

**Approved May 3<sup>rd</sup>, 2018**

The Regular Meeting of the Douglas County Board of County Commissioners was held on March 15, 2018 in the meeting room of the Tahoe Transportation Center, 169 Highway 50, Stateline, NV, beginning at 1:30 PM. ***The minutes below have been transcribed.***

**Call to Order at 1:30 PM**

**Commissioners Present:**

Steve Thaler, Chairman  
Barry Penzel, Vice Chairman  
Nancy McDermid, Board Member  
Larry Walsh, Board Member  
Dave Nelson, Board Member

**Commissioners Absent:** none

**Staff Present:**

Ron Pierini, Sheriff  
Doug Ritchie, Chief Civil Deputy District Attorney  
Larry Werner, County Manager  
Vicky Derner, Chief Deputy Clerk

**INVOCATION** - None

**PLEDGE OF ALLEGIANCE** – Led by Vice Chairman Penzel

**PUBLIC COMMENT (No Action)**

**Brady Griffiths speaks:**

My name is Brady Griffiths and I'm the Field Outreach Director with Marcy's Law for Nevada. Marcy's Law is fighting for equal rights for victims of crime. After passing two consecutive legislative sessions, one in 2015 and one 2017, we are now question number one on the upcoming ballot. Some notable local endorsements; we have the Sheriff's endorsement as well as District Attorney Jackson. What I would encourage the commission to do is that before next meeting do a little research on Marcy's Law, what we're doing specifically here in Nevada and by next meeting, I hope to be on the agenda and we hope to gain the endorsement of the Commission. And, yeah so, Marcy's Law, question number one. Thank you very much.

Chairman Thaler speaks:

Any further public comment? Public comment is now closed.

**APPROVAL OF AGENDA**

Chairman Thaler speaks:

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Let's move down to approval of the Agenda. Anybody want to move any items around? We're all good with the agenda?

Commissioner McDermid speaks:

If there are no changes. I would move approval of the Agenda.

Chairman Thaler speaks:

Any discussion? We have a motion by Commissioner McDermid with, Mr. Penzel beat you there, Dave; second by Commissioner Penzel. Call for the vote: all those in favor signify by saying "aye". Motion carries unanimously.

MOTION to approve agenda; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Barry Penzel, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**APPROVAL OF PREVIOUS MINUTES**

**Board of County Commissioners - Regular Meeting - Feb 1, 2018 10:30 AM**

Chairman Thaler speaks:

We have our regular minutes of February 1, 2018. Meeting started at 10:30am and I believe all five of us were present. Looking for a motion to approve the previous minutes unless there are any corrections.

Commissioner McDermid speaks:

I move approval of the minutes.

Chairman Thaler speaks:

So we have a motion by Commissioner McDermid, second by Commissioner Walsh. All those in favor signify by saying "aye". Motion carries unanimously.

MOTION to approve minutes from the February 1, 2018 Regular Meeting; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Larry Walsh, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**ADJOURN AS BOARD OF COMMISSIONERS CONVENE AS DOUGLAS COUNTY LIQUOR BOARD**

Chairman Thaler speaks:

Just in case you guys weren't paying attention, we're now going to adjourn as the Board of County Commissioners and reconvene as the Douglas County Liquor Board.

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**LIQUOR BOARD**

**1. For possible action. Discussion to approve the On-Site Intoxicating Liquor Producer License and Packaged Retail Liquor License for CPB Holdings LTD, dba Bently Heritage represented by owner Christopher Bently and General Manager Jason Tollman, contingent on the issuance of a Certificate of Occupancy. Christopher Bently and Jason Tollman have both signed a Waiver of Notice of Hearing. Bently Heritage is located at 1617 Water Street, Minden, Nevada. (Sergeant Bernadette Smith)**

Captain Dan Coverley speaks:

Dan Coverley with the Sheriff's office; this application is slightly different than the ones that normally come forward because it is a producer's license. As such, there is an additional addendum that each Commissioner will need to sign and be notarized. I've given out to the Clerk, so once approval of the application; you can do that the end of this meeting. The only other difference on this is, as we know, the Bently Distillery is in process and so they have fulfilled all the requirements. They do not have a Certificate of Occupancy but that will come. So this application, or the approval, would be contingent on that and we, as the Sheriff's office, don't see any issue at all. We are in favor and approve of this application.

Chairman Thaler speaks:

Thank you Captain. Any questions from the Board? I will open this up for Public Comment. Any Public Comment on item number one? Seeing none, I will close public comment and bring it back to the Board.

PUBLIC COMMENT - None.

Commissioner McDermid speaks:

I would move to approve the On-site Intoxicating Liquor Producer License and Packaged Retail Liquor License for CPB Holdings, LTD. dba Bently Heritage, represented by owner Christopher Bently and General Manager Jason Tollman, contingent on the issuance of a Certificate of Occupancy. The Nevada State Liquor License application requires the Board to sign and must be notarized by our Douglas County Clerk, if this motion is approved.

Chairman Thaler speaks:

A motion by Commissioner McDermid, second by Commissioner Penzel. Any further discussion?

Sheriff Ron Pierini speaks:

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Not exactly sure what we do with this particular one, but as you sign as Commissioners, we also are with a Liquor Board and actually, I think at one time, and maybe Capt. Coverley can answer the question: is my name on there to sign that or are there only four Commissioners?

Captain Coverley speaks:

It only lists the Commissioners, if I'm correct. Is that right, Vicky?

Chairman Thaler speaks:

So we would probably want to add since you are on the Liquor Board, correct?

Sheriff Pierini speaks:

Not that my feelings are hurt, by any means, but what I'm trying to say is this: it probably should be because we actually have Commissioners dealing with the Liquor Board. So I'm not sure how all that's going to be. And maybe Doug Ritchie could help us.

Chairman Thaler speaks:

And/or maybe before Doug goes, maybe, Vicky is that a document that we could sometime, maybe on a break...

Commissioner McDermid speaks:

No, we have to have the notary and that's at the Clerk's office.

Chairman Thaler speaks:

I know but we need that same document that we're going to sign and the Sheriff's got to sign as well. It's not in there though, correct, what we need to sign...

Vicky Derner, Chief Deputy Clerk, speaks:

I have it right here. Everybody signs on one page.

Commissioner McDermid speaks:

Is the Sheriff's name on there?

Chairman Thaler speaks:

So my point, asking the question, can we add the Sheriff to that document that you have there?

Ms. Derner speaks:

I can handwrite in "Sheriff", if that is acceptable.

Doug Ritchie, Chief Deputy District Attorney, speaks:

Doug Ritchie, District Attorney's office, I'm not sure if that's required but you can certainly add that in.

Commissioner McDermid speaks:

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Do I need to make that part of my motion, since I just said the Board was to be notarized? Should I say the Board of County Commissioners is the Liquor Board?

Mr. Ritchie speaks:

Just to clarify, what you are saying is Liquor Board, so when your motion says Board, you're referring to the Liquor Board, which includes Sheriff Pierini.

Chairman Thaler speaks:

I think we're good; Vicky, if you don't mind, just adding that name sometime between now and the end of the day and then we'll all sign it. Any further discussion? So we have a motion on the floor; I'll call for the vote. All those in favor signify by saying "aye"; Any opposed? Motion carries unanimously. That would be 6-0; we're including the Sheriff on that one.

MOTION to approve the On-Site Intoxicating Liquor Producer License and Packaged Retail Liquor License for CPB Holdings LTD, dba Bently Heritage represented by owner Christopher Bently and General Manager Jason Tollman, contingent on the issuance of a Certificate of Occupancy. The Nevada State Liquor License application requires the Board to sign and have the County Clerk notarize if the Board accepts the application; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Barry Penzel, Vice Chairman
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson, Pierini

**2. For possible action. Discussion to approve the On-Site Retail Unrestricted Liquor and Unrestricted Catering Liquor License for 100 Proof Bar Service, LLC dba 100 Proof Bar Service, operated by owner Daisy Bankofier. (Sergeant Bernadette Smith)**

Captain Coverley speaks:

So this applicant, 100 Proof Bar Service, LLC, has completed all of the requirements for the application and the Sheriff's office has no objection to the approval of this license.

Chairman Thaler speaks:

Any questions from the Board other than me? So Captain, why, I don't know if you can answer this or not, why would someone choose to do this versus just event after event? Is it a cost savings or is it just that full license so you don't have to keep coming back to the Sheriff's office for liquor license? I'm just curious more than anything else.

Captain Coverley speaks:

I don't know exactly. I think on this specific case they are playing catch up a little bit.

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Chairman Thaler speaks:

Okay. Any other questions? If not, I'll open this up for Public Comment. Public Comment is now open. Come on up, Daisy, and what we need to do is you have to write your name and then before you speak, because you're the applicant, we don't hold you to the three-minute timeline. And then the Captain there will push the button and then state your name for the record, and feel free to say whatever you like.

**PUBLIC COMMENT**

**Daisy Bankofier speaks:**

I just wanted to address your question that you said you didn't know. I was selling soft beverages packages and I carry full liquor insurance, Liquor Liability insurance, but the client was providing the alcohol at all my events. So now I would like to be able to provide the alcohol at my events, which is a completely different thing, and I also have the showroom, which is the location now, and I like to do mixology classes there, which I would be serving alcohol. So that's the reason I'm seeking the liquor license.

Chairman Thaler speaks:

Okay, generate any questions from the Board?

Commissioner McDermid speaks:

So you're going to teach how to do mixed drinks? Maybe that's what I'll do, I'll be a bartender.

Ms. Bankofier speaks:

It's a lot of fun; we'd love to have you.

Chairman Thaler speaks:

Okay, any further Public Comment? Public Comment is now closed and I will return it back to the Board.

Commissioner McDermid speaks:

I would move to approve the On-site Retail Unrestricted Liquor and Unrestricted Catering Liquor License for 100 Proof Bar Service.

Chairman Thaler speaks:

Motion by Commissioner McDermid, second by Commissioner Walsh; any further discussion? All those in favor signify by saying "aye". Any opposed? Motion carries unanimously. Thanks Daisy. We don't get that too often.

**MOTION to approve the On-site Retail Unrestricted Liquor and Unrestricted Catering liquor license for 100 Proof Bar Service; carried.**

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<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Larry Walsh, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson, Pierini

**ADJOURN AS DOUGLAS COUNTY LIQUOR BOARD RECONVENE AS BOARD OF COMMISSIONERS**

Chairman Thaler speaks:

So we're going to adjourn as the Douglas County Liquor Board and reconvene as the Board of County Commissioners.

**DOUGLAS COUNTY PRESENTATIONS**

**Presentation on persistent problems related to wildlife and trash issues in the City of South Lake Tahoe, portions of El Dorado County, and Douglas County located within the Tahoe region. (Catherine Cecchi, Clean Tahoe)**

Chairman Thaler speaks:

First item, we're going to work through two presentations. So the first presentation is on persistent problems related to wildlife and trash issues in the City of South Lake Tahoe portions of El Dorado County and Douglas County located within the Tahoe region. I have here, Catherine...I'm going to try and say this...Cecchi, representing Clean Tahoe. Catherine, come on up, state your name for the record and present for us. Thank you.

Catherine Cecchi speaks:

Well, I could just quickly introduce myself while that's getting going. My name's Catherine Cecchi with the Clean Tahoe program. I'm the Executive Director and so, I was asked to come today. I think there's an a lot of discussions lately about wildlife access to trash throughout the Tahoe Basin and at Clean Tahoe we're a litter cleanup, litter abatement service and we currently contract with the City of South Lake Tahoe and El Dorado County. So, Clean Tahoe is a nonprofit organization. We were originally established in 1988 as a city commission for the City of South Lake Tahoe and then governed by a joint powers authority between the City and El Dorado County for a while, but we've been a nonprofit since 2004. We have a seven member Board of Directors with representatives from those local jurisdictions as well as from the Chamber of Commerce and the Board of Realtors. And as I mentioned we have a contract with the City of South Lake Tahoe and El Dorado County, also the California Tahoe Conservancy, to provide litter cleanup services. And our focus is on roadside and neighborhood litter, so we really don't get into beach cleanups or trail cleanup type things. Our contract specifically states we're responsible for cleaning litter that's visible from the roadway. We're a fairly small organization. We have two full-time field crew members and then two part-time office staff and a budget of about \$230,000 a year. So I'll just real quickly go through the

