

WASHOE COUNTY BOARD OF COMMISSIONERS

TUESDAY

2:00 P.M.

OCTOBER 21, 2008

PRESENT:

Robert Larkin, Chairman
Bonnie Weber, Vice Chairperson
Jim Galloway, Commissioner
David Humke, Commissioner
Kitty Jung, Commissioner

Amy Harvey, County Clerk
Katy Simon, County Manager
Melanie Foster, Legal Counsel

The Board convened at 2:02 p.m. in regular session in the Commissioner 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:

Katy Simon, County Manager stated, "The Chairman and Board of County Commissioners intend that their proceedings should demonstrate the highest levels of decorum, civic responsibility, efficiency and mutual respect between citizens and their government. The Board respects the right of citizens to present differing opinions and views, even criticism, but our democracy cannot function effectively in an environment of personal attacks, slander, threats of violence, and willful disruption. To that end, the Nevada Open Meeting Law provides the authority for the Chair of a public body to maintain the decorum and to declare a recess if needed to remove any person who is disrupting the meeting, and notice is hereby provided of the intent of this body to preserve the decorum and remove anyone who disrupts the proceedings."

08-1120 AGENDA ITEM 3 - PRESENTATION OF EXCELLENCE
AWARDS

Agenda Subject: "Presentation of Excellence in Public Service Certificates honoring Washoe County employees who have completed essential employee development courses."

Katy Simon, County Manager, recognized the following employees for successful completion of the Excellence in Public Service Certificate Programs administered by the Human Resources Department:

Essentials of Personal Effectiveness Program

Nicole Alberti, Health Educator I, Health Department
Kathy Dickens, Public Health Nurse, Health Department
Tracey Hilton-Thomas, Network Engineer, Technology Services
Zulma Solano, Office Assistant II, District Attorney's Office

Essential of Support Staff Program

Kelly Lee, Office Assistant II, Social Services
Lois Leshner, Office Assistant II, Public Guardian's Office

Essentials of High Performing Teams Program

Brent Richmond, Hydrogeologist II, Water Resources

08-1121 AGENDA ITEM 4

Agenda Subject: "Public Comment. Comment heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Commission agenda. The Commission will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Commission as a whole."

Fred Barrie said the Spark's Advisory Committee passed a resolution dealing with the southbound right-turn lane on Pyramid Highway, which was submitted to the Spark's City Council yesterday. He submitted to the Clerk a copy of the resolution and a copy of a petition with 1,051 signatures from people that used the left turn lane into the Village Green subdivision and did not want to lose it. He said any changes should be made below Emerson Way so the left turn lane would not be lost.

Sam Dehne discussed his background, his attendance at local government meetings, and his objection to electronic voting machines.

Commissioner Galloway asked Mr. Barrie if the petition referred to the same difficult situation that was discussed as a planning issue some years ago. Mr. Barrie explained the concerns were about the short-term project, not the big project. Commissioner Galloway asked who was making the decision. Mr. Barrie replied it was the Regional Transportation Commission (RTC). Commissioner Galloway said he hoped Mr. Barrie was taking copies of the submitted petition to the RTC. Mr. Barrie indicated he was.

08-1122 AGENDA ITEM 5

Agenda Subject: "Commissioners'/Manager's Announcements, Requests for Information, Topics for Future Agendas and Statements Relating to Items Not on the Agenda. (No discussion among Commissioners will take place on this item.)"

Katy Simon, County Manager, noted the appearances by the Airport Authority officials, Items 7 and 8, were being rescheduled for November 18, 2008.

Commissioner Humke said the Sheriff's Office had been cooperating with the Reno/Sparks Corridor Business Association for the last 12 years to conduct "Christmas on the Corridor," which assisted in providing children living in weekly motels on Fourth, Fifth, and Sixth Streets with basic living necessities. He stated last year 700 children benefited from the program. He said this year's event would be on Sunday, December 14th starting at 11:00 a.m. He noted if people wanted to assist in providing basic living necessities for the children and for senior citizens, they could call 785-4244 to donate. He commended the Sheriff's Office for providing this public service.

Commissioner Humke advised he attended a meeting regarding the South Valleys Area Plan update accompanied by Keith Lockhard, Washoe County Planning Commissioner. He noted the meeting included the developer whose application was attached to the South Valleys Area Plan update and there was a vote to remand the application back to the Planning Commission. He said the East and West Washoe Valley constituency was working diligently to try to find a solution to the issues.

Commissioner Humke stated he met with Community Development Leadership staff to talk about the issues regarding the Forest Area Plan. He noted there were five issues: the extent of commercial land use on Mount Rose Highway, the Butch Cassidy Drive extension, the Forest Service road that traversed Forest Service land to connect the Thomas Creek area with the Mount Rose Highway to facilitate a development, how forest mixed use was defined, and the scenic highway status. He said there an effort to determine what the policy statement passed by this Board meant and how strong it was.

