065
2017	2,132,508	3,167,660
2018	2,134,483	3,165,280
2019	2,133,680	3,168,925
2020	2,133,000	3,168,065
2021	2,134,680	3,167,700
2022	2,133,480	3,167,565
2023	2,134,400	3,167,395
2024	2,132,200	3,166,925
2025	2,131,880	3,165,890
2026	2,133,200	3,169,025
2027	2,135,920	3,165,800
2028	2,134,800	3,166,215
2029	2,134,840	3,169,740
2030	2,130,800	3,165,845
2031	2,132,680	3,169,530

(e) The Board does not deem it advisable to establish any reserve funds in connection with the retirement of the Bonds or the maintenance of the Corporation's facilities, based upon the fact that the Purchaser has not required establishment of any such funds.

(f) Under the terms of the Agreement, the Corporation shall maintain such facilities and carry all proper insurance with respect thereto.

(g) The amounts payable under the Agreement are sufficient to pay, in addition to all other requirements of the Agreement and this resolution, all sums referred to in paragraphs (d) and (f) of this Section.

Section 5. The forms, terms and provisions of the Agreement, the Escrow Agreement, the Indenture and the Purchase Contract be, and they hereby are, approved and the County shall enter into the Agreement, the Escrow Agreement, the Indenture and the Purchase Contract in substantially the forms of such documents presented to the Board at this meeting, with such changes therein as are consistent with the Sale Certificate and the Purchase Contract and are not inconsistent herewith; and the Chairman of the Board is hereby authorized to execute and deliver the Agreement, the Escrow Agreement, and the Indenture and the County Clerk is hereby authorized to affix the County seal to and to attest the Agreement, the Escrow Agreement, and the Indenture. The chief administrative officer or the chief financial officer of the County are each authorized to execute and deliver the Purchase Contract.

Section 6. The form, terms and provisions of the Bonds, in substantially the form contained in the Indenture, be, and the same hereby are, approved, with such changes therein as are consistent with the facts and are not inconsistent herewith; the Bonds shall be executed in the name of the County, and the Chairman of the Board and County Treasurer are hereby authorized to execute the Bonds with their manual or facsimile signatures, the County Clerk is hereby authorized to attest the Bonds with her manual or facsimile signature, and a manual impression or a facsimile of an impression of the seal of the County is hereby authorized to be affixed to the Bonds.

Section 7. The distribution of a preliminary and final form of the Official Statement in connection with the sale of the Bonds to the public is hereby approved; provided, however, that neither the County nor any officer or employee thereof has or assumes any responsibility for the accuracy or completeness of the Official Statement (in either preliminary or final form).

Section 8. BNY Western Trust Company, Los Angeles, California is appointed as trustee under the Indenture, thereby also serving as registrar and paying agent for the Bonds under the terms of the Indenture.

Section 9. The officers of the County shall take all action necessary or reasonably required to effectuate the delivery of the Bonds and shall take all action necessary or desirable in conformity with the Act to effect the Refunding Project and for carrying out the transactions contemplated by this resolution, the Agreement, the Escrow Agreement, the Indenture and the Purchase Contract.

Section 10. The Bonds will not be general obligations of the County nor shall the Bonds including interest thereon ever constitute the debt or indebtedness of the County within the meaning of any provision or limitation of the Constitution or statutes of the State of Nevada nor shall anything contained in this resolution or in the Bonds, the Agreement, the Indenture, the Escrow Agreement, the Purchase Contract or any other instrument executed or delivered in connection with the Bonds impose any pecuniary liability upon the County or any charge upon its general credit or against its taxing powers.

Section 11. After the Bonds are issued, this resolution shall be and remain irrevocable until the Bonds and the interest thereon shall have been fully paid, cancelled and discharged.

Section 12. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 13. All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

Section 14. This resolution shall be in full force and effect forthwith after its adoption.

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There being no further business to come before the Board, the meeting adjourned at 8:10 p.m.

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

**ATTEST:**    **AMY HARVEY**, County Clerk

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*Minutes Prepared by  
Barbara Trow and Jeraldine Magee  
Deputy County Clerks*