

**WASHOE COUNTY BOARD OF COMMISSIONERS
AND
CITY OF RENO CITY COUNCIL**

JOINT MEETING

TUESDAY

8:30 A.M.

JANUARY 9, 2001

PRESENT:

WASHOE COUNTY

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

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

CITY OF RENO

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

Charles McNeely, City Manager
Patricia Lynch, Reno City Attorney
Don Cook, City Clerk

The Washoe County Commission and the Reno City Council met in joint session in the Council Chambers of Reno City Hall, 490 South Central Street, Reno, Nevada. Following the Pledge of Allegiance to the flag of our Country, the Clerks called the rolls for their respective entities and the Board and Council conducted the following business:

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**Commissioner Sferrazza, Councilmember Sferrazza-Hogan and
Mayor Griffin arrived at 8:36 a.m.**
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PUBLIC COMMENTS

Al Hesson, area resident, expressed his concern about the cost of the proposed collocation of courts.

Judge Janet Berry, Second Judicial District Court, expressed her support in favor of Reno collocating their Municipal Court at the Pioneer Inn site. She believes it is a good idea for the justice community to work together and collocate the courts in one area, because currently it is very confusing to the public as to which court they are supposed to be in.

Councilmember Aiazzi said he supports the idea of Skyfire returning to Rancho San Rafael Park. He said with a little more funding Skyfire could return to the Park instead of moving downtown.

UPDATE – COUNTY REGIONAL JUSTICE FACILITY PROJECT

Dave Roundtree, Director, Washoe County Public Works, said they have reviewed past studies, proposed projects for the next 5 to 10 years, and provided alternatives for the courts project. He said the County has offered the City of Reno a portion of the Pioneer Inn site to build their Municipal Court. Mr. Roundtree stated Tate & Snyder, Architects, reviewed alternative sites in the event the bond proposal was not successful and one strategy was to consider various locations of where the Municipal Court and the County's other courts might reside. One location considered was the existing Justice Court located at 1 South Sierra Street; the Municipal Court could possibly be constructed on top of the existing facility. He advised the floor plan at 1 South Sierra Street is not cohesive for the District Court, but could work for the Municipal Court. Mr. Roundtree said there will be a meeting held on January 22, 2001, for the public to offer input for a list of alternatives and priorities concerning the proposed courts.

Commissioner Bond asked if a fiscal analysis was conducted on potential savings for collocating the Family and Municipal Courts. Mr. Roundtree said one advantage if the Municipal Court and Family Court buildings were together or adjacent would be the existing sally port and prisoner holding facility. There is also the advantage of essentially a little more efficiency by having a single entry for security purposes. He said they would be constrained by the shape and size of the building floor plan should they choose to add on to 1 South Sierra Street.

Commissioner Sferrazza said the Supreme Court has indicated they are going to merge the Justice and Municipal Courts so they should try and plan for that now.

In response to Commissioner Sferrazza's inquiry, Steve Varela, City of Reno, Director of Public Works/City Engineer, said the 46,000 square feet needed for the Municipal Court was a result of planning for the needs and expansion through the next 10 to 20 years.

Councilmember Aiazzi inquired if any effort had been made to remove asbestos from the Pioneer Inn site yet. Mr. Roundtree stated they have begun the asbestos assessment process as well as putting together a contract for the removal of that asbestos, but cautioned that it would depend on the decision made today on how they will proceed. He said the draft agreement has a provision to clear the site in 13 months and staff is confident that can be done.

Councilmember Aiazzi questioned the need for the Citizens Committee if the Pioneer Inn will be demolished anyway. Mr. Roundtree said they will be looking at

options and alternatives to meet the space needs of the County. He said currently there are pressing needs for the District Attorney as well as adding additional courtrooms.

Commissioner Shaw asked if anything had been done concerning parking. Mr. Roundtree said the parking situation is as bad as always; however, the County is utilizing the surface parking at the Pioneer Inn site for County employees in the downtown area.

Councilmember Harsh inquired about the utilization of the 195 South Sierra Street building. Mr. Roundtree said that building holds the civil section of the District Attorney's office as well as some public defender activities. He said the building is fully occupied, and if demolished, they would have to find another location for staff currently housed in that building.