Commissioner Humke said he and Chairman Larkin attended the grand opening of the Centennial Plaza Transit Center in Sparks, which would be open for bus traffic on Sunday. He noted the Sparks City Council named the building after Councilmember John Meyer. Commissioner Weber stated the building at the new Plaza Transit Center was a great building.

Commissioner Weber said as the Commissioner who represented Mr. Barrie's neighborhood, she was also concerned about the loss of the turn lane.

Commissioner Weber noted that representatives from the World Choir Youth Organization were coming to check out the Reno/Sparks area Wednesday night. She said it was hoped the area could beat out Cincinnati to host the World Choir Games, which would be one of the first international events to come to the area.

Commissioner Weber noted her "Coffee and Conversation" last Saturday was attended by 75 people and some Golden Valley residents presented issues that affected them. She said next month "Coffee and Conversation" would be held at the Sierra Sage Golf Course.

Commissioner Weber said she attended the V&T Railway reception and dedication for the second section of the track, which was held in cars that were actually on the tracks. She noted it was a 3.5 hour trip that she thoroughly enjoyed. She stated she was encouraging local elected officials to have a mini retreat next spring to take the same trip on the train.

Commissioner Weber said she attended the North Valleys Neighborhood Advisory Board (NAB) meeting last night. She advised next Monday there would be a Fire Services meeting and there would also be a meeting of the Volunteer Fire Department at the Bonanza.

Chairman Larkin said at the Joint Fire Advisory Board meeting held on Monday, Chief Scheuerman presented the same briefing he gave to the Fire Commissioners. He noted the Reno City Council would be considering a request by the volunteer firemen that the City approve paying for their physicals. He said Chief Scheuerman advised the five agreements that were the responsibility of the Fire Commissioners were being prepared and would be brought before the Board as soon as they were completed.

Chairman Larkin said he, Commissioner Weber, and Ms. Simon attended a dinner last Thursday hosted by the Girl Scouts that honored three outstanding Nevada women.

Chairman Larkin noted he took advantage of early voting. He also discussed his participation in a United Way fundraiser at the Scolari's pie-in-the-face event.

Commissioner Galloway advised there was a dedication of the Incline Justice Court remodel. He said the building would be a better environment for court proceedings.

Commissioner Galloway stated he was working closely with Water Resources staff regarding the sewer project located close to the river. He felt getting the people connected to the sewer project would help the river and the environment. He said all of the cost data was finally pulled together and now a fair way needed to be determined to set charges and fees for people to connect to the sewer facility. He said a recommendation would come to Board on November 10th for a public hearing. He noted the residents who attended a meeting at the Roy Gomm Elementary School were happy to find out the charges would be decided by the Board that was elected by the people rather than by an administrator.

Commissioner Galloway said the Internal Audit Committee met today to discuss the County's investments. He noted by law, General Fund monies could not be invested in equities or stocks, but had to be in debt instruments of high quality. He stated a small percentage of them were adversely affected by this downturn, but the distribution

was such that it was unlikely they would have to be sold before reaching maturity. He noted when the debt instruments reached maturity they would be at full value. He said the audit report comments were being finished and would be coming to the Board.

Commissioner Galloway advised there would be a Tahoe Regional Planning Agency (TRPA) meeting tomorrow. He felt what started out as an attempt to remove an unjustified ban on piers had turned into a battle of who could get what into the ordinance. He felt there were unnecessary provisions, which could adversely affect what people already enjoyed. He said he was not sure he could vote for the ordinance now with all of the additional baggage.

Commissioner Jung said she would be attending the World Choir Games bid solicitation tomorrow. She stated on Sunday, October 26th at 2:00 p.m. the American Association for University Women would be having their annual fund raiser at the Wilber D. May Museum to raise money for local scholarships and education.

Commissioner Jung stated 240 trees would be planted in celebration of Nevada Shade Tree Week on Tuesday, October 28th at 11:00 a.m. at Whittaker Park.

Commissioner Humke noted Ms. Simon was a previous recipient of the Girl Scouts "Women of Achievement Award."

Ms. Simon announced there had been almost 20,000 votes cast in three days of early voting. She noted there was a delay in getting sample ballots to people in Somerset and Dan Burk, Registrar of Voters, was trying to track down what happened at the post office.

CONSENT AGENDA – ITEMS 6A – 6D(2)

In response to the call for public comment, Sam Dehne approved of the consent agenda being kept to relatively mundane items.

08-1123 AGENDA ITEM 6A - MANAGEMENT SERVICES

Agenda Subject: "Acknowledge Certificate of Distinction from the International City/County Management Association for Performance Measurement for Fiscal Year 2007/2008--Management Services. (All Commission Districts.)"

In response to the call for public comment, Sam Dehne indicated why he felt this item should be discussed.

On motion by Commissioner Jung, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 6A be acknowledged.

