

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

TUESDAY

9:00 A.M.

AUGUST 20, 2002

JOINT MEETING

PRESENT:

Pete Sferrazza, Washoe County Commission, Chairman
Joanne Bond, Washoe County Commission, Vice Chairman
Jim Galloway, Washoe County Commission
Ted Short, Washoe County Commission *

Dave Rigdon, City of Reno, Vice Mayor
Dave Aiazzi, Reno City Councilmember *
Toni Harsh, Reno City Councilmember *
Pierre Hascheff, Reno City Councilmember *

Tony Armstrong, City of Sparks, Mayor
Mike Carrigan, Sparks City Councilmember
John Mayer, Sparks City Councilmember
Ron Schmitt, Sparks City Councilmember

ABSENT:

Jim Shaw, Washoe County Commission
Jeff Griffin, City of Reno, Mayor
Sherrie Doyle, Reno City Councilmember
Jessica Sferrazza-Hogan, Reno City Councilmember *
Geno Martini, Sparks City Councilmember
Phillip Salerno, City of Sparks, Vice Mayor

The Board and Councils met in joint session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Also present were Washoe County Manager Katy Singlaub, Deputy District Attorney Paul Lipparelli, County Clerk Amy Harvey, Reno City Manager Charles McNeely, Reno City Attorney Patricia Lynch, Reno Acting City Clerk Lynnette Jones, Sparks City Manager Shaun Carey, and Sparks Deputy City Clerk Lenda Azcarate. It was noted that the City of Reno did not have a quorum present at the beginning of the meeting. Following the Pledge of Allegiance to the flag of our Country, the Clerks called the rolls for their respective entities, and the Board and Councils conducted the following business:

AGENDA

On motion by Commissioner Bond, seconded by Councilmember Carrigan, which motion duly carried, it was ordered that the agenda for the August 20, 2002 joint meeting be approved.

PUBLIC COMMENTS

The following people addressed the Boards regarding their concerns and issues: Sam Dehne, Ruth Wheeler, Roberta Ross, and Cathy Brandhorst.

- * **9:05 a.m. Commissioner Short arrived.**
- * **9:10 a.m. Reno Councilmembers Aiazzi and Hascheff arrived.**

Chairman Sferrazza invited the Reno and Sparks Councilmembers to participate in a joint 9/11 remembrance celebration at Rancho San Rafael.

- * **9:25 a.m. Reno Councilmember Harsh arrived and Vice Mayor Rigdon noted there was a quorum present for the City of Reno.**

APPROVAL OF PREVIOUS MINUTES BY CITY OF RENO AND CITY OF SPARKS

Chairman Sferrazza stated it appears the issue of who keeps the minutes of the joint meetings needs to be resolved. Councilmember Schmitt asked who has been doing it. County Clerk Amy Harvey advised that Washoe County has been doing the minutes in accordance with the statute requiring that the County Clerk keep the minutes whenever the Board of County Commissioners meets.

Legal Counsel Paul Lipparelli advised that the Open Meeting Law requirements would be satisfied if one entity prepares and keeps the minutes of the joint meetings. He stated, since there are three separate legal entities involved, it was his opinion that it would not be legal for the Boards to vote as a group to approve the minutes, especially when an entity does not have a quorum of its members present, which has happened several times. Mr. Lipparelli stated, without an interlocal agreement between the City of Reno, the City of Sparks and Washoe County addressing who shall prepare and keep the minutes and how they are to be approved, the proper action would be for each entity to make separate motions and vote separately on approval of the minutes.

Councilmember Schmitt noted these minutes go back to November 2001. He said he does not recall all of these conversations and would have to abstain on any action regarding the minutes of previous meetings. Councilmember Schmitt suggested that approval by all entities of the joint meeting minutes start with the current set of minutes.

On behalf of the Reno City Council, on motion by Councilmember Aiazzi, seconded by Councilmember Hascheff, which motion duly carried, Vice Mayor Rigdon ordered that the minutes of the joint meetings of November 13, 2001, December 18, 2001, January 15, 2002, February 19, 2002, March 19, 2002 and April 16, 2002 be approved.