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services that we provide, and then focus a little bit of time on what we call animal and trash incidents. So our crews spend a lot of their time just picking up dispersed roadside litter; that was really what the program was established to address, roadside litter and illegal dumping. We have sort of a partnership where we take on folks that need court-ordered community service to help with this piece of our work that we spent a lot of time doing that. The crew has designated routes where we have a schedule where they're in different neighborhoods on different days, picking up any litter that's visible, picking up any illegal dumps that they come across. And also, just keeping an eye out for trash containment problems, because that's sort of where this animal and trash issue is stemming from. It's really that trash isn't being contained and locked up properly and we're looking at overflowing dumpsters, just general poor trash containment. We also, through our contract, we address what are called "bulk items in view", which is furniture, appliances that are out in view and we work with the local jurisdictions to address those types of issues. We provide a hauling service where we can haul things to sell for residents that need that; that's a pretty popular program. We have an Outreach and Education program, have some volunteer events and things like that and then we provide some special sort of cleanup day events throughout the year. Just to give a sense of the volume of work; we stay pretty busy. Our field crew last year collected 484 yd.<sup>3</sup> of litter and debris from the City and our portion of El Dorado County. We service just a portion of the County that's within the Basin and the California Tahoe Conservancy parcels. We're responsible for keeping about 300 miles of roadway clean. Last year we picked up 189 illegal dumps and then we cleaned and reported 493 of those "Animal in Trash" incidents. And those, I should say, a lot of times it's bear access. That's what really we see quite a lot of but we call it animal and trash because it could be a raccoon, it could be coyotes, neighborhood dog, whatever. So I'll talk a little bit about sort of how we handle those in our partnership with the local jurisdictions that we contract with and here's some statistics. This is from the City of South Lake Tahoe. The incidents that we cleaned and reported on last year 53.5% of those were to single-family residential, 12.7% were vacation home rentals and then 33.7% were multi-family and commercial. So I think the statistics sort of just show that it's not one segment of our population where we're having issues. It's really kind of an across-the-board problem. Our process, we document the issue first with a time date stamp photo; we clean up the mess, of course. We post a notice at the property and then there's also a notice that's generated our office and mailed to the property owner, which you have an example up here, which includes, you know, the photo documentation, ordinances that have been violated and we, of course, have no enforcement authority ourselves. So this is a courtesy notice that's mailed out. However, we have a really strong partnership with the Code Enforcement department at the City and El Dorado County as well. We send copies of those notices to all of their departments and so then, they have the ability to enforce their ordinances as they see fit with our, sort of fieldwork, being the evidence. We were also, in the last few years, authorized to charge a cleanup fee when we are at a property multiple times. We can give everyone one freebie, you can have one accident, but if we have to

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come back to your property multiple times, we charge a \$35 cleanup fee that is billed through the South Tahoe Refuse account. And that's partially, you know, I think to hold, there needs to be some personal responsibility here. For a long time, I think that has been a little bit ignored and Clean Tahoe has just cleaned it up and moved on. And so there's starting to be a little bit of the shift, there where we're really trying to have the folks that are creating the problem pay for the, pay for the cleanup. And it also helps us recoup at least a little bit of the cost. As I said the Clean Tahoe was really started to just address dispersed roadside litter and pick up illegal dumps. This wasn't a huge part of our work up until probably about five years ago. As far as it is for our enforcement partnerships, I think they're very effective, very efficient. With El Dorado County, we report to their Environmental Management department, so like I said, we copy them on all the notices that we send out, send them that photo documentation and in the County, they do fairly strictly enforce an ordinance they have requiring a bear gun after two documented violations. The City of South Lake Tahoe, we report to their Code Enforcement division. They are requiring bear boxes for vacation home rentals, starting, need to be installed by the end of July and are issuing citations, thousand dollars citations, for vacation rentals but they also have the authority to issue citations for other properties as well. So we kind of do the fieldwork, we pass it along to them and they did the enforcement. As far as how the local jurisdictions that we partner with are funding the program, the City and El Dorado County both have a small surcharge on customers South Tahoe Refuse bills. Of course, they have mandatory collection so this is a process that's relatively fair in those jurisdictions. El Dorado County also passed a property tax assessment years ago; its three dollars and the total that each customer in both of the jurisdiction pays is the same as \$4.80 per year for the program. And as I mentioned, we try to recoup some of the cost from those cleanup fees. So, that's really all I had in terms of our program and how we respond to those animal and trash issues. I'd be happy to answer any questions.

Chairman Thaler speaks:

Thank you so much. I'm sure we have some questions.

Commission McDermid speaks:

Well, I don't have questions. Thank you, Catherine; I represent Douglas County on the Joint Powers Authority, the Waste Management team and one of the problems in our ordinance is that you can put your trash out up to 6:00 PM the night before the trash is picked that and that is a real problem. The other jurisdictions are changing that. South Tahoe Refuse, it started picking up, I believe it's 7:00 AM, they used to start at 5:00AM but they went to 7:00 AM, in order, so people could put it out the morning of the pickup. And so that is one of the problems. Pretty stiff fines have been implemented in the City of South Lake Tahoe. If you're a vacation home rental, and you have one trash cleanup, it's a \$1000 fine. That's one strike; three strikes and you lose your permit. And Incline Village has gone to \$999 for the first thing. I would refer you to the, I don't know if everyone got a copy of that, I will make sure that the Clerk gets this, but Catherine Bricker came to our local government subcommittee of the

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TRPA governing board last month and she was reporting on the problem she had up here last summer. So we have voluntary trash collection and we didn't have a Code Enforcement officer last year and so I think before going to a mandatory trash collection, I think if we could figure out some way to have Clean Tahoe work on the Douglas County side, this would maybe give us an idea of, would somehow give us the documentation that we need via the photograph and the notice to, not only property owner but to our own local government. So that's why I asked for this presentation, because I think we need to mirror in some ways El Dorado County and the City, in regard to how we deal with the trash and our bears up here.

Chairman Thaler speaks:

Thank you. Any further questions? Commissioner Penzel?

Vice Chairman Penzel speaks:

Thank you, Mr. Chair. During your presentation, you said that you don't pick up or you didn't pick up from the VHRs (Vacation Home Rentals); is that because you've already fined them once and they're out of the business or what's the deal?

Ms. Cecchi speaks:

Oh no, we do pick up from VHR's.

Vice Chairman Penzel speaks:

You said excluding VHRs.

Ms. Cecchi speaks:

I was mentioning that one statistic, the single-family residence, 53.5% of our total cleanups are from single-family residential nonregistered VHRs, our long-term rentals or second homes but not registered vacation home rentals. 12.7% of all that all of the incidents that we cleaned up were from vacation home rentals.

Vice Chairman Penzel speaks:

Secondly, Commission McDermid touched on this, but she was, you're talking about the fact you just add it to their bill, their South Tahoe Refuse bill is real slick. I'm not sure people think that's really slick, but it's a slick way to get it done. In fact, in Douglas County is a little bit of more of a problem because as she said, it is a voluntary trash issue here. I don't know that we know how big an issue it is on the Douglas County side for trash. Before I would implement or recommend that we implement this kind of program which, I mean we're talking about trash, I mean, you'd think this was a physical security problem with all the fines. I think that's one of the reasons I left the Basin. But anyway, the point being, how would it be done otherwise? You have any idea how you would put your fine out?

Ms. Cecchi speaks:

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I don't necessarily have a recommendation for how to fine or assess a fee. I mean clearly, your code enforcement can levy a fine, but it would be challenging to collect a cleanup fee for a customer, for residents, that doesn't have a South Tahoe refuse account.

Zac Wadle`, District Attorney's office, speaks:

Just for the Board's background information; Douglas County has a bear box ordinance. It's very similar to El Dorado County's ordinance. If you basically have two violations within a 24 month period, you could be required to install a bear box after the second violation within 24 months. If you have more than that, you are subject to potential fine of at least \$100. It could be more, but that's all driven through Code Enforcement. And as you all know our Code Enforcement system is complaint driven, so we don't hear everything about it or there's no documentation of any issue unless a neighbor calls it in, Code Enforcement investigates it, issues some sort of citation or notice that, you know, you're in of violation County Code. So that's how it works on our side.

Vice Chairman Penzel speaks:

Pardon me for interrupting, but you're actually addressing just one portion of it; the other thing that is significant, I would think, is especially on rentals, is the people coming in leaving their mattresses and things outside, which she also addresses in her program.

Mr. Wadle` speaks:

And all of that, in almost all cases, would fall under our Public Nuisance codes, if trash or rubbish is being left out in front of homes for extended period of time, or where there is an ongoing problem with the animals and trash. It is a public nuisance and it certainly qualifies as a violation under our codes.

Vice Chairman Penzel speaks:

You have any numbers on the number of people required to have their boxes because they failed the second time?

Mr. Wadle` speaks:

I don't. But I will tell you this; Nancy may have some different information that, but I have never gotten the impression, at least from our Code Enforcement office here in Douglas County, that they're receiving regular complaints. That's not to say that it's not an issue on Douglas County side but as far as complaints coming in that "Hey, this particular residence is a problem; there's trash out early, there's animals getting in trash and they need to get a bear box"; I don't believe we get a lot of those complaints from neighbors.

Vice Chairman Penzel speaks:

Thank you. Thank you, Mr. Chair.

Chairman Thaler speaks:

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Thank you, Commissioner. This is for presentation only, so thank you very much. I think it was very enlightening. Boy, I look at those pictures and I gotta tell you, that's just, I don't get it. Well, I got a solution of the bear problem; we gotta start putting little placards on these bear boxes that says "no bears allowed", because we've trained deer only to cross where there's a deer crossing. Why do we not put placards on bear boxes? Okay, so you all got that. So thank you so much. Feel free to come back. This is or could be, as we start to work through some of these other issues, whether the VRBOs (Vacation Rental by Owner) or vacation rentals or X, Y, and Z. Thank you for what you do. I could thank you 100 times and that's probably not enough, and I only say this because I remember when I was in the DA's office, one of my jobs as the Special Investigator, before they had Code Enforcement, was to go out and dig through trash to try and find a name and I, that was not one of the fun parts of my job and that's why I pushed for this County to get a Code Enforcement officer. Thank you so much.

<b>RESULT:            FOR PRESENTATION ONLY.</b>
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**Presentation by the Tahoe Douglas Visitors Authority regarding a project update on the design and development of the proposed South Tahoe Event Center at Stateline, Nevada. (Lisa Granahan, Carol Chaplin & Lew Feldman)**

Chairman Thaler speaks:

The next presentation will be the presentation by the Tahoe Douglas Visitors Authority (TDVA) regarding a project update on the design and development of the proposed South Tahoe Event Center at Stateline, Nevada, and I'm guessing that it's gonna be Ms. Chaplain and Mr. Feldman presenting today? Welcome and the floor is yours, sir.

Lew Feldman speaks:

Good afternoon, Mr. Chair, Commissioner's; Lew Feldman and Carol Chaplin. Thanks for the opportunity to present the status report on the Tahoe South Event Center. So we are, believe it or not, kind of celebrating our eighth anniversary. This process started in 2010 when actually, Douglas County took a leadership role in the adoption of the South Shore Vision Plan. You may recall Steve Mokrohisky was very active in that endeavor. And the Vision Plan included, among other things for the Lake, an Event Center. That was followed by the publication of the Vision Plan and ultimately by the Regional Plan Update, adopted in 2012. The process continued with the adoption of the South Shore Area Plan, which was the first area plan adopted under the new Regional Plan, also again, including the Event Center. In 2014, this Board, for which we are expressing our gratitude, partnered in the exploration of the formation of the redevelopment district. It was fairly evident that this is a significant financial undertaking, and that in order to deliver this kind of communitywide benefit, a public-private partnership would be required to assist in the financing for implementation. And as the process continued, TDVA continued the planning and design process, and it became evident that

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the cost of this undertaking exceeded available resources and again, we're grateful to the Board for working with us to increase the lodging license fee by 1%, which provided the revenue necessary to continue this ongoing journey. And in January 2018, we, in fact, submitted the application, believe it or not, on schedule to TRPA and we are now engaged in the environmental review process. TRPA has assigned Paul Nielsen, who I think is in the audience today, to work with the applicant and has been a great resource in advancing this. I'm pleased to report that we are probably, and we'll get to this slide a little bit later, maybe a little bit ahead of schedule and ahead of budget because we're proceeding with an environmental assessment as opposed to a full environmental impact statement and that saves significant time and hundreds of thousands of dollars if we can stay on that course.

Vice Chairman Penzel speaks:

Mr. Feldman, you said you are ahead of budget; you mean you are not up to the budget at this point. We haven't overspent.

sdMr. Feldman speaks:

That's what I meant I meant; I'm glad I have an interpreter. That could reverse; we hope not.

Carol Chaplin speaks:

So, just to reiterate the purpose of the project, the Event Center is to provide a publicly owned venue for entertainment and a wide variety of year-round events. And obviously you know that we have extreme shoulder seasons here and those have been growing over the years and of course, our gaming economy has shifted quite a bit. And so one of the reasons that we're looking at that is really to provide some relief to the economy in terms of, you know, providing events that that could be here in November or here in April; trade shows, special events, conventions. We're looking to reinvent the resort core and we're also looking to promote the year-round economic vitality, attract the widest possible range of spectator oriented meetings, exhibition events, etc. Obviously, with any of the projects that we do here, environmental improvements go without saying and continue to really enhance the streetscape and the open space and also implement the objectives for the Regional Plan and the South Shore Plan and the South Shore Vision. Our initial studies and I think you might already be aware this, that the initial study was done almost 2 years ago now, I guess, event types, corporate and association meetings were estimated about 30 to a 45 year. And that doesn't sound like very much but you have to remember that these are multi-day events; they're not one day events necessarily. So while 30 or 40 days sounds like a small amount, we're really looking at a two or three or even a five day corporate or association meeting event. Banquets and receptions in that same range, 30 to 40; performing arts events, trade shows and exhibitions and other types of town events. We have some service groups that have outgrown their space; that might be a place for them to grow and to continue their good work.