08-1124 AGENDA ITEM 6B – WATER RESOURCES

Agenda Subject: “Approve Water Sale Agreement between the County of Washoe and Sun Valley General Improvement District leasing back 0.18 acre-feet of water rights to Sun Valley General Improvement District in support of the Highland Ranch Subdivision, located in the Sun Valley area; and if approved, authorize Chairman to execute Water Sale Agreement and direct Water Rights Manager to record the document--Water Resources. (Commission District 5.)”

There was no public comment on this item.

On motion by Commissioner Jung, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 6B be approved, authorized, and executed.

08-1125 AGENDA ITEM 6C - SHERIFF

Agenda Subject: “Accept forfeited 2005 Jeep Cherokee (value \$8,000) through the Federal Equitable Sharing Program to Washoe County Sheriff’s Office--Sheriff. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Jung, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 6C be accepted.

08-1126 AGENDA ITEM 6D(1) - ASSESSOR

Agenda Subject: “Approve roll change requests for factual and clerical errors in the 2008/09, 2007/08, 2006/07, 2005/06 Personal Property Tax Rolls; and if approved, authorize Chairman to execute Order for same [cumulative amount of reduction in tax revenue \$27,458.49]. (All Commission Districts.)”

There was no public comment on this item.

On motion by Commissioner Jung, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 6D(1) be approved, authorized, and executed.

08-1127 AGENDA ITEM 6D(2) - ASSESSOR

Agenda Subject: “Approve roll change requests, pursuant to NRS 361.768 and NRS 361.765, for errors discovered for the 2008/2009, 2007/2008, 2006/2007, 2005/2006 secured and unsecured tax rolls as outlined in Exhibits A and B; and if approved, authorize Chairman to execute Orders for same and direct Washoe County

Treasurer to correct the errors [cumulative amount of reduction \$56,499.17]. (Parcels are in various districts as outlined in the Exhibits.)”

There was no public comment on this item.

On motion by Commissioner Jung, seconded by Commissioner Weber, which motion duly carried, it was ordered that Agenda Item 6D(2) be approved, authorized, and executed.

08-1128 AGENDA ITEM 10 - SHERIFF

Agenda Subject: “Recommendation to approve sole source purchase [\$122,000] for EOD-9 /SRS5 bomb suits and helmets from Allen Vanguard Technologies, Inc., utilizing Federal Fiscal Year 2007 Department of Homeland Security State Homeland Security Program grant funding--Sheriff. (All Commission Districts.)”

Commissioner Galloway indicated he had no objection to the sole source designation, but he requested that fewer acronyms be used in the staff report because it made it hard to read.

There was no response to the call for public comment.

On motion by Commissioner Galloway, seconded by Commissioner Humke, which motion duly carried, it was ordered that Agenda Item 10 be approved.

08-1129 AGENDA ITEM 9

Agenda Subject: “Appearance: Bill Vann, Senior Engineer Regional Transportation Commission. Update on Pyramid Way and McCarran Boulevard Intersection Improvement Project. (Commission District 4.)”

Bill Vann, Regional Transportation Commission (RTC) Senior Engineer, conducted a PowerPoint presentation on the Pyramid Way and McCarran Improvement Project, which included the long-term plan and schedule and the short-term plan for the intersection. A copy of the presentation was placed on file with the Clerk.

Mr. Vann noted the long-term alternatives were being reviewed because of the new traffic analysis.

Mr. Vann explained the short-term project came about because of the realization that the impact of acquiring the right-of-ways would be significant. He said the RTC Board asked staff to evaluate some short-term immediate improvements to the intersection’s congestion that would not have the major impacts of the long-term project. He noted after doing a detailed benefit/cost analysis of the Long Southbound Right Turn Lane (SBRTL) and the Reversible Lane alternatives, the Board directed staff to

implement the SBRTL project. He discussed what the project entailed, and he noted it eliminated the left turn lane Mr. Barrie referred to, which allowed turning onto Emerson Way. He stated the Nevada Department of Transportation (NDOT) and the Federal Highway Administration (FHWA) had not confirmed whether or not the SBRTL project could proceed outside of the long-term project and acquiring the right-of-ways would happen if the SBRTL project was approved.

Mr. Vann said in November at the request of the RTC Board, staff would be revisiting the alternatives to the SBRTL project, including benefits versus costs, because of the requested budget increase for the SBRTL project.

Commissioner Weber asked what Fred Barrie thought about the SBRTL and the Reversible Lane projects. Mr. Barrie discussed the impact of the SBRTL proposal to the Village Green residents and safety issues. He noted the redesign, due to the safety issue, increased the project's cost from \$200,000 to \$1.5 million. He said the residents and the Sparks Advisory Board felt starting the lane after Emerson Way would increase the traffic flow without impacting the left-hand turn lane into the subdivision.