Mayor Armstrong advised the Sparks Council would follow Councilmember Schmitt's suggestion of approving current minutes.

APPROVAL OF MINUTES OF MAY 21, 2002 JOINT MEETING

On behalf of the Reno City Council, on motion by Councilmember Aiazzi, seconded by Councilmember Hascheff, which motion duly carried, Vice Mayor Rigdon ordered that the minutes of the joint meeting of May 21, 2002 be approved.

On behalf of Washoe County, on motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, Chairman Sferrazza ordered that the minutes of the joint meeting of May 21, 2002 be approved.

On behalf of the City of Sparks, Councilmember Schmitt moved to approve the minutes of the joint meeting of May 21, 2002. Councilmember Mayer seconded the motion. Councilmember Martini stated he would have to abstain from voting because he has not seen a copy of the May 21st meeting minutes. Mayor Armstrong advised with an abstention, the City of Sparks does not have a quorum for voting on approval of the minutes. On motion by Councilmember Schmitt, seconded by Councilmember Martini, which motion duly carried, Mayor Armstrong ordered that approval of all of the minutes of joint meetings be continued to the next available regularly scheduled Sparks City Council meeting.

02-871 LEGISLATIVE ISSUES - DISCUSSION AND POSSIBLE DIRECTION TO STAFF

Leann McElroy, Chief of Staff, City of Reno, distributed and reviewed her report concerning Reno's legislative program for the 2003 session. She stated the City of Reno has been allocated four bill draft requests (BDR's), explained five BDR's plus two placeholder BDR's the Council is considering, and stated the Council will be making its decision on which BDR's to proceed with at their August 27, 2002 meeting after today's discussion of the issues with Sparks and Washoe County. The five BDR's were 1) distribution of taxes by RSCVA (Reno-Sparks Convention and Visitors Authority), 2) phasing out depreciation of real property, 3) infill incentives, 4) modification of the fuel tax distribution, and 5) severe penalties for graffiti. The two placeholder BDR's concern forming a separate Reno County and consolidation between Reno and Washoe County. Ms. McElroy stated the outcome of the ballot questions at the November election would guide the City on those two issues.

Commissioner Bond discussed the issue of reopening the County's lobbyist contract with Harvey Whittemore. She expressed her concerns about doing so and stated she was not willing to reopen the contract. Commissioner Bond stated she hopes the Commissioners and Councilmembers can go to the Legislature in a cooperative spirit.

Vice Mayor Rigdon noted the Reno Council has not yet determined which proposed legislation to pursue. Commissioner Galloway asked how the Council would pare their list down to four bill drafts. Councilmember Aiazzi stated he wanted to know if any of the Commissioners or Sparks Councilmembers had concerns with Reno's proposed BDR's.

Chairman Sferrazza stated he has a problem with phasing out depreciation both from a fiscal equity view and because his constituents live in some of the poorer, and older, areas of the City of Reno; and the homes that would be factored up would be the homes in his district. He further stated this would exacerbate fiscal equity because the newer homes are in the County and factoring up the older Reno housing stock would increase the amount the County collects from the incorporated area. Chairman Sferrazza said there was a proposal several years ago that depreciation would change only upon the sale of a property; and he felt, under those circumstances, the property owner at least had some control, but the idea was ruled unconstitutional. He further stated he does not have a problem limiting depreciation to owner-occupied homes. Chairman Sferrazza then explained a successful voter initiative petition several years ago that would have changed property taxes so that property could only be reappraised upon a sale and taxes would have been fixed at 1 percent of property value. The Legislature and the Governor at that time came up with a compromise proposal that included depreciation and the \$3.64 cap; and, as a result, the voters did not vote a second time on the proposed Constitutional amendment. He said changing that now would be breaking faith with the voters and would probably spark the same kind of reaction from the public.

Mayor Armstrong stated Sparks supports the redistribution of the fuel taxes. Councilmember Aiazzi asked if that was something that could be handled through an interlocal agreement between the Cities and the County, or if legislative action would be necessary.