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Mr. Feldman speaks:

So I'm trying to try and blow through this next section fairly quickly, but what you looking at is basically the hundred acres or so that make up the casino core. And the first step in this kind of process, which is also a requirement of the environmental review, is to take a look at alternatives. And so before the corner of Lake Parkway and Highway 50 was selected, a fairly robust analysis was done that looked at everything ranging from ownership to land capability to scenic impacts to ingress and egress and so, as we kind of look at the slides, we considered circulation. We considered what's very important, of course, from a water quality perspective, the impervious surfaces. We also looked at the vegetation, which believe it or not, there's a fair amount in this fairly dense urban core. We looked at where the historic streams on activities were. We also had a composite analysis where we identified, you know, which would be the most suitable or which would be the least suitable and the blue color indicates better land capability, better suitability. Ultimately, we came up with six potential alternatives, ranging from behind Harvey's, Hard Rock to behind Harrah's, to even looking at the existing outdoor concert venue and perhaps constructing a facility that could be both indoor and outdoor. And at the end of the day, the consultants determined that the most appropriate site would be the corner of Lake Parkway and Highway 50 at Mont Bleu. It also creates a gateway opportunity, it creates a, you're entering a new district. The new core and from a land-use perspective, kind of unites the pedestrian experience commencing on the California side, which is already engaged in redevelopment and bringing a unified streetscape to the downtown area. The existing condition, interestingly at Mont Bleu, has about 1500 parking spaces between the surface parking and the structure and it's obvious that if we occupy a key corner of surface parking, there's going to be a reduction in available surface parking. We will lose about 500 spaces, but this slide depicts what the site plan would look like with the existing Highway 50 configuration, in the event there is no revitalization of Highway 50 with the Loop Road project. And you can see that the circulation pattern would come from the core down Highway 50 to where that green zone is and there'd be pedestrian walkway to the facility. If we look at the next slide, you can see the roundabout area which incorporates the Loop Road which is hard to forecast, but at least in the current queue with TRPA (Tahoe Regional Planning Authority). The Loop Road would be before the governing board in advance of this project, so we will know one way or the other whether or not the Loop Road is approved and on the road to implementation. Certainly, from the perspective of the streetscape and the impact of this project, the addition of the Loop Road would be a very positive kind of value-add to this plan. If you look at the next slide, you can see that there's a lot of thought has gone into access and circulation from Highway 50; the existing entrance at Mont Bleu but retaining valet parking in the near area. I don't know if we have a pointer here but, so we would have a transit drop off at the main entrance here. We would also have a transit station on Highway 50; the circulation would come basically from the bed base and the core, up through this parklike area where outdoor events can also be scheduled in the better weather. And then for circulation and access, and there's a fair amount of significant site work that needs to be done, but you would enter off of Lake

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Parkway and come down into this zone here; loading bays for the kinds of equipment that would bring trade exhibits, concert equipment, food and beverage etc. And then there would be an expansion, a little bit in the very bottom of the slide, we would actually go beyond the existing parcel so that we can accommodate another row of surface parking, which would bring the parking count to about a thousand at Mont Bleu, instead of the existing 1500. And as you'll see the slide in a minute, but interestingly at peak times, both for concerts in the summer or just peak Saturday night and the core, the existing utilization at Mont Bleu has been about 735 parking spaces, so the loss of 500, which is not insignificant, does not result in them being under parked as you'll see in a minute, there is probably a significant surplus of parking in the core overall. In fact, there about 8050 parking spaces in the entirety of the core, when we had The Who concert, which I hope you all attended. It was quite fabulous. It was sold out and we had about 4800 parking spaces occupied on Saturday night in August; without a concert, that number dropped to about 4200. So it appears that we have verified there's probably close to 3000 excess parking spaces on a shared parking basis within the core. So the loss of 467 to 500 spaces at Mont Bleu is not going to result in a shortfall of parking, but certainly some parking management is appropriate. It was also interesting that on The Who concert, the entrepreneurial spirit prevailed and paid parking was the order of the day and obviously did not discourage people from parking in the core.

Ms. Chaplin speaks:

So during the concert series that Lew was just referring to, the LTVA (Lake Tahoe Visitors Authority) did a survey at that venue specifically to understand what the behaviors of the concert attendees were. We thought this would help us to understand where people were staying, whether or not they were walking or taking transit or taking their cars to an event, and as you can see by this simple graph 57% of the attendees at the summer concert series were overnight visitors. We did the survey at, I believe, five different events during the summer last year. Types of lodging that they used, you can also see this, I think the important parts are where you see the blue color is, folks that might use transit and the other ones who would be unlikely to use transit with the casino hotel properties taking 40% of the share of those overnight visitors and unlikely to use transit obviously because they were either staying at Harvey's, staying across the street walking or staying at Mont Bleu.

Mr. Feldman speaks:

So the design for this facility is fairly generic, in the sense that it has the capability of having floor seating as well as stadium seating with telescopic opportunities, which brings the seating count for a concert event to about 6000 and for a sporting event to about 4200. This dome that you see here, we'll take another look at a slide in a minute, but through this process, we've also been trying to get ahead of some of the cost issues and while they remain significant and challenging, we think we can probably flatten that roof and take maybe 11 feet off the structure and also save some money in the process. The intent of this is, of course, to maximize versatility; you're looking out the entry-level, this

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is the back of house service where performers, participants would enter the commissary, the kitchen areas. Down here, we have the concessions and restrooms that circulate around the first level entry area. We have dressing rooms. We have locker rooms and we have sound in back of house. On the next level, we have the skyboxes, which are on both sides and then we have an array of offices, which would accommodate the TDVA and the LTVA and right here, we might move the Douglas County meeting space, which would have, by the way, coincidentally, just really nice views of the meadow across over there by Edgewood, as well as the mountains to the rear. And we would also have additional meeting space for other types of events. And so here you can see in elevation, this is just colored not rendered, but this domed roof could be, we think flattened in and reduced. The view on the bottom gives you a perspective of what the guest at Mont Bleu would be looking out across the parking lot to the facility and then Carol's going to talk about program uses.

Ms. Chaplin speaks:

This is the fun part, actually. So obviously we stated that this would be a multiuse venue with all kinds of events. Imagine concerts, sporting events. The conference space, that will help support, you know, our larger hotels in the core area; community events year-round use is really important for us here and it would complement the some of the other activities in the in the tourist core. As Lou had mentioned, possibly relocating the TDVA / LTVA offices, chamber offices, perhaps over to that building and also have some space for community use on a regular basis. The capacity for, it's actually 4200 seats, I think I was corrected, 4200 seats for things, sporting events that there's telescoping seats there, so 4200 seats for sporting events and up to 6000 for some of the other events.

Mr. Feldman speaks:

We'll blow through these fairly quickly but this is just evidences that we could seat 1500 for a banquet and with the adjoining hotels and one of the things that really distinguishes this opportunity from other competitive venues is many folks that want such a facility don't have the bed base to support the facility so it's a chicken and egg issue. We have lots of inventory available to support this facility and so having a venue where we can have a banquet for 1500 is a terrific addition to the mix. We could also have tradeshow with 158 booths; we can have the type of conventions for the educational type with floor seating as well. We could have an array of tournaments whether that be basketball, volleyball, we could host hockey. It is intended, again budget permitting, to be able to have ice, we could have ice shows, as well as competitive hockey. And obviously, the concert scenario is a major driver and this would be the 6000 seat configuration for concert.

Ms. Chaplin speaks:

So these are just to help your imagination a little bit with some like size of facilities offering some of things that we've been talking about: ice hockey, indoor soccer, basketball. And a course, the tradeshow events, in the corporate events, this boat show thing kind of is interesting to me because we do have

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some geographical issues getting boats in here, but anyway, we can have a boat show. I think this is really important; the LTVA actually is hosting an event called Mountain Travel Symposium in just two weeks here. There is 1500 people coming here and this is the first time in 43 years that we will have hosted that event. And one of the things it's been a challenge for us to host this event is actually having a facility that we can, you know, have breakouts, we can have large, you know, general sessions, etc. We are actually using three facilities here to make this happen, and it was jumping through a lot of hoops really to get them to come here for this first time, but it's all travel trade across the country, the largest one for mountain destinations. And this is what we're coming up against over and over again and with our hotel partners, we've talked about this, is that they have the rooms but not the meeting space or the tradeshow space in order to attract some of these larger events. As you might be watching from the RSCVA, the Reno Sparks Convention and Visitors Authority, they are looking at an expansion of their Convention Center right now, just because they are now trying to compete with those larger events and want to enlarge that as well and so we're going to be their baby facility. But still, when you have so much in the area of outdoor recreation and beauty, scenic beauty and things to do when you're not in a meeting or convention, we certainly could use this as a complement to those other assets. Of course, the Family Show Market is very, very big and there's circuits that run through the country with this; we would probably have an outside promoter for those and again the concerts, which we already have this brand of Harvey's concert series that's put us on the map across the country.

Mr. Feldman speaks:

So in terms of a budget recap, we initially estimated that the design and approval process, and when I say design process that is to get to the level of submittal that is required for TRPA, there is a second round we'll touch on in a second, was about \$1.8 million, and it looks like, again, if we can stay on the environmental assessment side of this and not get into the full EIS, that we may be able to be much closer to about \$1 million, and that creates what might be perceived as a bit of the surplus. But if we are successful in completing the environmental review, the next step of this process, with a project approval, would be to take it to the next design level, which would really be to construction documents. That process is estimated at this time be about a \$4 million undertaking. So with the schedule in mind that we shooting to have the project approved from TRPA by the end of this year, we would then be looking at the next chapter of this, getting into the more detailed design and costing process. We would then be working with the County and the County's consultants on financial plan and cobbling together with the most creative minds, the best and the brightest that we can assemble, to make sure that we can in fact, pay for this facility. I think it's noteworthy that when we started this process, we thought that there might be a hotel constructed at Edgewood and there might be a project developed at the Beach Club, neither of which were anywhere near being into the ground. And as we sit here today, the Edgewood hotel is open and operating and obviously is in the startup mode, but that's a great step forward in our journey. And as you may have recently

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read in the local press, the Tahoe Beach Club already has \$110 million in presales and I don't think any of us had anticipated there would be that kind of success on a project that is midway in construction. So some things have aligned; challenges are certainly abundant and await us, but it is, I think, a great feeling to be before you year after year with one step moving in front of the other and the slide that you see here in front of you is what we have today. Surface parking is the entry experience to the casino core and if we continue to put one step in front of the other, I think we can transform the market and our downtown core. So I think we are grateful for your attention and opportunity to bring you up to speed and welcome any questions you may have.

Chairman Thaler speaks:

Thank you, Mr. Feldman, Ms. Chaplin, excellent presentation. We will start at the end, Dave, and just move on down. Anybody have any questions? Commissioner Walsh?

Commissioner Walsh speaks:

Yes, thank you, Chair. Carol mentioned in the presentation that this is really a publicly owned project; who would be owners be?

Mr. Feldman speaks:

Because the NRS (Nevada Revised Statutes) has empowered the Tahoe Douglas Visitors Authority to plan, develop and operate the event center, it is the expectation; certainly we will confer at greater depth with the County but is the expectation that TDVA would be the owner-operator of the facility. It's noteworthy the land that it sits upon is privately owned land that is owned by Edgewood and is currently under ground lease to Tropicana/Mont Bleu, and the understanding is that Edgewood/Mont Bleu would contribute that land without cost of the project to make this public-private partnership work. So it would be private land contributed and owned by the public.

Commissioner Walsh speaks:

Thank you.

Commissioner McDermid speaks:

I'm in my 12th year; we've been worked here for those 12 years. We started with the Kingsbury Working Group, getting the Edgewood Lodge and the Beach Club unanimously approved by TRPA governing board was a huge step. Having the South Shore Vision Plan, which is funded by private capital, adopted as the South Shore Area Plan into the TRPA Updated Regional Plan in 2012, which envisioned an event center, was unbelievable because again, in 12-12-12, we approved it. So a lot of the environmental aspects of it were already done in getting that Regional Plan approved, which was one of the few things upheld by the Ninth Circuit Court of Appeals so, that didn't come until just last year. So this is the missing piece. I've been in Tahoe since the 70's; this is the missing piece. I've seen a lot of transformation but Tahoe is in a Renaissance and this will, this is the missing piece for bringing Tahoe into the 21<sup>st</sup>-22<sup>nd</sup> century. To do something, and the other thing is seeing what the Las Vegas stadium is

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doing and how they're addressing parking and everything, certainly validates everything that we have learned about traffic and parking. So I am excited for it and I look forward to it and carry on. Good job.

Chairman Thaler speaks:

Thank you, Commissioner McDermid. Commissioner Penzel?

Vice Chairman Penzel speaks:

Well, I think anyone listening to this has to be thinking of what's happening in the future and how this really contributes to future. I think it's a positive commitment to the future. I think that's certainly a project that's worthy of going forward. I be interested to see what the total cost is; at that point, you may have to revisit who the owner's going to be, because the my guess is, it this is going to be in the high \$50 to \$100 million or more and that's gonna be a real expensive project. But certainly, the planning that's gone on, the picture that you created and the thought that you have is noteworthy and thank you for the presentation.