Commissioner Weber acknowledged the project impacted Commission District 4, but taking away the right-hand turn lane would also impact her Commission District. She advised she was never contacted by anyone other than the residents regarding the project, and she was not aware whether or not the City of Sparks Councilmember was involved in this project. Katy Simon, County Manager, stated she would initiate a conversation with Greg Krause, Executive Director of the RTC, on how Commissioners were notified of these projects because this happened before with the Mayberry Drive project. Commissioner Weber felt that would be helpful. She said she was concerned that buildings were allowed to go into the area when it was known the intersection was an issue and they should look at the big picture. She said from everything she heard, the residents had no input on the project, and the project going from \$200,000 to \$1.5 million was a problem for her.

Commissioner Galloway asked if there would be an Open Meeting Law conflict if Commissioner Weber wanted to go to the RTC meetings to express her opinion. Melanie Foster, Legal Counsel, said there would not be a conflict, but she would have to make it clear she was acting as an individual commissioner and she was not espousing a formally adopted position of the Board. Commissioner Galloway noted this was a non-discussion item and no more could be done here, but the input process could be started by appearing before the RTC.

Commissioner Weber noted most of the traffic impacts occurred during certain hours, and she asked if there was any discussion about doing something that would only be in place during specific times of the day. Mr. Vann replied the Reversible Lane project had the potential to be implemented only during certain hours. Mr. Vann advised there were safety, operational, and expense concerns with that option. He stated the short right-hand turn lane option did not show any reduction in delay or queue length to the north during the morning peak for the dollars that would be spent. Commissioner

Weber commented she had already taken groups of people to RTC meetings, and she suggested the possibility of having a town hall meeting with the community before the RTC meeting in November.

Mr. Vann stated NDOT had to issue a permit for any work to be done on the intersection. He said NDOT would defer to the FHWA so the long-term project would not be endangered because it was hoped it could be federally funded. He said FHWA had expressed concerns that the SBRTL project could be stepping outside the bounds of the Environmental Impact Study (EIS) that was ongoing for that intersection.

Chairman Larkin asked when all of the alternatives would be brought back before the RTC Board. Mr. Vann said it was planned for November, but the agenda was not yet finalized. Chairman Larkin suggested citizens monitor the RTC website, rtcwashoe.com, for the agenda posting.

**08-1130 AGENDA ITEM 11 – COMMUNITY DEVELOPMENT/
COMMUNITY RELATIONS**

Agenda Subject: “Discussion and possible direction to staff regarding existing and proposed mechanisms to capture citizen input--Community Development/Community Relations. (Requested by Commissioner Jung.)”

Adrian Freund, Community Development Director, said Commissioner Jung’s request was viewed as an opportunity to review the existing mechanisms used to capture citizen input, to look at the ways citizens could view the proceedings of County government’s boards and commissions, and explore what refinements could be made.

Lori Adams, Community Outreach Coordinator, discussed what currently happened at Board of County Commission (BCC) and Citizen Advisory Board (CAB) meetings and several options designed to expand capturing citizen comments as detailed in the staff report dated October 21, 2008.

Chairman Larkin acknowledged citizen involvement was critical to the County’s processes. He said he read the summary of the notes from the CAB meetings to get a summation of what was going on at the meetings. He felt the summaries added great value to the overall process.

Commissioner Jung asked if there was a way to ensure the Open Meeting Law would not be breached by setting up CAB e-mail groups and the members possibly having serial communications. Ms. Adams indicated staff would work with Technical Services and the District Attorney’s Office to make sure the rules would be followed if the Board directed setting up CAB e-mail groups.

Commissioner Galloway asked if there was any way to indicate on the cards whether or not someone officially spoke for an organization. Ms. Adams said the form could be modified to indicate if someone was speaking on behalf of a large group

and staff could work with the CAB Chairs to have them ask if the individual was speaking officially or not.

Commissioner Weber commented she attended as many CAB meetings as she could, but what worked for her was having her intern attend the CAB meetings and to handle all of her constituent services. She noted the feedback from the Community Outreach Coordinators and her intern was then forwarded to the Manager's Office and department heads. She said when Ms. Adams sent out her statements about what happened and what issues arose at a CAB meeting that need to be dealt with, she would send it back with direction for Ms. Adams to take care of, she would take care of it herself, or they should work together to resolve the issue. She felt that worked well and was a good way to obtain feedback from the community.

Commissioner Humke said he was copied on e-mails from CAB members to Sarah Tone, Community Outreach Coordinator, however, the tone implied that the BCC was asking for information but it did no good to answer because the Board did not listen. He asked if there was a way for this to be seen in a more positive way, to show that staff was assisting the Board to listen to all of the citizen comments. Ms. Adams felt creating the e-mail groups for the CABs would allow people to have direct contact with their CAB members, their neighbors, and to their elected representatives. She stated staff could encourage the use of the e-mail groups and could continue to stress all comments were taken seriously and were considered in the Board's decisions. Commissioner Humke felt the CAB e-mail group was a good idea, but there should be a disclaimer that any response would become a public record.