Commissioner Galloway commented that he does not have a concern with the proposal on distribution of RSCVA taxes, if it doesn't go any further than described. He stated he shares Chairman Sferrazza's concerns about depreciation. Commissioner Galloway further stated he needs more information about the redistribution of fuel taxes and infill incentives. Councilmember Aiazzi stated the Council also needs more information on some of these items as none of them have been thoroughly examined at this point. Commissioner Galloway stated he does support infill development.

Commissioner Short stated existing homeowners, especially senior citizens, should be protected, unless they sell their homes; and any depreciation phaseout cannot be blanketed.

9:55 a.m. Commissioner Bond left the meeting.

Sparks City Manager Shaun Carey advised that Sparks is considering a change in the way fuel taxes are distributed between Washoe County and the two Cities. He reviewed the figures concerning the current and his proposed distribution between the three entities by both per capita funding and per lane mile funding. He stated Sparks staff believes the current formula is very unfair, and the bulk of the lane miles is within the two Cities. He also discussed the backlog of road maintenance in both Cities and emphasized the necessity of preserving the road infrastructure.

Katy Singlaub, County Manager, advised that staff from Washoe County, Reno, Sparks and the Regional Transportation Commission (RTC) are working together to analyze the fuel tax distribution and regional efficiencies that could be achieved by sharing or consolidating certain equipment or functions. She stated staff did commit to bring that information to the joint bodies in December. Commissioner Galloway asked if there were any ideas being considered that would increase the amount of total revenue to the entities instead of taking money away from one entity. Ms. Singlaub stated RTC has an advisory question on the ballot and would work through Washoe County on legislation to increase the resources to the region. Councilmember Aiazzi stated it was his understanding that those would be funds for RTC for regional roads. Vice Mayor Rigdon noted RTC does not have a BDR and asked if one should be saved for this. Ms. Singlaub stated the County could use one of its BDR's.

Mayor Armstrong asked if an interlocal agreement could be worked out between the entities concerning fuel tax distribution prior to the deadline for BDR's. Councilmember Aiazzi advised that the deadline for submitting BDR's is Friday, August 30, 2002. Mayor Armstrong stated Sparks should probably go ahead and submit this BDR. Councilmember Aiazzi suggested they wait until staff starts working on an interlocal agreement. He said if something cannot be worked out by December, Sparks could have a Legislator introduce a BDR. Chairman Sferrazza stated he could support making some changes according to population. He further stated the real solution is to have one road maintenance entity doing all the roads. Vice Mayor Rigdon noted that the three entities have different standards for road construction and maintenance, which would make consolidating road functions difficult. Commissioner Galloway stated, since this is very important to the City of Sparks, perhaps they should submit a BDR. Councilmember Mayer asked if the County would consider using one of its BDR's, as a placeholder, in case an interlocal agreement could not be accomplished. He also stated he feels the fuel tax redistribution is extremely important for all Washoe County taxpayers.

Councilmember Mayer asked if the Commissioners had discussed the issue concerning the Washoe County slurry seal program yet. Ms. Singlaub advised an item was on the Board's agenda last week, but was continued due to the lateness of the meeting and will be considered by the Board soon.

Mayor Armstrong asked why there is such a wide disparity in the fuel tax distribution. Ms. Singlaub responded there are different challenges affecting all the road systems, but she believes efficiencies could be achieved by the entities working together.

Vice Mayor Rigdon noted that the discussion is getting a little off the agenda and that how to redistribute the fuel taxes would not be decided today. He stated, since the County Manager indicated the County could provide a placeholder BDR for a consensus item on this matter which includes the RTC, he thought that should be done so the City of Sparks could use their BDR for something else.

Michelle Poché, Assistant County Manager, presented and reviewed the BDR's Washoe County staff is considering. She noted the Board has not taken any action on these proposals. The proposed BDR's included jail population management, Deputy Public Guardians, public hearing notifications for land use issues and final maps, funding operation and maintenance of the Truckee River Flood Control Project, and PERS (Public Employees Retirement System) service credit for City and County elected officials. Ms. Poché further stated the County will be carefully monitoring the following issues: tax policies and the recommendations from the Governor's Task Force, homeland security, child welfare integration, incorporated towns, and long-term indigent medical care.