Chairman Thaler speaks:

Thank you, Commissioner Penzel. I'll put some final comments on it; I have said in the past, I will continue to say, this is a game changer. Many, if not all of us, have been coming up to Stateline for years; 10, 20, I started here in '80, although I started coming here before that one. My parents visited up here and back then it was a little different, little quieter but we had big entertainment back then. I know because my parents used to frequent up here a lot. And when I say its game changing, we've watched South Shore start making those moves right across the state line, and some of the work that they're doing is just actually phenomenal and it doesn't come without a private and public partnership. In this case, when I go on to defend or define what game changing means, as we know, and I think you guys said it in your presentation, is we're no longer, as the highest party in the County, gaming is our priority. We know because of all the aspects but here we are; it's 2018. You are thinking differently than we ever thought before. South Shore has moved; it's time for us to move. I believe in this; I think each one of us to put points on the record. Yeah, the proof will be when it all comes to the financing. I honestly, maybe I'm an eternal optimist; I think we'll figure it out. I think you guys will figure it out. I'm excited because this is the future. You know the hardest part about the future is having the patience because we all want to say, and I think Nancy said it best, is been on this Board almost 12 years and the accomplishments of this going from nothing to this. And then you want to get it done tomorrow because we want to see and reap the benefits. One of the things I tell people and I'm trying to do and I got Carol coming down to the Valley; this is just not a Lake thing. This is a Douglas County thing and I don't want to use the term "thing" but sometimes I have to use that term and say, "This is beneficial to all Douglas County residents". When we think of the, and I know you guys did it a couple two years ago when you presented the idea and redevelopment and all that stuff, is whether you're talking employees, when you're talking sales tax, I mean, all those multi-facets that include taking Douglas County to that next

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level. So with that said, I'm excited. Keep the enthusiasm up. This is just one step. I know, keep on the same path that you guys are going; I'm not certainly gonna slow you down. Keep doing what you're doing and whoever all those that are behind you, behind the scenes doing it, please reach out to them and thank them. I look forward to, as we work through the product process of this, I look forward as we move forward each and every way. But to Douglas County residents, this has got to be seen as a great thing and let's make it happen. So thank you very much. And this is presentation, so we don't take public comment on presentation. I know you're all out there going, "How come I don't get to say anything..."

**Presentation on activities, projects and programs underway from the Tahoe Prosperity Center. (Lisa Granahan and Heidi Hill Drum)**

Chairman Thaler speaks:

We're going to move on to the next and last presentation on our Agenda before we move to the Consent Calendar, that is presentation on activities, projects and programs underway from the Tahoe Prosperity Center (TPC). We have Ms. Granahan and I believe Ms. Drum going to speak. So feel free to, if you're not new to us, put your name on the record and I think Lisa, you'll probably start out, so you have the floor.

Lisa Granahan speaks:

Thank you, Mr. Chairman. For the record, Lisa Granahan, Economic Vitality Manager, following Lew and Carol's presentation and setting the stage for this, we will keep it short presentation. Reminds me of a quote that we often use with the Economic Vitality Plan and that is what Thomas Edison said that "Planning without implementation is hallucination". And you saw a great example of implementation in that previous presentation. And a plan I'll refer to here is back in 2011, the Lake Tahoe Basin Prosperity Plan was adopted and that was a two state, five county, one city effort to create the first comprehensive economic development strategy in the Lake. No small feat, and then the question came, how in the world will you implement such a thing? And a few years later that followed, with the creation of the Tahoe Prosperity Center, a nonprofit that the Douglas County is part of; I am your representative, you have appointed me to sit on that board and the Tahoe Prosperity Center does really good work. Here today to just give you an update, she comes at least annually and tell you about the projects that TPC is working on, is Heidi Hildebrand, the Executive Director.

Heidi Hildebrand speaks:

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Good afternoon everyone, Chair and Commissioners. Thank you for having me this afternoon. I am gonna just share, I like to come every year and I'm happy to come more if you like, but I like to come every year just give you a snapshot of what we've done for the past year. We, again as Lisa said, are the Community and Economic Development Organization up here at the Lake. I would say that not every county is as progressive as Douglas County in that not every county has dedicated Economic Vitality or Economic Development staff, so we applaud this county for being forward thinking, for having a focus on economic vitality and you have a great staff person in Lisa Granahan. She's a great board member and she's very forward thinking. One of the things that you all did this last year that we actually look to as good examples are things like your business surveys that you've done and then the progress video that's on your website, that's highlighting some of the activities and things that are happening and also promoting your accounting for future investment by others to move to this region. So we're looking at doing something similar and we'll take your lead on that. A couple of just updates from the past year and accomplishments, I think you're all aware of our AlertTahoe camera system that is around the Lake. Our goal is to have 11 cameras in place. We have nine of them now so each year I've come we've added a few extra cameras and we're up to nine, which is great. Over 50 fires have been stopped in the last two summers; 30 of those were on the South Shore and this last summer, not as many. We had a big winter the year before, so not as many fires, but the year previous, we had about 30 and so those were stopped on the South Shore in part due to these fires. The last two will be placed over on Emerald Bay and

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Fallen Leaf Lake. And again, you in particular over here, would like to have the cameras on the other side of the Lake because they look directly over here so they spot the smoke over here, so that's great. Our WorkforceTahoe project, we had, we interviewed almost 500 businesses, 251 of those were on the South Shore and the final workforce report was completed last year. It made the recommendation that we need to improve our workforce housing. We need to do continued business attraction. We need to do employee retention and training programs. So we're working with a variety of partners to implement that this year. Next our Connected Tahoe project, and that photo that you see there is basically what we're looking at as a Dig Once option, so when there's a bike path project or a public works project, your putting conduit in the ground for high-speed Internet fiber and other things to improve the service from megabyte level to gigabyte level. And then finally I'm going to spend a little time today talking about our most recently completed report and update for you, which is measuring for prosperity. So that's a report that we update every couple of years with specific economic and community demographic data for the Tahoe Basin, so those portions of Douglas County, El Dorado County etc. around the Lake. But before I get to that, just one thing we added last year, which was new, is that we hosted the first Tahoe Economic Summit. So we brought together folks from all around the region, 180 folks at the inaugural event that was held up at the Hyatt in Incline Village. We had three focus areas: housing, workforce and entrepreneurship, again to encourage investment in our region. It was a successful inaugural event and next year we'll be hosting it here on the South Shore at one of the casino properties. Maybe someday we'll get big enough to hold it at the new Event Center, but right now we're a little small for that. We'd be swallowed up, I think, but maybe someday. Our next focus for this year is going to be continuing the work with our workforce partners, so that Tahoe Chamber, the advance program at the community college, working with Western Nevada Community College, to ensure that our internship and apprenticeship programs are known, that people are aware of those, that we're working towards improving those around the region. Again, moving people up that wage progression in our core services, like tourism jobs but also other creative new opportunities like a diesel mechanic program and an IT pathway to cybersecurity program. So we hope to expand these programs and coordinate with all of our community colleges and then continue our Connected Tahoe project. We did just receive the federal EDA grant, Economic Development Authority grant, to work on that. So now for a little bit more detail on our measuring for prosperity report. Basically we have some good news and we have some bad news. I'll start with the good news. Annual lodging revenues, retail sales tax have both increased and in the last few years gaming revenues have been holding steady here at the Lake, so that's good as well. On the not so good news side, our tourism industry has gone from 42% of our regional economy to 62%, which basically means we're not diversifying our economy very much. And we've had a little bit of an economic decline when you add in inflation, looking at our overall economic output. And then finally, there are two property pockets in Lake Tahoe, neither of those are on the Nevada side. They are in Kings Beach, California and in South Lake Tahoe, California but it's something to be aware of; it's right across

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the state line. So looking ahead, the goal of the Tahoe Prosperity Center again, is to diversify our region's economy. Douglas County, I think, has taken a lead in looking at their economic picture and focusing on core industries that make sense, like manufacturing and some of the other things that you guys are doing. We need to do the same in Tahoe; tourism will always be our primary driver, but we can look at entrepreneurship, we can partner with you in the valley and have, you know, manufacturing and other things located down there but maybe potentially have some of the software engineers or some of the staff working on his projects up here at the lake and partner in higher wage jobs for the region. And then out next priority project is workforce housing. This is just an example; these are photos that I took in our community of folks that, this is what is considered for affordable housing basically. The snapshot there that you see on the left is of some existing listings that were recently posted online for rent in the region. At about \$2000 a month for a two bedroom apartment or house, you would need to make about \$80,000 a year. The average income right now in Stateline is just over about half that, at \$44,000, so it's a struggle for many in our community to be able to afford to live here at the Lake and work at the Lake. And the reason that's important is you want your workforce based where they work. They spend money locally when they are based where they work. They live locally. They contribute to the community and they are your soccer coaches and your volunteers and your nonprofits and things like that. It's important for us and I know Douglas County will be a strong partner moving forward in our community. And in this last slide before the end is just to show you examples of what we're looking at in terms of the variety of workforce housing options that there are out there. The top left photo is, and actually it's a low income affordable housing project that was completed in Kings Beach, California. It's a good example and we've met with that particular developer a few times. The other images are all from Colorado, which is sort of leading the way in many areas on workforce housing for its employees. I'm actually going to be in Colorado for spring break and so I'll be able to take some more pictures and meet with them while I'm there; my son's doing a ski competition so we'll be in Colorado. But we'll be staying in Frisco, which is where that bottom image is. We'll be driving right through Dylan, which is where that top right image is. And then I don't know if we're going to go to Aspen but that is a campground in Aspen where they placed mobile homes for some of their season workforce. So between the casino employee base, Heavenly and our ski resort employee base are seasonal nature of our employee base, we really need to be looking at some creative opportunities for housing our employees. We are working with Star and other partners to make sure that we do that in a way that's thoughtful and successful. So, we like to get stuff done. Appreciate the County support of our efforts. We really love having you guys as a partner in all of this great work and look to you guys as a leader in many ways on this. So thank you.

Chairman Thaler speaks:

Thank you. Questions, comments from the Board? Commissioner Nelson?

Commissioner Nelson speaks:

Very nice presentation. Thank you very much.

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Chairman Thaler speaks:

Commissioner Walsh? Commissioner McDermid? Commissioner Penzel? And I will thank you as well; today is all about good news. So, it doesn't get any better than that. There's just really good things up there.

Ms. Drum speaks:

And it's snowing, so we're all good.

Chairman Thaler speaks:

Well, we wouldn't know that but I'll take your word. Keep up the good work. That's all good stuff and very exciting but great presentation. Thank you.

Ms. Drum speaks:

Thank you all.

**CONSENT CALENDAR**

Chairman Thaler speaks:

Okay, we're going to move down to the Consent Calendar. We have items A through I; any Commissioners want to pull? Commissioner Nelson?

Commissioner Nelson speaks:

Yeah, I'd like to have Item C pulled for further comment, C as in Charlie.

Chairman Thaler speaks:

Thank you. Anyone else? Okay, anybody from staff or audience want any items pulled? Seeing none, I will look for a motion; A through I, minus C?

Commissioner Nelson speaks:

Move to approve.

Chairman Thaler speaks:

We have a motion by Commissioner Nelson, second, by Commissioner Penzel. Those are items A through I, C has been pulled. I'll call for the motion. All those in favor signify by saying "aye"; any opposed? None opposed, so those of you that had an item on the Consent Calendar, if it wasn't Item C, they have been approved and then we will move C up to the beginning of the Administrative Agenda.

MOTION to approve Consent Calendar items A through I, minus Item C; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Dave Nelson, Board Member
<b>SECONDER:</b>	Barry Penzel, Vice Chairman
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

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**FINANCE**

**A. For possible action. Discussion to accept the Quarterly Grant Report through the Second Fiscal Quarter for all County funds. (Kathy Kaiser)**

**B. For possible action. Discussion to accept the auditor's report of Douglas County's general ledger balances through February 27, 2018 per NRS 251.030. (Geoff Bonar)**

**COUNTY MANAGER**

**C. For possible action. Discussion to approve a contract with ARMAC Construction for the North Kingsbury Trailhead Site Improvement Project for a new pre-manufactured bathroom building, in the amount of \$143,000, and authorize the County Manager to approve contract change orders by up to 10% for any required added scope of services. (Scott McCullough)**

Scott McCullough speaks:

Chairman, members of the Board; this is Scott McCullough. This contract is for the utilities to support the new bathroom that was awarded months ago to public restrooms. So this is the other half of the project. This is sewer, electrical and water to the site to support to the new bathroom. Again, 3 bids received, we had a really good bid spread. The good news is that the low bidder license limit was 150, so he can only go so high as that. So that's why we really got a great price because he can't exceed his license without the one-time request, so it worked out great for the county for good price. ARMAC is Rob McQueary, McQueary Excavation's son, so they've been around for a while. They do a lot of work and they've been very successful bidding lately because they've been so competitive, so we're fortunate. We have a start whenever the snow clears, as early as May and we'll get going on this thing and get it done so that trailhead could be utilized with our scope this summer.

Chairman Thaler speaks:

Thank you. Commissioner Nelson?

Commissioner Nelson speaks:

Yeah, I want to recuse myself from this vote to for several reasons. One is I know Rob McQueary very well and we work within a networking group together and I refer business to him, so that gives me a little bit of a preference for his company. Obviously also, my wife works part-time for them, so that's another reason to recuse myself. Thank you.

Chairman Thaler speaks:

Thank you for putting that on the record. Any other further questions from the Board? Commissioner Penzel?

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Vice Chairman Penzel speaks:

Good afternoon, Mr. McCullough. How are you? I don't intend to make it bad either. It's just the way this was worded and I had a note on it and I thought, "It's pretty small", but since it was pulled... You said in the financial impact, the account is grant funded reimbursement of a 89% of the projects cost. The balance, the 11% is from TOT (Transient Occupancy Tax)?