In response to the call for public comment, Garth Elliott said he noted during his six years as a CAB member that the public did not like filling out the cards. He also noted CAB members had a problem filling out the three part form. He felt ideas two and three in the staff report were terrific ideas and that the CAB e-mail groups would eliminate the possibility for serial communication.

Commissioner Jung said she had a recommendation regarding getting the public to fill out the forms. She stated she would like to see the Community Outreach Coordinators hand out the forms during an agenda item. She suggested the Chair could give everyone time to fill out the forms at the end of an agenda item and the Community Outreach Coordinators could type up the forms, or at least copy them, to become part of the public record along with the reports generated by the Coordinators. She agreed that information was very valuable when a Commissioner could not attend or could not stay for the full meeting. She felt she did not do the CAB a service by staying for the full meeting because she wanted them to be able to speak freely without her influence.

Commissioner Jung felt staff made a great first start, and she liked all three recommendations. She said she also liked having a request for feedback on the front web page all of the time and the idea of interactive surveys if there was a big issue coming up. She stated the surveys could save tax dollars because staff might not have to do a presentation at every CAB and Neighborhood Advisory Board (NAB) meeting. She

felt having a snapshot of what people felt would help the Commission make decisions or would indicate where additional public information and outreach should occur.

Commissioner Jung said she wanted staff recommendations where public input was solicited, to acknowledge that input, how the input was included or not included in the staff recommendation, and staff's rationale. She felt it was a disservice to the citizens to ask them to provide input and for them to not see any acknowledgment on how their input was used. She indicated she did not want staff to go line-by-line, but to include the salient points and whether or not they were workable based on best practices or expertise.

Commissioner Galloway suggested that providing an address should be optional because some people worried about putting their address on the cards. He also felt some people did not want to fill out a worksheet because they had problems with their handwriting or could not listen while filling it out. He believed worksheets were not necessary for every item, because minutes were available.

Commissioner Weber suggested having a clipboard with a sign-in sheet at every CAB meeting for people to provide their names and mailing addresses, a place to indicate whether or not they were in favor of something, their concerns or issues and a checkbox indicating whether or not they want to be contacted. She noted the sign-in sheet was done at NAB meetings. She also suggested having materials available at CAB meetings, such as the County's Guide to Services and other resources. She felt it was an opportunity to share with public all the different things the Board did.

Commissioner Humke felt having the County's hot-topics surveys listed on its web site was a great idea and the information could be helpful to the Board. He said self-selected polls were a pet peeve of his, and he hoped the County would not get into doing them.

Commissioner Humke said the CAB e-mail groups should state the privacy guarantee and should have a public record disclaimer on the first screen. He felt preventing serial communications in accordance with the Open Meeting Law was a training issue.

Commissioner Humke suggested that each CAB be provided with a laptop to receive e-mails during the meeting, which could be made part of public comment and the record.

Chairman Larkin directed Mr. Freund to implement the suggestions and come back to Board with an update in two months.

08-1131 AGENDA ITEM 12 - MANAGEMENT SERVICES/GOVERNMENT AFFAIRS

Agenda Subject: “Discussion and direction to staff regarding legislation or legislative issues proposed by Legislators, by Washoe County or by other entities permitted by the Nevada State Legislature to submit bill draft requests, or such legislative issues as may be deemed by the Chair or the Board to be of critical significance to Washoe County, or issues arising out of the special legislative session-Management Services/Government Affairs. (All Commission Districts.)”

John Slaughter advised that the Legislative Counsel Bureau (LCB) staff was working on the County’s four bill drafts requests (BDR’s). He stated the 120 Day Calendar for the 2009 Legislative Session was posted and June 1st was noted as the last day of the session. He said on December 12th at 7:30 a.m. at the Mills B. Lane Justice Center there would be the bi-annual Legislative breakfast reception with the Washoe County delegation.

Mr. Slaughter stated Assembly Speaker Barbara Buckley would be meeting with the NACO Board at 3:00 p.m. on October 28, 2008 in the Health Department Conference Room. Commissioner Weber said the NACO Executive Director said next Tuesday was still tentative. She stated it was possible the event would be in Las Vegas, Nevada on a Friday night. Mr. Slaughter said as information was received, staff would let everyone know.

There was no public comment on this item.

08-1132 AGENDA ITEM 13

Agenda Subject: “Performance evaluation for the Washoe County Manager, including (but not limited to) discussion of goals, objectives and results of County Manager; consideration of current compensation and possible action regarding compensation and employee agreement. (All Commission Districts.)”