In response to Councilmember Hascheff's inquiry, Mr. Roundtree said economy would start once all the courts and services are collocated in one area. He said there is a convenience factor to the public with the courts collocated in one area as well as an improvement to public service. Mr. Roundtree stated there is little efficiency until all courts are located on one site.

Councilmember Hascheff said the contract states that the surface parking is currently free of charge but any improvements would have to be made by the City. Mr. Roundtree said that is correct the County will provide the land and Reno is responsible for any improvements.

Councilmember Sferrazza-Hogan asked if there was an estimate for cost savings of prisoner transport if the Municipal Court collocated with the Justice Court. Mr. Roundtree acknowledged there would be a cost savings because of only one delivery point, but he did not have a specific amount.

Councilmember Doyle asked if Reno determined that February 2003 is not an acceptable timeframe for the completion of the Municipal Court, could they build on one of the alternate sites and open sooner. Mr. Varella responded that all three proposed sites would open around the same timeframe.

Councilmember Doyle questioned if staff had ever reviewed the option of constructing on top of the existing Justice Court. Mr. Varella said it was discussed but was never looked at seriously.

Councilmember Sferrazza-Hogan said she specifically asked staff if there was an option to construct additional floors on the existing Justice Court building and she was told no they could not. Mr. Varella said he had heard that structurally it could not be done and today is the first time he heard that it could.

Commissioner Bond said she understood they could not put District Court courtrooms on top of the Justice Court because of space requirements. Mayor Griffin

asked what the difference was. Mr. Varella responded that it had more to do with templates for the courtrooms rather than structure.

Upon inquiry of Councilmember Rigdon, Mr. Roundtree said the service parking area that would be utilized by Reno on the Pioneer Inn site would only be available until something new is constructed on that space or a parking structure is built. He said the only major discrepancy between the City of Reno and Washoe County is the parking issue. Commissioner Sferrazza commented he has not ruled out paying for parking.

Al Hesson, area resident, expressed his concern about local governments and advised the Board to fly to Providence, Rhode Island and check out their local government.

Chuck Weller, area resident, said the voters loudly shouted down the Regional Justice Court Facility in November and any action for the interlocal agreement is premature. He requested the Citizens Committee be given time to review the needs of the courts before any action is taken. He said the Rose Commission recommended that the Justice and Municipal Courts be merged, and they would obviously share the same building. Mr. Weller stated 1 South Sierra Street is one site that consolidation could occur, as the footprint of the building was designed to be changeable, i.e., expanded up as well as out, and it is unnecessary for the entire Municipal Court to be new construction.

Robert Metz, area resident, said other alternatives need to be considered before making the Pioneer Inn site their final choice. He said the citizens would like to see the courts near the detention facility on Parr Boulevard. Mr. Metz said Sparks could possibly participate in the consolidation if they built the courts somewhere other than downtown.

Tom Gallagher, Summit Engineering, submitted a document entitled RP3-Reno Public Private Partnership – Discussion Points for the Regional Justice Center. He said it is better to have the courts collocated in one place; whereby making it more accessible to the public. He advised that RP3 proposes to purchase the Pioneer Inn site from the County at the price they paid and build the facilities needed on the site with a lease-purchase option for the City and County.

Councilmember Doyle asked how long it would take to have a definite plan if the County and City went along with this proposal. Mr. Gallagher responded that there is no specific timeline, but if they are approved for this project, they need to get started. He reminded the Boards of the \$400,000 holdback for environmental abatement of the Pioneer Hotel and said they would need to have abatement completed in one year. Mr. Gallagher said construction would fit within the County and City's budgets as allowed. He noted that a portion of the property would have to be demolished, if not all of it.

Upon inquiry of Chairman Short, Madelyn Shipman, Legal Counsel, said sometimes there is a requirement that debt can be held for a period of time and a period of time in which you cannot prepay.

John Breternitz, Q&D Construction, said collocation is the answer for the courts. He noted he has applied to the Justice Facilities Working Committee and believes they should be allowed to make recommendations concerning the courts. He said a proper study needs to be conducted concerning fiscal and fiduciary responsibility.