Mr. McCullough speaks:

I'll let Scott Morgan answer that question.

Scott Morgan speaks:

Scott Morgan, Community Services Director; Douglas County, Chairman, members of the Board; the remaining portion of this comes from the TLLT fund, which is the Transient Lodgers License Tax, one cent specifically collected in the Tahoe Basin to support Park and Recreation programs that revitalize and stimulate the economy.

Vice Chairman Penzel speaks:

Thank you.

Chairman Thaler speaks:

Any further questions? If not, I'll open this up for Public Comment. Public Comment is now open. Seeing no Public Comments, Public Comment is closed and I'll bring it back to the Board.

PUBLIC COMMENT-none

Commissioner McDermid speaks:

I would move to approve a contract with ARMAC Construction for the North Kingsbury Trailhead Site Improvement Project for the new pre-manufactured bathroom building in the amount of \$143,000 and authorize the County Manager to approve contract change orders by up to 10% for any required added scope of services.

Chairman Thaler speaks:

We have a motion by Commissioner McDermid, second by Commissioner Walsh; I'll call for the votes, understanding this will be a 4-0 vote. All those in favor signify by saying "aye"; opposed? Carries 4-0; Dave, that would be an abstention? a recusal? We'll use recusal. Thank you, gentlemen.

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MOTION to approve a contract with ARMAC Construction for the North Kingsbury Trailhead Site Improvement Project for the new pre-manufactured bathroom building in the amount of \$143,000 and authorize the County Manager to approve contract change orders by up to 10% for any required added scope of services.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Larry Walsh, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh
<b>RECUSED:</b>	Nelson

**DISTRICT ATTORNEY**

**D. For possible action. Discussion to approve the Board of County Commissioners' ratification of the prior allocation of 911 User Fees among the members of the Emergency Response Council from Fiscal Year 2009-10 through the present. (Douglas Ritchie)**

**CLERK-TREASURER**

**E. For possible action. Discussion to accept the January 2018 Douglas County Investment Report submitted per Douglas County Code 3.02.040. (Kathy Lewis)**

**F. For possible action. Discussion to approve, with conditions, the Outdoor Festival Permit submitted by the Hard Rock Hotel and Casino for the 2018 AMA National Snow Bike Series, scheduled for March 24, 2018, from 12:00 p.m. to 10:30 p.m., to be held at the Hard Rock Hotel and Casino, Parking Lot C, 50 Highway 50, Stateline, Nevada. (Kathy Lewis)**

**PUBLIC WORKS**

**G. For possible action. Discussion to approve the Public Works Intern job description at an A3 pay grade (\$16.58 per hour minimum to a maximum of \$24.87 per hour) for FY 2018-19. (Ron Roman)**

**TECHNOLOGY SERVICES**

**H. For possible action. Discussion to approve the purchase of county-wide Microsoft licensing for the upgrade of Exchange, Windows and Office products in the amount of \$146,152. (Sherri McGee)**

**COMMUNITY DEVELOPMENT**

**I. For possible action. Discussion to accept the Water Conveyance Advisory Committee's (WCAC) 2017 Activities Report. (Heather Ferris)**

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**ADMINISTRATIVE AGENDA**

**CONSENT CALENDAR ITEMS PULLED FOR FURTHER DISCUSSION**

Any item(s) pulled from the Consent Calendar will be heard at this time.

**COUNTY MANAGER**

**1. For possible action. Discussion to approve sending a letter of support for the funding of a conservation easement surrounding the Dangberg Home Ranch Historic Park on property owned by Park Ranch Holdings, LLC, under Round 18 of the Southern Nevada Public Land Management Act (SNPLMA) program administered by the Bureau of Land Management, and endorse County Departments to also send letters of support. (Jacques Etchegoyhen & Lisa Granahan)**

Chairman Thaler speaks:

I will at least put on the record that most, if not a large majority this property backs up to my property in Minden. Although I'll put on the record, my gain is no other or no less gain from anybody else should this project be approved. So that's just me disclosing that if should this be funded and end up in conservation, obviously, my gain would be the same as everybody else. So keeping that in mind, I will turn it over to you, Mr. Etchegoyhen.

Jacques Etchegoyhen speaks:

Yes, Mr. Chairman and Commissioners, Jacques Etchegoyhen for the record, and I can spell my last name; both of them are little difficult. She's got it? Okay, well I thank you for your time and I have to say this has been one of the most interesting and wonderful Commission meetings I've ever had the pleasure of attending and I'm hoping to continue along that vein with these applications for the Southern Nevada Lands Act.

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Please ask questions along the way. I'm going to be very brief. Obviously, this picture is taken at the Dangberg Home Ranch. It is a stunning property; this conservation easement would basically protect the viewshed west of Minden and some decades ago when we adopted the Master Plan 1996, someone in the audience and said, "You know, this is Douglas County. We measure quality of life by the number of cows per acre". I think we still do. And as you well know, cows don't require many services, wonderful thing. And I got this from John T. Humphrey, great photographer around the Douglas area and this is just one example of the wildlife on the fence at the Dangberg Home Ranch. As you know, one of the favorite state parks and now County Park is the Dangberg Home Ranch and this just basically makes that amenity so much better by protecting the land around the Dangberg Ranch Historic Park. It really wouldn't be the same park if it had 20 acre parcels all around it, which is legally permissible, and the landowner could do that if he so desired. Here you can see a picture of the map of the ranch. It's already some years ago been divided into 40 acre parcels; a building permit could be pulled on any one of those tomorrow.

Chairman Thaler speaks:

So either that's the end of the slideshow or you just got cut off.

Mr. Etchegoyhen speaks:

I think it's the end of that slideshow. Yeah, we'll move to the Dryer Ranch.

Chairman Thaler speaks:

We're going to do these one of the time, Jacques. Okay, so any questions from the Board?

Commissioner McDermid speaks:

I have one. So they are donating that 32 acres to the BLM (Bureau of Land Management)?

Mr. Etchegoyhen speaks:

Commissioner McDermid, I think they would be willing to donate that 32 acres south of the Swim Center to whomever seemed appropriate at the time. The BLM is, if this is successful, would be the entity buying this easement for well north of \$10 million, \$13, \$14 million. I would be hopeful the BLM would say, "We don't really manage things in the middle of Carson Valley". Maybe it's the County. Maybe it's the Town of Minden but that's something that I think the County could sit down with BLM and determine who the appropriate entity that donation would be made to.

Commissioner McDermid speaks:

Well, only reason I say that is because the County does have the Dangberg Home Ranch and so it would seem that the County would be the appropriate one to do this.

Mr. Etchegoyhen speaks:

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And I personally say that makes absolute sense. I think that 32 acres, you just don't see very many 32 acre parks, really, basically, in town in Nevada and I think it has a potential being an amenity for this community for generations to come.

Commissioner McDermid speaks:  
Thank you.

Chairman Thaler speaks:  
Any further discussion? Commissioner Walsh?

Commissioner Walsh speaks:  
Thank you, Steve. Jacques, I couldn't be more delighted. This is absolutely amazing. Maybe this is a question for the County Manager or whoever. There was a line on an old Transportation Plan that had an alternate route; didn't it go through this property?

Commissioner McDermid speaks:  
Yes.

Commissioner Walsh speaks:  
So that means it's done. Okay. Thank you.

Chairman Thaler speaks:  
Any further comments? Of course, I would add that's, I guess I'm a little selfish but we all get that view. Fortunately I wake up with that view every day and my gosh, I want to keep it that way. So I think this is exciting. Thanks for bringing this forward. I really hope that it meets the criteria and that we get this funded because that's how we conserve, how many acres are we up to now, Jacques?

Mr. Etchegoyhen speaks:  
We're up to, and I should have mentioned that earlier, Mr. Chairman, we're up to 30,000 acres conserved in Douglas County, which is staggering for the most expensive real estate county in Nevada. Basically, we protected a fair bit over \$100 million worth of land thus far.

Chairman Thaler speaks:  
And I think that's a point well taken. I wasn't gonna let you get away without stating that. I think that is one of the things that sometimes gets overlooked is, our Valley and how much we, I don't think we take it for granted, but if there is a cost to keeping it green and thank heavens, we have ranchers that are willing to, in perpetuity, let go of their development rights, which, that's huge and I get it, but we are the recipients. Douglas County, 30,000 plus acres, that's a lot of acreage that they could've developed some other way. And they're choosing to give it basically to everybody that lives in Douglas County: Lake, Valley, Topaz, North Shore, North Valley. It's all there. So Mr. Penzel and then I'll get you, Nancy.

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Vice Chairman Penzel speaks:

Thank you, Mr. Chair. I was the one that pulled this from the Consent to the Admin Calendar and I did it for a couple reasons, one of which the Chair has already pointed out, that often times when we approve things like multi-family housing, we take a huge hit because we're expanding the number of people in the Valley. This is an example, in fact, the next two are examples also, of how the landowners are trying to preserve the land and I think they don't get credit for it and it doesn't come across as we're protecting more land and then we're developing. And that is, in fact, what's happening, and so I want to thank you for that. And I also would be remiss if I didn't point out that today's Nevada Appeal pointed out the populations and how in this decade, the Nevada population has grown to 2,900,000+ and all that growth has been, a lot of that growth has been in the southern Nevada area. People criticize us because we're growing, theoretically. The paper was kind to point out that the growth in Douglass County over that timeframe has been six people. So, I think, in combination with what you're presenting and the statistics from the demographer that show we're actually growing the right way, slowly. We're also growing in terms of conservation of our assets, so thank you.

Mr. Etchegoyhen speaks:

Very well said.

Chairman Thaler speaks:

Thank you, Commissioner Penzel, great points. I did not read the Nevada Appeal today but I'm going to go home and read it tonight because I like that stuff.

Commissioner McDermid speaks:

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Yesterday, the Reno Gazette had articles about motel rooms going out and it also talked about how in Reno, they have got, their housing prices have jumped and there's not enough to be had. But what I really wanted to say was this photograph reminds me of that billboard that was on the 395 as you were coming south that CVI (Carson Valley Inn) put up and said, "Build this, Las Vegas". So that reminds me of that and the fact that this is going to be in perpetuity as it is really special. So I do thank the Park family. They've been stewards of the land for over 150 years. They were stewards up here in Lake Tahoe of the land; they've been stewards in the Valley. One of the reasons, when we talk about the TMDL (Total Maximum Daily Load) that gets into the Lake, one of the reasons that the Douglas County portion is the smallest, we have about 3% of that, is because the Park family put in the golf course. Mother Nature is by far the best to hold back those particulates that want to get into the Lake and so that's been from the most concentrated developed area, the casino core with the golf course, that along with Stateline Stormwater Association, which has been in for over 25 years, is great. They've been a great partner at the Lake and they're a great partner in the Valley and this is very, very special. And I like the donation of the connection from Genoa to Minden that they are putting in here as well, so thank you.

Chairman Thaler speaks:

Thank you, Commission McDermid. I'll open this up for, oh, I'm sorry. Dave, you've got a comment, real quick? Go ahead.

Commissioner Nelson speaks:

Yeah, I just wanted to say thanks, Jacques and also, we've got three here. We may not get all three. We may only get two. We may only get one; if we only get one, this is the one I like to see.

Chairman Thaler speaks:

Thank you, Commissioner Nelson. I'm going to open this up for Public Comment. Public Comment is now open on item number one. Seeing no Public Comment, Public Comment is closed. I'll bring it back to the Board, what's your pleasure?

Commissioner Walsh speaks:

Mr. Chair, I'd like to make a motion. I move to approve sending a letter of support for the funding of the conservation easements around the Dangberg Ranch Home Historic Park on the property owned by the Park Ranch Holdings, LLC, under Round 18 of the SNPLMA (Southern Nevada Public Land Management Act) program administered by the Bureau of Land Management and endorse County departments to also send letters of support.

Chairman Thaler speaks:

We have a motion by Commissioner Walsh, second by Commissioner McDermid; any further discussion? Seeing none, I will call for the vote. All those in favor signify by saying "aye"; opposed? Seeing none, motion carried unanimously.