Steve Watson, Human Resources Acting Director, said the County Manager’s evaluation was pursuant to Nevada Revised Statutes (NRS) 241.033 and included discussion on the goals, objectives, results, consideration of current compensation, and possible action regarding the compensation and the employment agreement. He noted there was an addition to the Board’s packet because of the late submittal of a performance review, which was not incorporated in the summary totals on the front cover. He discussed the remaining backup included in the Board’s packet.

Chairman Larkin asked if Katy Simon, County Manager, had any comments. Ms. Simon said she wanted to discuss the criminal embezzlement that occurred in the County this year within the limits set by the District Attorney’s Office. She acknowledged the embezzlement had shaken people’s attitudes and confidence, and she wanted to let the Board know what was being done to restore that confidence.

Ms. Simon stated she and Commissioner Galloway met today with the Audit Committee and that the external auditors had reviewed the transactions related to the incident, which they felt was an isolated incident. She said there were several recommendations that came from the Audit Committee and from other procedural reviews that were done. She explained the Governance Risk and Compliance (GRC) modules in the SAP system were implemented to provide automated reporting on how authorizations for approval were managed and there was a segregation of duties review being done in every department, which would strengthen the County's internal controls. She advised asset verification and vendor verification procedures were implemented as soon as the incident became known. She said the external auditors noted the approvals were in place, but there was a weakness in the vendor verification procedures, including verifying the vendor's physical address and the actual asset. She advised cash audits were also being done in the highest risk areas pursuant to the adopted work plan of the Internal Audit Division, which was adopted by the Internal Audit Committee on a regular basis and was recently adopted by the Board.

Ms. Simon noted at this morning's Audit Committee meeting, Commissioner Galloway commented that not only the paperwork that acknowledged the asset must be verified, but also the validity of the asset, particularly with intangible assets. She said there was also a request that this incident be referred to the Audit Committee to be placed on its January agenda for a public discussion after the District Attorney's Office and the Sheriff's Office completed all of their work. She stated the External Auditors gave the County an unqualified opinion for this year's audit, which was the highest assurance that the financial statements were representative of the actual occurrences.

Ms. Simon said she appreciated the feedback on what needed to be worked on, particularly regarding citizen input in land use planning and in Community Development Department decisions. She advised staff was working on some personnel development opportunities to make sure the County was doing a better job, because some of the systems tried did not work as well as everyone wanted them to.

Ms. Simon noted that within the input received today it was mentioned that the Manager constrained the Audit Committee's discussion regarding the embezzlement. She noted she asked the Committee to review it, but the criminal team decided that review was not appropriate.

Ms. Simon said, regarding the concern that she supported a suburban tax without consulting the Board, that the Board's formally adopted position since 2000 was support for a tax for municipal services.

Ms. Simon stated she was proud of having a 13.7 percent ending fund balance in a year when there were dramatic reductions in budget resources. She appreciated the work of the Board and the departments to not completely exhaust the "Rainy Day Funds." She acknowledged it was a good but challenging year.

Commissioner Galloway stated he did not support the suburban tax in concept. He said if it was referred to, it should be noted that the Board's adopted position was out of date because it was not the same Board as then. He discussed why he did not support the tax. He noted Ms. Simon signed a letter with Sheriff Haley without Board authorization telling the City of Reno that if they did not work with the County on the regional dispatch issue the County would go its own way. He said even though he agreed with the letter, Ms. Simon did not have the authority to do it on her own. He said the two items were disconcerting and definitely fell under "Needs Improvement." Ms. Simon said she notified each board member of her actions on the dispatch issue, but she confirmed it did not come before Board as an item. She said regarding the suburban tax, she only represented the adopted position of the Board. She stated she meant no disrespect to the Board by doing either item.

Commissioner Humke congratulated Ms. Simon because the comments in her review were overwhelmingly positive. He noted there were several critiques regarding Ms. Simon's participation in state, regional and national professional organizations, which he knew Ms. Simon saw as a positive. Ms. Simon advised she did not attend national board meetings this year, even though she typically paid her own way. She noted she only attended the ICMA conference and attended some training last April.

Chairman Larkin noted the summary score indicated expectations were exceeded over 50 percent in each category except for "managing results and resources," which indicated "needs improvement" of 15 percent where the other categories were around 7 percent for "needs improvement." Ms. Simon said she did not receive a lot of negative comments even in that area, so she was not sure what comments were about specifically. She felt the embezzlement had a lot to do with people's feelings about the County's management of resources. She reiterated, even with the embezzlement, the external auditors gave the County an unqualified opinion and said the County's internal controls were very strong. She also felt that the County not having the resources it once enjoyed impacted people. She discussed why the County was doing a stronger job in performance management and performance measurement than had been done before.

Chairman Larkin further discussed the results of the survey. He said Managing Results was a weakness the Manager acknowledged, and he agreed the embezzlement was a factor in that result. He reminded people that the embezzlement was a criminal activity and it was hard to build a system to catch that type of activity in advance. He asked Ms. Simon to expand on how aggressive the response was when the criminal activity was found.