Ms. Shipman cautioned that the County Commissioners could not consider the RP3 offer at this time because there is an Request for Proposal process that has to be followed.

Commissioner Shaw inquired whether the RP3 proposal included everything previously planned for the Pioneer Inn site. Mr. Gallagher said the needs for the District Attorney, Reno Police Department, etc., will be taken into consideration.

Judge Paul Hickman, Reno Municipal Court, said they need to be clear about building floors on 1 South Sierra Street. He said they need to consider what would happen to Family Court when they are constructing the Municipal Court. Judge Hickman stated consolidation of the Justice and Municipal Courts may happen, but believes it will be years before they do. He said these meetings are always fragmented at the end by new proposals popping up here and there. Judge Hickman encouraged the Boards to move forward with constructing the Municipal Court on the Pioneer Inn site.

Councilmember Sferrazza-Hogan asked what would happen if consolidation of the Justice and Municipal Courts is ordered in a couple of years; would they have to build a new courthouse to house them both. She said they should be considering that possibility now, not later. Councilmember Sferrazza-Hogan inquired if the old Reno Justice Court could hold the Family Court temporarily if they decided to build the Municipal Court onto the Justice Court building. Mr. Roundtree said it is not large enough for Family Court.

The Boards further discussed the possibility of relocating Family Court if they decided to construct the Municipal Court on top of the Justice Court.

01-04 STAFF REPORT – INTERLOCAL AGREEMENT – PIONEER INN SITE - MUNICIPAL COURT

Councilmember Aiazzi said the interlocal agreement calls for the City to pay \$125 per square foot. He noted the County had an appraisal conducted on the Pioneer Inn Hotel and Casino when it was an on-going business and they paid the cost for that business, but now it is closed and the City should have a current appraisal done and pay that appraisal amount for the property. Councilmember Aiazzi questioned whether the law required the City to have an appraisal done on the property before purchasing it. Madelyn Shipman, Legal Counsel, said the same laws that the County is bound by do not

bind the City; she believes the City is not required to obtain an appraisal before purchasing this property.

Commissioner Sferrazza inquired whether the interlocal agreement provided for a specific site because the Justice Facilities Working Committee will be looking at rehabbing existing buildings. If they go forward with the interlocal agreement today, that site would be eliminated. Mr. Varella said the interlocal agreement does state they are looking at the northeast corner of the Pioneer Inn site, but believes that could be negotiated if another site fits the City's needs for the Municipal Court.

Following further discussion concerning parking at the Pioneer Inn site, Katy Singlaub, County Manager, advised that the County remains committed to providing the 58 parking spaces the City requires. Mrs. Singlaub said the County did not propose to absorb the cost of building a parking structure/garage. She stated the District Attorney's office only received the draft interlocal agreement several days ago, and expressed concern regarding some of the language and would like a chance to work through those concerns. Staff is asking for direction on what should be included in the interlocal agreement; then it will be refined and resubmitted to the Boards for their approval.

Commissioner Galloway said previous testimony put the cost of rehabbing the existing Pioneer Inn building around 80% of the cost of constructing a new building. Mr. Roundtree clarified that previous testimony put the cost of rehabbing the building around the same as new construction.

Commissioner Sferrazza said they have an existing building on the Pioneer Inn site that could be used for offices. He stated some of those rooms at the Pioneer are nicer than some offices at the County and the City. Commissioner Sferrazza said he could not support going forward today if it precludes Washoe County from utilizing the Pioneer Inn building. He said the building at 1 South Sierra Street has never been considered for constructing additional floors to meet the Municipal Court demands; he believes it should be before a decision is made to demolish the Pioneer Inn.

Councilmember Hascheff made a motion to collocate the City of Reno's Municipal Court on the Pioneer Inn site; review and make changes to the interlocal agreement; staff be directed to review whether additional floors could be constructed at 1 South Sierra Street at a cost savings, as well as whether proposals from outside sources have merit; and come back for a joint meeting in 60 days to make a decision.