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MOTION to approve sending a letter of support for the funding of the conservation easements around the Dangberg Ranch Home Historic Park on the property owned by the Park Ranch Holdings, LLC, under Round 18 of the SNPLMA (Southern Nevada Public Land Management Act) program administered by the Bureau of Land Management and endorse County departments to also send letters of support; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Larry Walsh, Board Member
<b>SECONDER:</b>	Nancy McDermid, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**2. For possible action. Discussion to approve sending a letter of support for funding of a conservation easement for the Dreyer Foothill Ranch on property owned by Kurt and Erica Dreyer, under Round 18 of the Southern Nevada Public Land Management Act (SNPLMA) program administered by the Bureau of Land Management, and endorse County Departments also sending letters of support. (Jacques Etchegoyhen & Lisa Granahan)**

Jacques Etchegoyhen speaks:

Yes, Mr. Chairman, Commissioners; again, this is the Dreyer Foothill Ranch. It basically sits on the corner of Centerville Road and Foothill and I brought, I put this picture up so that you can see this is during last year's relatively minor flood event and it's one of the great things about this program and again, as we mentioned earlier, about 30,000 acres have been protected thus far. The Truckee Meadows is going to spend about \$500 million to re-create poorly a system that we have that works efficiently and essentially at zero cost. So again, this is part of a greater package. It certainly is the permanent implementation portion of the Master Plan and Commissioner Penzel said it really well, Douglas has always been and is the best planned community in Nevada. I think of all the folks love it here for that reason. And those keen and amazing attributes like this are what's gonna keep it that way and well into the future, well beyond our lifetimes. So this is about the generational planning and you don't see that very often. This is an interesting ranch because after you have about 40 or 50 acres of the bitter brush and sagebrush on the foothill side of the ranch and these just happen to be a couple of inhabitants that aren't the cows and they also don't require many services and yet we all love to watch and see them on a regular basis and this conservation easement would keep that space open like that in perpetuity. And here's a map of the ranch. As with the other landowners, as Commissioner McDermid mentioned, that the park is willing to donate a trail easement on all the property they have on Muller Lane to try and get us from Minden to Genoa. The Dreyer family is willing to donate a trail easement on Centerville Lane for whatever purpose the County might deem and also in the middle of the property, I'll see if I can point to it, the landowner is willing to create, about in this location, the landowners going to create a trailhead and a parking area and as it turns out, a few years ago, we concluded a successful conservation easement on, this is called the

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Ranch Number One property. It goes with the ranch, but surrounds Genoa and a conservation easement was placed on this a few years ago. We will get out of this conservation easement, if it's funded, a parking area to overlook this whole region of conservation. And that's all I have; I'm certainly willing to answer questions.

Chairman Thaler speaks:

Thank you Jacques. Questions from the Board? Commissioner Penzel?

Vice Chairman Penzel speaks:

I don't really have a question. You talked about the attribute but you didn't say what the attribute is. It's flood control and that's a really important aspect of this particular land easement and it keeps people from actually building in the floodplain, which is tremendous for recharge of the aquifer, as well as the river itself. Thank you, thank you for pointing it out.

Mr. Etchegoyhen speaks:

Thank you for making sure that people understand all the bundles of good things that these sorts of projects accomplish.

Chairman Thaler speaks:

And in one final note, this is more for me, as we conclude this item and move to the next, maybe at the next Valley meeting or I'll let you get ahold of the County Manager, maybe we could pull together all of these areas that we've put in conservation and maybe because then these are the new areas that would be added, whether they're in conservation or not, I think the public has the right and would really be impressed to see how much stuff that either is in or projected to be protected. So I support this; I think Commissioner Penzel said it; there's a lot of reasons why we put stuff in conservation and this is a classic example of flood control at its best. So, any further comments? If not, I'll open this up for Public Comment. Public Comment is now open. Seeing none, Public Comment is closed.

PUBLIC COMMENT-none.

Chairman Thaler speaks:

I'll bring it back to the Board.

Commissioner McDermid speaks:

I would move to approve sending a letter of support for funding of a conservation easement for the Dreyer Foothill Ranch on property owned by Kurt and Erika Dreyer, under Round 18 of the SNPLMA program administered by the Bureau of Land Management and endorse County departments to also send letters of support.

Chairman Thaler speaks:

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Motion by Commissioner McDermid, second by Commissioner Nelson. Any further discussion? Seeing none, I'll call for the vote. All those in favor signify by saying "aye"; any opposed? Motion carried unanimously.

MOTION to approve sending a letter of support for funding of a conservation easement for the Dreyer Foothill Ranch on property owned by Kurt and Erika Dreyer, under Round 18 of the SNPLMA program administered by the Bureau of Land Management and endorse County departments to also send letters of support; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Dave Nelson, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**3. For possible action. Discussion to approve sending a letter of support for funding of a conservation easement for the Schneider Ranch on property owned by Clear Creek OS LLC, under Round 18 of the Southern Nevada Public Land Management Act (SNPLMA) program administered by the Bureau of Land Management, and endorse County Departments to also send letters of support. (Jacques Etchegoyhen & Lisa Granahan)**

Chairman Thaler speaks:

I would note that Commissioner McDermid is the only brave enough one to actually say SNPLMA. I tend to stay away from that because it gets messed up; thank you, Commissioner McDermid. So Commissioner, I could say Commissioner Etchegoyhen, you were a Commissioner at one-time; Jacques, you have the floor.

Jacques Etchegoyhen speaks:

Yes, it's a long, long time but I, again, I appreciate your time, Mr. Chairman, Commissioners. This is a property that's recently been purchased by the Clear Creek Tahoe Club and it's essentially a viewshed for a fair bit of the properties that, I might say, are selling with great rapidity. It's fun to watch the high-end project like this get off the ground and in fact, lead to a lot more conservation. And to backup just a hair bit in history, when they started this project, they donated conservation easement on half of the property, about 850 acres next to the golf course area and subsequently donated 5000 acres conservation easement down on the West Walker River below Topaz Lake. And so this little project has led to just phenomenal conservation around the County and this will, I think, be the final leg, a little over 545 acres. It borders the Ascuaga-Jack's Valley Ranch conservation easement that was funded a couple years ago. We have been very fortunate, when you start to think about the population of Nevada, Douglas County has been very fortunate to be able to access some SNPLMA money along the years and we're hoping to continue to do that. And I'm here to say that, if none of these projects get funded, I'll be here next year asking for the same thing because it's just for me, a wonderful thing to hand a rancher a check and say, "Just keep on ranching". One of most gratifying

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things I've ever had the pleasure of doing. And again, the views are just phenomenal. It's part of our, it does flood on occasion, you can see sand from last year out in some of the fields; we're really glad there weren't houses out there and with a backhoe and little bit of dragging, basically, this goes away and the week after a flood, the ranch is back in business at no cost to any Douglas or federal or state taxpayers. And there you can see of the picture map of the ranch. It also was going to protect a significant area for the folks that live in Alpine View Estates. I think they're gonna love this outcome, for obvious reasons, and it'll be great to have another 540 acres to the permanent conservation open space of Douglas County. With that, I'll answer questions.

Commissioner Thaler speaks:

Do you mind that, before we move it on over, going back to slides? Thank you. Commissioner McDermid?

Commissioner McDermid speaks:

Well, Lisa will remember, I believe this was the same people who gave the trailhead for the Clear Creek Trail, which is, if you have not taken that trail, you need to take that trail. The other thing about it is it's for pedestrians, equestrians, mountain bike. It's a fabulous trail and there are cars parked there, sometimes there so many cars, you have to park down at Jack's Valley school and walk up to be able to access the trailhead. So this is fabulous and the Schneider family has been here for a long time and they're, the reason that they sold part of their ranch was because the patriarch passed away and the federal government taxes it at the highest and best use, regardless of what the land use and zoning is, so they had to sell a portion of it, almost half of their ranch, in order to pay the federal government. And the Clear Creek project, with the golf course and the homes, it came about is a result of that, and so getting in this additional acreage in conservation easement is just really special, given that they never wanted to sell the half of the ranch that they had to sell. So I thank the family. I thank Clear Creek I thank the, and I hope that SNPLMA will come through and this will be funded.

Chairman Thaler speaks:

Thank you. Any further comments? The reason I had you pull that back up, we have a lot of photos in the Valley and at the Lake that are somewhat iconic and this is one of those. Many, if not all of us up here, were Bonanza fans; we remember the old beginning to Bonanza, riding down Bourne's Meadow and we all see the Lake in the background. I have always said that this photo and I've seen it many times, we could send this to the movie film industry and you could still put an old Western, with that as the backdrop. Now if they looked a little hard, because I caught Mr. Penzel zooming in on those barns down there because I think he was thinking the same thing, that could we see anything modern going on here. And I have toured those barns; they are phenomenally preserved. This is iconic for the Carson Valley, so, I mean, I couldn't be more happy to see this is, and I'm just hoping the same thing, that the management act looks highly on this and we need to preserve this so that forever and ever, we in the Valley, Lake or wherever people come, can visit still drive there and

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think that's what it was like in the old days, really when you think about it. So again, thank you Jacques, for bringing us forward. Please everybody, let's cross your fingers, maybe we will get funded this year. I certainly want to see you back but I want to see you back for some more new projects, not these projects trying to be refunded. So keeping that in mind, I'll open this up for Public Comment. Public Comment is now open; seeing none, Public Comment is closed.

PUBLIC COMMENT-none

Mr. Etchegoyhen speaks:

Mr. Chairman, just before you vote, up there is the opening scene and it was fascinating. I got to bump into him at the Ormsby House in Carson City, but the first scene in the movie, John Wayne's last movie, the Shootist, takes place on this ranch in 1976. And it's stunning, and the amazing thing is, it still looks the same and the more amazing thing is, if this gets funded, it will look that way forever.

Chairman Thaler speaks:

And now that you said that Amazon stock will go up because everybody's going to be Googling "The Shootist". Thank you, Jacques; I will bring it back to the Board for a motion.

Commissioner McDermid speaks:

I would move to approve sending a letter of support for funding of a conservation easement for the Schneider Ranch on property owned by Clear Creek OS LLC, under Round 18 of the SNPLMA program administered by the Bureau of Land Management, and endorse County Departments to also send letters of support.

Chairman Thaler speaks:

We have a motion by Commissioner McDermid, second by Commissioner Penzel; any further discussion? Seeing none, I'll call for the vote. All those in favor signify by saying "aye"; opposed? None, carries 5-0 unanimous. Thank you, Jacques, thank you, thank you, thank you. Just, we're gonna take 10 minute break; about the most I can take is two hours on this new hip of mine, so we'll take a 10 minute break and we'll see you back here at 3:30pm.

MOTION to approve sending a letter of support for funding of a conservation easement for the Schneider Ranch on property owned by Clear Creek OS LLC, under Round 18 of the SNPLMA program administered by the Bureau of Land Management, and endorse County Departments to also send letters of support; carried.

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<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Barry Penzel, Vice Chairman
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**DISTRICT ATTORNEY**

**4. For possible action. Discussion to approve a \$1.85 million settlement with the Public Agency Compensation Trust (PACT) to resolve disputed worker's compensation premium payments to PACT from Douglas County for fiscal years 2005/2006 through 2015/2016. (Zach Wadle)**

Chairman Thaler speaks:

Okay, I will bring the meeting back to order now that were hopefully back online. We may never have gone off-line. It was close.

Zac Wadle` speaks:

Thank you, Mr. Chair, Zac Wadle`, District Attorney's Office. First of all, I wanted to give everyone a bit of background on PACT. PACT, as you announced, stands for Public Agency Compensation Trust. PACT is a group insurance pool for public entities throughout Nevada, primarily in rural Nevada, but PACT was Douglas County's Worker's Comp insurance carrier, pursuant to an interlocal agreement for number of years. As part of the insurance with Douglas County, PACT also insured East Fork Fire Minden, Gardnerville, Genoa and the Mosquito Abatement District as subentities to Douglas County. Starting back in fiscal year 2005/2006, Douglas County requested that PACT calculate separate Worker's Comp insurance premiums for Douglas County and each of the previously mentioned subentities. And the reason the Douglas County requested to do that was to be able to allocate appropriate premium costs to each, to both accounting and each subentity for budgeting purposes. What that required PACT to do was to track claims, Worker's Comp claims, by subentity. For instance, if an employee from the Town of Minden filed a Worker's Comp claim, that claim would have to be assigned to Minden, Gardnerville, Douglas County, so forth. Claims experience like that is directly tied to premium amounts and in those premium calculations. So in 2015, if you recall, Douglas County started to look at other options for its Worker's Comp coverage and the intent was to try to reduce costs when doing that and as part of that process, both Douglas County and PACT analyzed Douglas County premiums to see where premiums were going and if reduction's in Douglas County premiums were possible. As part of that process, the County learned that claims over, since fiscal year 2005/2006, had been miscoded by PACT and their third-party administrator, ASC Risk. ASC Risk is the entity that PACT contracts with to basically handle claims processing. But what occurred was that all claims that were, whether or not those were Town of Minden employees, Douglas County employees,

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Gardnerville employees, all of those claims were coded to Douglas County, regardless of employer. There was no tracking by subentity and what that had the effect of doing was artificially inflating Douglas County's, what was called an experience modification factor, which is used to calculate premiums by the actuaries that look at all these numbers. So, experience modification factors are based upon what your actual claims experience is and if you have higher claims, your experience modification factor will be higher, thereby leading to higher premium amounts going forward. So Douglas County's was artificially high. What we found was that East Fork Fire, who is another subentity that was insured under Douglas County policies, their modification factor was artificially low and the effect was particularly pronounced for East Fork, because they have a relatively large payroll in relation all the other subentities and their claims experience is higher. They are firefighters. They do more physical work, so they had a number of claims. Yet the question might be asked why didn't Douglas County figure this out sooner? It happened for over a decade. I think the answer to that is, it is difficult for County staff to discover, due to the complexity of the actuary analysis and the premium calculations. We relied on PACT to do this for us. What actuaries do and how they calculate premiums is a somewhat of an esoteric process; it is not easy to understand in all cases. So it's just something that wasn't caught by Douglas County. Once we did learn about the problem, we then went back and asked PACT to recode all claims from the fiscal year 05/06 to the present and as part of that, PACT did a premium calculation analysis, we did an internal premium analysis as well, based upon the recoded claims. So what did that whole process produce? What we find out? After we corrected all the premium calculations for Douglas County and East Fork and again, the effect was particularly pronounced for East Fork and I'm going to focus on East Fork. The effect as to the towns and Mosquito Abatement District was very minimal, given their lack of claims history and lack of payroll. They recoded of all those claims over the 10 year history, resulted in a premium calculation for Douglas County, which showed overpayment of approximately \$2.4 million in premiums for fiscal year 05/06 to fiscal year of 15/16. And the flipside of that is the recoded of all claims and resulting premium calculations for East Fork Fire show that East Fork underpaid by approximately \$1.4 million in Workers Comp premiums for fiscal year 05/06 to fiscal year 15/16. When you net that out and subtract one from the other, Douglas County overpaid premiums by \$958,762 more than East Fork underpaid premiums. So what did we do when we learned to this was a problem. First of all, the overpayment issue was discussed with PACT staff and addressed at PACT's May 23, 2006 board meeting. At the time, PACT staff and their board treated the issue as primarily, really, an accounting of budget allocation issue between Douglas County and East Fork. PACT took the position that Douglas County residents may have been harmed by the County overcharge but they were helped by the East Fork under charge and they also made the point that, because there there's basically a pool of risk premium costs, one way or another would've been charged to everybody in the pool regardless. And although Douglas County may have overpaid by some amount, it certainly wasn't the \$2.4 million that we calculated, if they went back and fixed everybody's premium calculations. So that was the discussion; that was