Ms. Simon replied she was notified by Water Resources staff something did not look right and that same day she contacted Undersheriff Todd Vinger, but no criminal investigation was initiated because there was no evidence of a crime. She advised she asked an internal auditor recently when the national standards for internal auditors indicated a criminal investigation should be initiated and without exception it stated when there was evidence of a crime. She noted three days later there was evidence

and at that time the Sheriff's Office was called and given the information. Chairman Larkin said the response was rapid and aggressive. Ms. Simon felt the response was immediate on reporting it but it was not her job to be aggressive on the crime. She said it was her job to quickly figure out how it happened, which was done. She reiterated the other steps that were taken immediately. She said the actions taken were not discussed extensively in public because of a request by the District Attorney's Office. Chairman Larkin acknowledged the Board would continue to honor that request. He said he was convinced the Manager had put into position the proper management procedures as well as the personnel, which was the key. He noted there was insurance and the Manager pursued everything she was allowed to pursue.

Commissioner Weber stated it was a pleasure to work with Ms. Simon this past year and she had stepped up to the plate in difficult times. She said Ms. Simon thought outside the box and was the support for her, for her constituents, and for the entire County.

Commissioner Jung thanked Ms. Simon for her and her staff's work during a difficult year. She felt one of Ms. Simon's major strengths was thinking outside the box to avoid massive layoff, which was one of her biggest fears. She felt once government took that route, it lost the opportunity to get great employees in the future because many people would take a government job for the benefits and the stability even though the pay might be less. She said massive layoffs would have destroyed that impression of stability. She also felt the Board's position in 2000 on the Suburban tax should be revisited because she was not elected then. She said she supported the Manager regarding the Department of Water Resources' incident because someone would always figure things out if they wanted to perform a criminal act.

Chairman Larkin asked if Ms. Simon was offered a contract extension would she accept. Ms. Simon replied she would.

Mr. Watson advised Ms. Simon's contract would expire July 31, 2009. Chairman Larkin asked if Ms. Simon was seeking an extension until 2010. Ms. Simon replied she was an at-will employee so the contract really spelled out the terms of her departure. She said she welcomed the opportunity to have the contract extended.

Commissioner Galloway asked if the contract differentiated between voluntary and non-voluntary departure. Mr. Watson replied the contract provided for termination for cause, provided for severance if the Board decided to give notice to terminate the contract, and provided for provisions that would apply in the event the County Manager resigned. Commissioner Galloway asked if someone could quit and get two years salary. Mr. Watson replied absolutely not.

Chairman Larkin said he found the Manager fell substantially below other entities in the region regarding salary comparisons, but he could not in good conscience raise the Manager's salary. He stated he was willing to offer the same deal as was offered to Washoe County employees regarding the triggering mechanisms. Mr. Watson

discussed the trigger document, which was based on when the books were closed for 2008/09. He said he would have to re-verify what the actual mechanism was. Chairman Larkin asked if Ms. Simon would defer the 3 percent deferred last year. Ms. Simon said she would continue to defer that 3 percent. After further discussion, Ms. Simon indicated she believed the trigger mechanism with the major union would stand alone this year, and she felt she would not see the 3 percent from last year. Chairman Larkin indicated it needed to be kept on the record. Chairman Larkin said the 3 percent would kick in first and then the deferment would be revisited this time next year.

Commissioner Humke said he understood this was a rolling contract that was set for a term of three years maximum and the Board could approve an additional year if desired. Mr. Watson explained after the Board set the duration, it was re-executed with a new termination date included in the new document. Commissioner Humke noted the approval for the long term was balanced by the termination clause. Mr. Watson confirmed that was the case.

Commissioner Weber said last year there was a performance bonus. Ms. Simon confirmed that bonus was received. She noted she had deferred something for many of the 10 years that she was the Manager, and she tried every year to make a donation to the employee scholarship fund. Commissioner Weber asked what Ms. Simon's comments would be if a smaller bonus was offered. Ms. Simon felt a bonus would not be appropriate, but she appreciated the Board's support and generosity.

Chairman Larkin said he appreciated Commissioner Weber's comment but, while merited, he felt a bonus would not be appropriate this year.

Commissioner Galloway felt the first thing that would be revisited if the triggers were met would be the 3 percent. He did not feel the Board needed to commit to revisiting a bonus because he did not think things would turn around that fast. Mr. Watson commented the County Manager was steadfast in maintaining her position during all of the discussions with the Unions, Associations, and employees, which was one of the reasons the Board was asked to defer their increase. He felt the approach the Board was taking was absolutely warranted and would be supported by employees and the Associations that represented them. Chairman Larkin said it could be revisited in six months if things turned around.