Commissioner Sferrazza said this project has been driven by the Courts all along with a specific agenda not to look at any other property, as evidenced by Tate and Snyder Architect's renderings. Mayor Griffin said he does not disagree with Commissioner Sferrazza, but they have been told for two years that 1 South Sierra Street was not an option for the Municipal Court. He recommended that staff be given direction for collocation of the courts on the Pioneer Inn site and if the Citizens Committee

indicates 1 South Sierra Street has more savings, that could be reviewed when they come back in 60 days.

Commissioner Bond said she would like to see the collocation of the courts on the Pioneer Inn site with a cooperative agreement. The parking spaces have to be addressed by all parties.

Councilmember Rigdon does not want to separate parking from this motion. He said he is ready to take action today and move forward with a site with the parking issue resolved.

Councilmember Aiazzi said he does not believe it is fair to the citizens of Reno that they pay \$125 per square foot for the proposed parcel on the Pioneer Inn site, because he believes it is excessive. He stated when the County purchased that site it may have been worth that much, but it is not worth that much now. He said the parking situation needs to be resolved because there is no assurance where parking will be located. He questioned why the citizens have to pay a second time for this property; they are all a part of these governmental agencies. He believes the County should provide this land for free to the City to build their Municipal Court and construction could start immediately.

Councilmember Hascheff moved to include in his motion that staff be directed to look at no net differences by efficiency savings when building the Municipal Court.

Commissioner Galloway said he agrees with the concept of no net differences. He reminded the Boards that if the City builds somewhere else they will still have to pay for parking.

Ms. Shipman advised that the purchase of the Pioneer Inn property was from capital facilities money, out of the County's proportionate share. She said the City has its own share, but this was bought totally out of a fund or revenue source that was non-general fund money.

Councilmember Doyle expressed her concern about the costs and said staff may come back in 60 days with a better proposal.

Mr. Varella said if the City looks for efficiencies at just one site then they are not comparing apples to apples anymore. He advised there is a potential, when going through the planning process, that they would need more than 58 parking spaces.

Mayor Griffin said the Council can either approve this today with 58 parking spaces or cut the cord and move forward with something else. He said every time they get close to closing this project something new pops up, elements change and the whole thing becomes elusive again.

Councilmember Aiazzi said he will not support the motion because he believes the County should give the City parking for free or lower the amount they are charging. He said if they do pay this amount, it could be used as a comparable for the area. He stated that this is artificially inflating the cost of the land. Chairman Short said you cannot compare something across Fourth Street with this particular site because this is a premium site.

Councilmember Sferrazza-Hogan expressed concern about the task of the Justice Facilities Working Committee if they move forward with the Pioneer Inn site today and said she shares the concerns expressed by Councilmember Aiazzi concerning the cost.

Commissioner Galloway said they eventually would need expansion space anyway and reminded Reno City Council that this was the only site they would consider for collocation.

A motion by the Reno City Council, made by Councilmember Hascheff, seconded by Councilmember Doyle, which motion duly carried with Councilmember Sferrazza-Hogan and Councilmember Aiazzi voting “no,” ordered that that the Municipal Court be collocated on the Pioneer Inn site with a review of all possible efficiencies to make the parking issue a zero net difference; that staff from both entities review and incorporate any recommended changes into the interlocal agreement; that staff review and report back to the Board on the economics of adding the Municipal Court to the existing Justice Court at 1 South Sierra Street; that staff review the concept of opening up the proposal process to outside sources; and that a joint meeting be scheduled within 60 days to finalize all issues.

On motion by Commissioner Sferrazza, seconded by Commissioner Bond, which motion duly carried, Chairman Short ordered that that the Municipal Court be collocated on the Pioneer Inn site with a review of all possible efficiencies to make the parking issue a zero net difference; that staff from both entities review and incorporate any recommended changes into the interlocal agreement; that staff review and report back to the Board on the economics of adding the Municipal Court to the existing Justice Court at 1 South Sierra Street; that staff review the concept of opening up the proposal process to outside sources; and that a joint meeting be scheduled within 60 days to finalize all issues.

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There being no further business to come before the Boards, the meeting adjourned at 11:20 a.m.

TED F. SHORT, Chairman
Washoe County Commission

ATTEST: AMY HARVEY, County Clerk

*Minutes Prepared By:
Jeraldine Magee, Deputy Clerk*