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PACT's position. PACT ultimately offered to reduce Douglas County's premium by approximately \$200,000 over three years and then at the same time slowly raise East Forks premium to the appropriate level what they should be charged over the same three years. Douglas County took that deal, benefited from \$200,000 premium decrease for fiscal year 16/17, we reserved our rights to continue to pursue PACT for what we felt we overpaid. But then, as you should recall, Douglas County split from PACT in fiscal year 17/18 and went self-funded for its Worker's Comp coverage. So once we ultimately split from PACT the latter half of 2017, the District Attorney's Office conducted a full review of all information relating to the PACT overpayment issues and that process culminated in a letter from my office to PACT, demanding the premium reimbursement, or else that we have to file formal litigation. PACT then responded on January 16 of this year, they wanted to get together and mediate the dispute and try to resolve it. And then on January 31 of this year, the parties did participate in a mediation to hopefully resolve this matter. Mediation ultimately did produce a proposed settlement and that settlement is \$1.5 million paid by PACT to Douglas County, upon respective board approvals. PACT's board did approve this proposed settlement at their board meeting a few weeks ago. Payment would be made to Douglas County within 60 days of Douglas County's approval, so 60 days from today, if this is ultimately approved by the Board. There would be a mutual release of all claims arising from the erroneous premium calculations and I wanted to discuss reasons to recommend the settlement less than the \$2.4 million that we calculated the County overpaid. First of all, there's an inherent risk of litigation if we have to take this to court. There are various legal defenses that PACT would assert, which I won't get into a lot today but certainly there's legal arguments that would be asserted against the County by PACT to avoid paying anything. We'd have to deal with those. Another thing to consider is that a substantial portion of the County residents did, in fact, benefit from East Forks underpayment. We talked with Kathy Lewis, in the Clerk's office, to ascertain what percentage of the County population lives outside of East Forks boundaries, and that, approximately 37% of the Counties outside of East Fork Fire District; 63%, of course, is within East Fork Fire District. One way to look at this is if you take the \$1.4 million that East Fork underpaid, and take 63% of that, because that was a percentage of the County population that really benefited from it, you come up with \$882,000. If you acknowledge that approximately 2/3 of the County benefited from that \$882,000 and subtract that from the \$2.4 million that the County overpaid, you get to \$1.5 million. I also want to remind you that we did in fact save \$200,000 in premiums for fiscal year 16/17, so when you do that, you back out the \$200,000, you get to \$1.3 million. So, you know, we're getting the \$1.3 million principal, if you will, plus another \$550,000 in an interest, in effect, on the money, which we feel we would be entitled to if we ultimately litigated this court. And then, this settlement was reached very early on in the negotiation process and right now, the County has very limited litigation costs invested into this. My office hasn't, you know, had to engage in full-scale litigation, which would occupy a lot of my time and Mr. Richie's time and County personnel hasn't had to invest a lot of time into it at this point. So the recommendation is to accept a settlement. We feel it's fair; we feel it's

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reasonable from the DA's office perspective, and we'd ask that you approve it. I'll take any questions that you have.

Chairman Thaler speaks:

Thank you Mr. Wadle`. Any questions from the Board? Seeing none, I'll open this up for Public Comment. Public Comment is now open. Seeing none, Public Comment is closed. I will entertain a motion in, and Barry, if you have any comments we can do it during discussion.

PUBLIC COMMENT-none.

Commissioner Walsh speaks:

Mr. Chair, I move to approve a \$1.85 million settlement with PACT to resolve disputed Worker's Compensation premium payments to PACT for fiscal years 2005/2006 and 2015/2016 and authorize the Douglas County District Attorney's Office to negotiate all settlement documents and authorize Chairman Thaler to sign all settlement documents.

Chairman Thaler speaks:

We have a motion by Commissioner Walsh, second by Commissioner McDermid. She just squeezed it in there, Dave. I'll open this up for further discussion; any further discussion? I'm just gonna add one point. Should we approve this here in a minute, the money will go where?

Mr. Wadle` speaks:

The County will receive \$1.85 million. Where that money is used and how it needs to be accounted for will be part of the budget process for next year. I'll let Mr. Werner address that issue.

Larry Werner speaks:

At this stage, thank you, Larry Werner, County Manager; at this stage, as you know, we went self-funded. One of things we looked at was trying to maintain insurance reserve that we could cover ourselves being self-insured. You're projecting a certain period of time to do that. By putting the \$1.8 million into that, which brings us up to a higher level of reserve because it's closer to our target and actually becomes a better safeguard for the County on any potential Worker's Comp losses.

Chairman Thaler speaks:

Thank you. Did I generate any further questions? Seeing none, we have a motion on the floor; I'll call for the vote. All those in favor signify by saying "aye"; opposed? Seeing none, motion carries unanimously. Thank you, Mr. Wadle`.

MOTION to approve a \$1.85 million settlement with PACT to resolve disputed Worker's Compensation premium payments to PACT for fiscal years 2005/2006 and 2015/2016 and authorize the Douglas County District

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Attorney's Office to negotiate all settlement documents and authorize Chairman Thaler to sign all settlement documents, carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Larry Walsh, Board Member
<b>SECONDER:</b>	Nancy McDermid, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**FINANCE**

**5. For possible action. Discussion to approve the contract for professional auditing services with Piercy Bowler Taylor and Kern to conduct the independent financial audits for Douglas County, the Douglas County Redevelopment Agency and the Towns of Gardnerville, Genoa and Minden for a total proposed cost of \$129,350 for fiscal year 2017-2018. (Vicki Moore)**

Vicki Moore speaks:

Thank you, Chair, Commissioners, for the Board, Vicki Moore, Chief Financial Officer and I'm here today to request the second extension on Piercy Bowler Taylor and Kern's audit contract. If you recall, we entered into a three year agreement with them back in fiscal year 2013-2014. With that, as part of that contract, there were two additional extensions, one year extensions that we could enter into. This is the second of those final extensions. I did receive the engagement letter from the auditors and they have agreed to leave the fees the same as what they were for last year, so that's the \$129,350. And so with that, I am here to answer any questions you may have.

Chairman Thaler speaks:

Thank you, Ms. Moore. Questions from the Board? Commissioner Walsh? You have your mike on. Seeing none, I'll open this up for Public Comment. Public Comment is now open. Seeing none, Public Comment is closed. I will bring it back to the Board.

PUBLIC COMMENT-none.

Commissioner McDermid speaks:

I would move to approve the contract for professional auditing services with Piercy Bowler Taylor and Kern to conduct independent financial audits for Douglas County, the Douglas County Redevelopment Agency and the Towns of Gardnerville, Minden and Genoa, for a total proposed cost of \$129,350 for fiscal year 2017-2018.

Chairman Thaler speaks:

Motion by Commissioner McDermid, second by Commissioner Walsh: any further discussion? Seeing none, I'll call for the vote. All those in favor signify by saying "aye"; opposed? Seeing none, motion carries unanimously.

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MOTION to approve the contract for professional auditing services with Piercy Bowler Taylor and Kern to conduct independent financial audits for Douglas County, the Douglas County Redevelopment Agency and the Towns of Gardnerville, Minden and Genoa, for a total proposed cost of \$129,350 for fiscal year 2017-2018; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Larry Walsh, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**6. For possible action. Discussion to adopt Resolution Number 2018R-006 which augments the Town of Genoa's Fiscal Year 2017-18 budgets by \$78,897. (Vicki Moore and Julie Andress)**

Vice Chairman Penzel speaks:

I had discussed with the County Manager that perhaps pulling Item 10 prior to these items would be appropriate because Item 10 discusses the policy.

Chairman Thaler speaks:

And I had that on my notes, but when we approved the agenda, we didn't move it up so, rewind; so at this point in time, we'll put this item on hold. These are all gonna make sense here in a minute. We will move to Item 10, bear with me a minute, I have to jump there real quick. So, everybody that's now playing catch-up, we're going to fast forward to Item 10 then we'll go back and do seven and eight; excuse me, six, seven, eight and nine.

**10. For possible action. Discussion to approve a new policy to the Douglas County Administrative Policies and Procedures Manual documenting Douglas County's Budget Augmentation and Transfer procedures. (Vicki Moore and Julie Andress)**

Vicki Moore speaks:

Thank you, Mr. Chair, Commissioners; for the record, Vicki Moore, Chief Financial Officer (CFO); and so just to give you a bit of background, we do, Douglas County does, adhere to the Nevada Revised Statutes (NRS). Specifically, 354.98005 and the Nevada Administrative Code (NAC) chapter 354 regarding the procedures to augment and amend budgets. We have been following those historically; this policy before you today is just to memorialize the County's existing practices and to give additional direction on the process for amending the budgets. So specifically in the policy we do address budget augmentations and transfers. I did have an effective date of April 1 on this policy to solidify specifically on the transfer pieces. Historically, budget transfers, most of the time, come to the Board because they usually come as part of a project. So for example, the water and sewer projects, a lot of times they will use reserves to do those projects, so those projects would come before the Board, the Board would approve the use of those reserves and so then that would come through as just a budget transfer, not as an augmentation that would come before the Board, when we do our regular augmentations. What

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I'm proposing with this policy is any use of reserves now will be brought before the Commissioners with the augmentations, as kind of a summary, separate summary, of the use of those reserves that you can see all the reserves being used all at one time, as we're bringing out augmentations forward as well. So with, that I'll leave it for any questions.

Chairman Thaler speaks:

Thank you, Ms. Moore. I'll start with Commissioner Penzel; go ahead.

Vice Chairman Penzel speaks:

Thank you, Mr. Chair. Ms. Moore, one of my concerns with the policy is not anything that you've written, because to be honest, some of this is not decoded in with my ring. I'm only allowed to get down to a certain level. I need a new decoder ring. However, the concept that that I'm concerned about is, that we discussed at the previous start of the previous budget, was that when an element of the organization comes up with having not spent their budget, for whatever reason, that money, those monies, would be then put in a fund and we would then spend off of that, according to our priority based budget priorities, as opposed to the organization or the element that had the overage would then just spend it however they so desired. And that's a flip way of saying that they had a budget requirement but they didn't spend it. So I'm concerned, are we going to allow subelements of the County to spend monies that they did not spend on things that they're looking to spend it on as opposed to things that support the priority based budget priorities that we have. Did I make myself clear enough?

Ms. Moore speaks:

I believe so. To address a couple of things, most of the requests that the staff have on how they would like to spend that budget, most of those are in funds that are restricted use, whether it be a special revenue fund, whether it be an enterprise fund or an internal service fund; those funds can only be used for specific purposes. So to put it in the realm of all priority-based budgeting and you can't use those dollars for General Fund type projects; they have to stay within those funds. And so the policy before you today is to just solidify that yes, we do follow the NRS and yes, we do follow the NAC as far as bringing those budgets forward to the Board for your approval and it's your approval of the augmentations, if you want to see it spent someplace else. Keeping in mind though, you still have to keep it within the specific funds and for those specific purposes those funds were built for.

Vice Chairman Penzel speaks:

Primarily, I'm targeting toward the General Fund expenses.

Ms. Moore speaks:

And that is definitely up for discussion for the Board on how you would like to see those augments. We still have to bring the augments forward to you, but as part of the discussion on the augmentations, if you give us direction on how

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you want to see that money spent within the General Fund, then we can take that direction.

Vice Chairman Penzel speaks:

Okay, and you don't, that doesn't need to be incorporated in the policy directive, is that correct?

Ms. Moore speaks:

I was trying to keep the policy as clean as possible, as far as just the specific requirements that we're meeting for the laws and regulations of the state. But that can be an additional directive; you know, through the budget building process. I was trying to keep it all out of the actual policy.

Vice Chairman Penzel speaks:

Understanding what you're trying to do then, could it then be, would it then be better for us to include some language like I was just talking about in our financial policy directives for the budget?