In response to Councilmember Aiazzi, Jim Nadeau, Sheriff's Office, explained the jail population management BDR is a proposal that would establish a series of protocols and criteria whereby a panel of judges could adjust the sentences of certain prisoners when an overcrowding emergency has been declared at the jail.

Councilmember Aiazzi stated he does not see anything on the County's list concerning the Regional Plan and asked why the County contracted with Harvey Whittemore for lobbying services. Commissioner Galloway stated the County feels the Regional Plan is not only a bad plan, but it is an unlawful plan; and he does not want to see something occur at the Legislature intended to legitimize this plan. He stated there might be an attempt to make an illegal plan legal by changing the law. Commissioner Galloway further stated that watching out for any regional planning legislation is just one of the reasons Mr. Whittemore was hired. He noted that in the last session, Washoe County monitored over 800 bills; and, considering how tight money is all over the State, there will be attempts to take money away from entities, which makes it all the more necessary to have high-powered people working for Washoe County in Carson City.

Chairman Sferrazza asked if the County is planning to propose any bills concerning regional planning. Ms. Singlaub stated she has received no guidance or direction from the Board to develop such BDR's; the position of the Board on the Regional Plan is very public; and there are no legislative proposals from Washoe County on regional planning. Councilmember Schmitt asked if Ms. Singlaub's statement could be expanded to include any State Legislators that would be working with Washoe County or the Sun Valley GID in submitting bills on the regional plan. Chairman Sferrazza asked if the County is "keeping the door open" for future regional planning proposals.

Ms. Singlaub stated the County has not secured any Legislators to carry bills for Washoe County. Chairman Sferrazza asked why the County does not have a BDR, or at least a placeholder, for regional planning; and he stated he thought that was part of the reason the County hired Mr. Whittemore. Ms. Singlaub reiterated that was not the direction from the Board. She further stated the County's biggest issue is tax policy and her only conversation with Mr. Whittemore has been regarding the concerns about revenue. Chairman Sferrazza stated he thinks the County should have a placeholder BDR for regional planning. Commissioner Galloway suggested a placeholder BDR for consolidation also.

Councilmember Hascheff stated there is an interlocal agreement that requires the entities to notify each other prior to taking a position on proposed legislation. He further stated the statutes require that regional planning issues have to be taken to the Governing Board in addition to the notification requirements. He stated he would like to have a better comfort level from the County that these protocols will be followed. Assistant County Manager Poché stated County staff has been in communication with Regional Planning staff concerning the importance of the interlocal agreement, and staff has committed to follow the agreement in the same spirit as it has been followed in previous years. Chairman Sferrazza advised that the County lobbyists are not supposed to take a position on an issue without contacting the County, and the Board meets with the lobbyists weekly to discuss the County's position on the issues and bills and to provide direction to the lobbyists. He stated Reno staff is welcome to attend those meetings.

Councilmember Carrigan asked about the status of the current interlocal agreement. Ms. Poché stated the agreement is renewed for every legislative session and is currently with Regional Planning staff to update and renew for the upcoming session. Councilmember Carrigan suggested that everyone look the new agreement over carefully before approving it because he believes there are items in it that he is not sure everyone can abide by.

Vice Mayor Rigdon noted that the interlocal agreement will bind the three bodies, but it does not bind the members as individuals. He stated he reserves the right to speak to any State Legislator on any issue he feels is important to him as an individual citizen. Vice Mayor Rigdon also said he has concerns with the County's jail overcrowding proposal and is quite sure the victims' groups will also be concerned about early release of prisoners.

Commissioner Galloway stated he also reserves the right to speak to Legislators and agreed with Vice Mayor Rigdon about their individual responsibilities.

Mayor Armstrong asked if any of the members feel they have the right to go to the Legislature and undermine the action of their body when their body takes a position on legislation with which they do not agree. Vice Mayor Rigdon and Commissioner Galloway stated it is not so much what they would do, but a matter of what they have a right to do.