Commissioner Weber stated if the Manager left, the County's benefits and salary would be lower than other CEO's in the area and the County would come up short in any comparison. She asked if the survey was available to the public. Mr. Watson said the entire packet given to the Board was on the County's web site. Commissioner Weber suggested everyone should take an opportunity to look at the survey. Chairman Larkin felt the taxpayers in Washoe County were getting a great deal. Mr. Watson discussed CEO's average compensation versus the Manager's compensation. He agreed if someone looked at it from a recruitment standpoint, it showed Washoe County was not an attractive employer.

Commissioner Weber felt it was not appropriate to conduct the County Manager's evaluation in public.

There was no response to the call for public comment.

Commissioner Galloway clarified that if the trigger mechanisms were met, the Manager's salary would increase as would those of the employees. He said at that time the Board would revisit the 3 percent that was deferred. Chairman Larkin confirmed that was correct.

On motion by Chairman Larkin, seconded by Commissioner Humke, which motion duly carried, it was ordered that the Board extend the Manager's contract until July 31, 2010, which included the continued deference of the 3 percent of last year's raise and the acceptance of the trigger mechanism accepted by the unions.

Chairman Larkin said this evaluation and discussion was also directed towards the Assistant County Managers.

08-1133 AGENDA ITEM 14 – REPORTS/UPDATES BY COMMISSIONERS

Agenda Subject: “Reports/updates from County Commission members concerning various boards/commissions they may be a member of or liaison to (these may include, but not be limited to, Regional Transportation Commission, Reno-Sparks Convention & Visitors Authority, Debt Management Commission, District Board of Health, Truckee Meadows Water Authority, Organizational Effectiveness Committee, Investment Management Committee, Citizen Advisory Boards).”

Commissioner Galloway felt the State of California had a lot to say about what went on in Nevada especially at Lake Tahoe. He discussed John Garamendi, Lt. Governor of California, threats to sue the Tahoe Regional Planning Agency (TRPA) because it continued to allow persons to transfer tourist units from one place to another as part of the Regional Plan. He said California wanted that changed because some of the new places were bigger in square footage than the source. He noted any change would affect Nevada residents and projects.

Commissioner Galloway noted a compromise was reached on the Shorezone Ordinance, which no one in Nevada liked much. He said he now understood other demands were being made at the staff level, which was getting in the way of adopting the Ordinance. He said this underlined how much happened that was being driven from outside of Nevada, which he did not think was fair.

Commissioner Jung said she was doing a practice interview tomorrow with Miss Nevada in preparation for the Miss America Pageant on January 24, 2009 in Las Vegas. She said she would be surprised if Miss Nevada did not win or at least placed in the top ten.

08-1134 AGENDA ITEM 15.

Agenda Subject: “Possible Closed Session for the purpose of discussing negotiations with Employee Organizations per NRS 288.220.”

There was no closed session.

08-1136 COMMUNICATIONS AND REPORTS

The following communications and reports were received, duly noted, and ordered placed on file with the Clerk:

COMMUNICATIONS:

- A. State of Nevada, Department of Transportation, executed contract documents, plans and specifications for Contract No. 3356, Project Nos. SI-0032(052), SI-0032(053) and SI-0032(054), on various roads in District I, II and II, Mineral, Esmeralda, Nye, Lincoln, Clark, Washoe, Pershing, Churchill, Storey, Lyon, Douglas, Humboldt, Elko, Lander, Eureka and White Pine Counties, MKD Construction, Inc., Contractor. (Documents forwarded to Engineering on September 30, 2008.)
- B. Resignation of Brett Whitford from the Warm Springs Citizen Advisory Board, dated September 8, 2008 and filed with the clerk September 9, 2009.
- C. Cooperative Agreement between the State of Nevada, Department of Information Technology and Division of Emergency Management, including Scope of Cooperative Agreement and Action for Statewide Interoperable Communications Investment. (BCC Meeting July 10, 2007, Item 07-798)
- D. Grant program Contract for Fiscal year 2007-2008 between Washoe County and the Catholic Community Services of Northern Nevada. (BCC Meeting November 13, 2007, Item 07-1276)
- E. Grant program Agreement between Washoe County Department of Social Services and the City of Reno Police Department, Victim Services Unit. (BCC Meeting November 13, 2007, Item 07-1296)
- F. Recreation or Public Purposes Lease Agreement between the U.S. Bureau of Land Management and Washoe County for the sun Valley Regional Park. (BCC Meeting November 13, 2007, Item 07-1312)

REPORTS – MONTHLY:

- A. Washoe County Clerk of the Court, fee collections for the August 2008.

REPORTS – QUARTERLY:

A. Justice Court for the Incline Village-Crystal Bay Township, revenues received for the quarterly period ending June 30, 2008.

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5:58 p.m. On motion by Commissioner Humke, seconded by Commissioner Weber, which motion duly carried, it was ordered the meeting be adjourned.

ROBERT M. LARKIN, Chairman
Washoe County Commission

ATTEST:

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

Minutes Prepared by:
Jan Frazzetta, Deputy County Clerk