Sam Dehne, area resident, stated lobbyists should be eliminated. He further stated the Airport Authority Board should be elected rather than appointed.

Sparks Manager Carey stated that he feels it would be important for the three Finance Directors and three Managers to work together on a tax proposal that would protect the interests of Reno, Sparks and Washoe County. He further stated a unified front is going to be necessary at the Legislature because there is a real possibility that the County and the Cities may be hurt by actions of the State. He suggested the Boards consider so directing staff.

On behalf of the City of Sparks, on motion by Councilmember Mayer, seconded by Councilmember Schmitt, which motion duly carried, Mayor Armstrong ordered that the Sparks Finance Director and City Manager be directed to work with the City of Reno and Washoe County Finance Directors and Managers on tax policies and protecting the interests of the City of Reno, the City of Sparks and Washoe County.

On behalf of the City of Reno, Councilmember Aiazzi moved, and Councilmember Hascheff seconded the motion, that the Reno Finance Director and City Manager be directed to get together with the City of Sparks and Washoe County Finance Directors and Managers within the next week to work on a placeholder bill draft request concerning tax policies for the County to consider as one of the County's BDR's. A discussion then ensued concerning the shortness of time to submit a BDR.

11:15 a.m. Councilmember Mayer left the meeting and the City of Sparks no longer had a quorum.

Ms. Singlaub stated a tax policy proposal will most likely be coming from the Governor's Task Force, and providing joint input to the legislative delegation would be a good way for the entities to proceed. She stated if the entities could come to a consensus concerning a package by August 30th, it should certainly be carried forward; but missing the opportunity to submit a BDR would not weaken the position of the joint bodies. Councilmember Aiazzi stated it would be harmful if there was no BDR.

Following further discussion, Councilmember Aiazzi called for a vote on his motion. Vice Mayor Rigdon clarified that the motion was for the three entities to work together to defend against any revenue bills that would hurt the region. He then called for the vote, and the motion passed unanimously by the Councilmembers present.

On behalf of Washoe County, Commissioner Galloway moved that County staff be directed to work together with Reno and Sparks staff to find common ground on tax policies. Commissioner Short seconded the motion. Chairman Sferrazza called for the vote and the motion carried unanimously by the Commissioners present.

Later in the meeting, Councilmember Schmitt noted that the agenda packet also included proposed BDR's by the League of Cities for the upcoming

legislative session and stated, if anyone had questions concerning any of those, they should give him a call. Vice Mayor Rigdon commended Councilmember Schmitt for his work with the League of Cities. Chairman Sferrazza advised the County has concerns with the proposal on the tax cap. Councilmember Schmitt advised the State is also looking at that issue and may take over that BDR. He further stated this is not changing the cap, but just removing the State portion and giving it back to the Cities. Chairman Sferrazza stated that would still be breaching faith with the citizens.

PRIORITIZATION OF FUTURE JOINT MEETING AGENDA
ITEMS

Following discussion, Chairman Sferrazza recapped the following for future agenda items:

- September: Parks consolidation (Aiazzi)
Work Card Permits consolidation
Dispatch (Sferrazza)
Monthly item concerning legislative issues

- October: Presentation - Report Card on Nevada Roads (Rigdon)
Baseball (Harsh)
Tax Cap Rate (Hascheff)
Legislative issues

Councilmember Aiazzi asked that the County let them know what the issues are regarding Dispatch.

Sam Dehne, Reno citizen, stated other agenda items the Boards should discuss include polling, lobbyists, airport problems, annexation, campaign contributions, the railroad trench, and the bus drivers' strike.

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There being no further business to come before the Boards, the meeting adjourned at 11:35 a.m.

ATTEST:

PETER J. SFERRAZZA, Chairman
Washoe County Commission

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

ATTEST:

DAVID H. RIGDON, Vice Mayor
City of Reno

LYNNETTE R. JONES, Acting
City Clerk, City of Reno

ATTEST:

TONY ARMSTRONG, Mayor
City of Sparks

DEBORINE J. DOLAN, City Clerk
City of Sparks

*Minutes Prepared by
Sharon Gotchy
Deputy County Clerk*