County Manager, Larry Werner speaks:

Maybe I can help out too, Mr. Chairman, one of the issues we run into is that it can't be a blanket policy for a couple reasons. A lot of times it may be there's a grant that comes in midyear that we don't budget for, for example, if we do get the grant and we have to augment the budget, to take it from the grant line item into the expense line item. So if we just say that anything that comes in new, goes into something that you then would, I guess approve down the road, and that's the part I'm not clear on, we still have to bring them back to you, no matter what we're recommending. So if you see an augment come before you that you feel is not warranted, that you want that to go to the reserve funds, then you obviously have a choice then... As you'll see later today, we do have augments coming in that we saw additional revenues from different sources. One of the things we looked at, where we obligated by contract? For example, those things, but everything else we're recommending you put into the Capital Fund, basically it's a reserve fund that you have to authorize any expense out of it. So we're doing it, I think...

Vice Chairman Penzel speaks:

I am concerned about the reserves because of the stricture that if it goes into the reserve fund, in some cases, it can't be spent until the following year.

Mr. Werner speaks:

I think it's mainly the ending fund balance. If it goes into a reserve fund...

Vice Chairman Penzel speaks:

There is also enterprise funds...

Ms. Moore speaks:

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If I may, Vicki Moore, Chief Financial Officer; that is for governmental funds so that cannot use your reserves ending fund balance for it, so that would be a General Fund and your Special Revenue Funds. Your Enterprise Funds, your Construction funds, and your Internal Service funds, you can use those reserves throughout the year as needed for projects or things that come up. But it's specifically your Special Revenues, like your Room Tax Fund, the Airport, 911 Services, those cannot be used, you cannot use reserves for those; those have to be budgeted the next fiscal year.

Mr. Werner speaks:

Maybe to clarify, again, Larry Werner, if it goes into the 410 as a Capital Fund, it can either be put in Unanticipated Capital, it can be placed in that fund. You then have the authority to spend that that year or carry it over to the following year.

Vice Chairman Penzel speaks:

So really this applies to General Fund monies and we could make this a Board policy for the budget process when we go through the financial policies, as opposed to making it the policy, out of the, that the CFO...

Mr. Werner speaks:

That may make sense, as an overall financial policy, yes that would be the appropriate spot.

Vice Chairman Penzel speaks:

Thank you very much.

Chairman Thaler speaks:

Further questions from the Board? So, I do. So, this is always, we have to differentiate between augments and transfers; they are completely two different types of things that happen within our budget. And, boy, I learned this way long time ago at the state level and always, it took me a while to figure out what augments were and it's because it's got a weird name that nobody can figure out unless you look it up in the dictionary. But augments are all about new money. This is stuff that we didn't plan for and grants, because grants are always a guess, because you apply for a grant but you don't know that you get it. So what I want to do is just take grants as always being unknown; we're always going augment grants. Why? Because we don't know when we're building our budget whether we're going to get that grant, so that's kind of like, taken off the table. Everything else, when we talk about augments, we just need to highlight and identify that this is just new money. This is money that we didn't predict we were going to get. Some of that may come from ad valorem. In other words, when we go through the budgeting process, we are very conservative, as we should be, in our budgeting process. Because we are so conservative, what ends up happening, please feel free to correct me as I'm going here, is that, you end up with a little higher than anticipated as you move through the year, revenues, because they're coming in higher than projected. Quite frankly, augment is a good thing. Why? I mean, I don't know

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what you do if you don't. So augments I'm okay with; personally I've always said that augments should happen twice a year. I'm a big fan of augments occurring in January and April. You know, the reason I say January, that's six months under your belt. I know that leaves a lot of money in accounts, you could probably argue that you want to get it back to departments or back to the Commission sooner. The reason I say April is because April is usually a month that you start winding down on the end of the year; that's just me, I don't know about the rest of the Board. I know right now you do it three times a year, correct?

Ms. Moore speaks:

Correct. Typically we do it in September/October, February and May or June,.

Chairman Thaler speaks:

So, I think, personally think June is too late. It's too close to the end of the year closeout and then beginning the year, but again, minor for me. Major is transfers and I have had an issue with transfers because that is where you move your, and I think the Vice-Chair was moving that way, that's where you move money within your budget. So you may drop, you may borrow, you may move it from training and you may move it up to some other line item. I know our current policy says that as long as you don't overspend the bottom line, you're all good, and I'm not into micromanaging County's budgets, but what I don't want to see, and this is me again, not speaking for my colleagues here, I'm not about micromanaging, but I do think it's our responsibility to know what's going on. I look at performance reports. In fact, I got one from you at the midyear level; I scrutinized the just the General Fund. I spent a weekend just looking at it. I had some questions but that usually midyear, so we still have six months left on that budget. My bigger concern is, and in I'm looking more at it from the perspective of how do we make sure that we, the Board of County Commissioners, all five of us know what's going on, not that we have any intent at the time to decide on what's going on. And so what I throw out there, and I said this and I don't think it's any secret, and arguably when I managed a \$4 million budget I did it too, but I never had problems if I moved money from one line item up to the other, especially as you get ready to close down your year, I had no problems if it went to the IRC (Internal Review Committee), of course, we didn't have the IRC then or the County Commissioners, because I knew that every time I could justify doing that. Personally, I would like to see, and I'm just throwing this out there for discussion, I'm not sure the impact, but if departments want to transfer more than 10% of that line item to another line item, I think they need to go identify what they're doing and then run it through the IRC, which is the Internal Review Committee, which is the County manager and he gives them their blessing and at the same time, we're just notified that they're doing it. The reason I say that's important for us is because we're gonna to pick up on that at the next year's budget cycle. So right now, unless we spend a lot of time on a \$42 million budget, how many line items do we have? Over 400 or so, I don't know.

Ms. Moore speaks:

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There is 2200 chart of accounts, I believe, something like that.

Chairman Thaler speaks:

Thank you, a little, okay, so, I'm more looking for, because I know goes on but I'm not necessarily concerned that goes on. But unless each one of the five of us go in there and look at that budget performance either monthly, quarterly, semiannually, you don't know that this is going on. I think it's important as we move into the budget cycle, which we're going to start up here in the next couple weeks. So what I'm looking for is if it was me and I was gonna add a policy, it would just read something like if a department, and I'm just spitballing here, but if the department wanted to transfer more than 10% during whatever time period, whether it's halfway through the year, because we know they go over, if they transfer more, because the bottom line is what's important, if they transfer more than 10%, that they get the approval of the IRC committee and that the County Commission gets notified. That's just me.

Vice Chairman Penzel speaks:

Do you want a second on that?

Chairman Thaler speaks:

No, this is just something we need to discuss, because first of all, the reason I throw this out there for discussion is, and I'm trying to generate discussion, this is not my idea, but I don't know the impacts, so I'm looking to the CFO, looking to the County Manager. Sometimes I come up with goofy ideas and then I get told that's pretty goofy and maybe I need to rethink it, although I've thought about this a lot, so I don't think is goofy. So I just want to generate some discussion amongst Board members and or, before please, looking for more of a knee-jerk reaction from both the County Manager and the CFO. Again, I'm just telling you, my goal is, so I get augments, but transfers, not a concern, just that we don't see those until it's like, after the fact. I'm not trying to say it can't happen, I leave that up to the County Manager, but we at least need to be notified.

Mr. Werner speaks:

Larry Werner, County Manager, I believe that the CFO has addressed a portion of that within the policy. In talking about transfers where, if anything was \$50,000 or greater of the proposed transfer, it would go to IRC and then to the Board of County Commissioners for approval. What we're saying is that you give us contract authority in those realms, then this possibly should hit that same category, So anything above \$50,000, we'd review it and if it seemed appropriate, we'd bring it to this Board for approval.

Chairman Thaler speaks:

And I get the philosophy of the \$50,000; I know that is within your signatory. I gotta tell you, right at this point in time; I'm more on the \$10,000 because of...

Mr. Werner speaks:

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Let me finish, though. Anything less than that, we could approve there but we still publish the IRC notes and you still get notification. So anything less than \$50,000, you'll probably get notified; anything more than \$50,000, you'll have to approve.

Chairman Thaler speaks:  
So you like my idea?

Commissioner McDermid speaks:  
I don't like 10%. I like how it's written.

Chairman Thaler speaks:  
For me, it's just making sure that we know what's going on. Okay, so I'll leave that up for the rest of the Board to ponder.

Commissioner McDermid speaks:  
So, as I understand it, the way this is written, if it is greater than \$50,000, it goes to the IRC and then it comes to the Board if it's approved, correct?

Mr. Werner speaks:  
That is correct.

Commissioner McDermid speaks:  
So what you're saying is that if it's less than \$50,000, it still goes to the IRC and we get that notification from the IRC, whether it's approved or not, correct?

Mr. Werner speaks:  
Through the minutes.

Commissioner McDermid speaks:  
Yes, I'm good with that.

Chairman Thaler speaks:  
We'll go right down the line.

Commissioner Nelson speaks:  
Sounds like it's working pretty well.

Commissioner Walsh speaks:  
I would prefer to see your report, rather than just in the minutes, of what was transferred.

Mr. Werner speaks:  
I don't think that would be a problem. I think we could categorize that, much like we do on a monthly basis of the financial report and maybe have that show up here. I mean, I'm not sure what I'm saying, the magnitude of what I just agreed to, I'll hear about it later if it's significant but I think that's doable.

Chairman Thaler speaks:

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See, that's the kind of thought that, course, I didn't think of, because we all see, we all know the IRC, we get them and I certainly am really open to in the report format, which would be great. So thank you Commissioner Walsh. Commissioner Penzel?

Vice Chairman Penzel speaks:

Thank you, Mr. Chair. I'd like to ask the CFO a question; you said you have 22 accounts, 2200 accounts?

Ms. Moore speaks:

Yes, 2200 chart of accounts. So we have about 60 funds, within those funds we have 2200 chart of accounts.

Vice Chairman Penzel speaks:

We're actually going down to, well, let me ask you, in the chart of accounts, how many of those would you estimate are over \$50,000, at or above?

Ms. Moore speaks:

I would, I mean, just off the top of my head, every account probably with salaries, so every fund that has salaries, every fund that has pension, every fund that has medical; so, if you just assume that all 60 of those have employees, that's 60 times three, that's 180, right there. And then probably another, maybe 100, when you factor in Professional Fees as probably your next biggest expense.

Vice Chairman Penzel speaks:

So, we're not really, if we go to a limit of \$50,000, get maybe 1/3 of those. If you go down to \$10,000, we would pick up a larger number that we would then be aware of.

Mr. Werner speaks:

We would make you aware of all of them, Commissioner Penzel, but you would have to have specific approval of everything over 50, but we would present all of them to you.

Vice Chairman Penzel speaks:

But it's after the fact, right?

Chairman Thaler speaks:

It would, but we, because the transfers are going to occur, how many times a year?

Ms. Moore speaks:

Currently, the transfers can happen at any point throughout the year. I mean, I can tell you we have three very large binders that every, basically each year of transfers.

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Chairman Thaler speaks:

But what we do know that IRC meets once a month...

Ms. Moore speaks:

Once a week.

Chairman Thaler speaks:

Well, I don't expect to see a report every week, but monthly, certainly would be fine.

Mr. Werner speaks:

If I could chime in as well, you can absolutely unwind a transfer. If you find one that is questionable and bring it for the Board or it's discussed at the Board meeting, and that's not appropriate, you can undo that in a heartbeat.

Commissioner McDermid speaks:

It seems to me this is a good way to proceed. If you find that it isn't working. Then you go to, you modify it or change it. So as I understand it, monthly, you'll get the IRC report and things that are less than \$50,000 will be in there, transfers; things that are over \$50,000 will be in there as well. But those will come to the Board before they actually transfer, correct?

Mr. Werner speaks:

That is correct. All that was correct.

Commissioner McDermid speaks:

Even if the IRC approves the transfer over \$50,000, it still has to come to the Board of Commissioners before that actually takes place, if it's approved by the Board of Commissioners.

Mr. Werner speaks:

Yes, the way we work that is that through IRC for the majority of, at least the departments that I work with, before they can bring something to you, be it any financial item, the IRC has to approve it to bring it forward. So when the IRC approves it, it is the approval to go forward.

Chairman Thaler speaks:

So, the only thing we really need to do is, other than sound like we're all on the same page, is just finalize that report. Instead of just being the minutes, turn that into a report, so somehow figure that out in the policy and I think we're all good. Am I correct, Board?

Chairman Thaler speaks:

So, any further comments before we open it up for Public Comment. Okay, I will open this up for Public Comment. Public Comment is now open. Seeing none, Public Comment is closed. I'll bring it back to the Board for a motion.

PUBLIC COMMENT-none

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Commissioner McDermid speaks:

I would move to approve a new policy to the Douglas County Administrative Policies and Procedures Manual documenting Douglas County's Budget Augmentation and Transfer procedures as presented, but also based on the Board's discussion and comments so that if there are any additional changes, that will be incorporated.

Chairman Thaler speaks:

We have a motion by Commissioner McDermid, second by Commissioner Penzel; any further discussion? Seeing none, I'll call for the vote. All those in favor signify by saying "aye"; opposed? None? Carries unanimously. So thank you, great discussion by the way, that's what we need to do so. Now we move back to Item 6 and I'll read it in the record.

MOTION to approve a new policy to the Douglas County Administrative Policies and Procedures Manual documenting Douglas County's Budget Augmentation and Transfer procedures as presented, but also based on the Board's discussion and comments so that if there are any additional changes, that will be incorporated; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Barry Penzel, Vice Chairman
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**6. For possible action. Discussion to adopt Resolution Number 2018R-006 which augments the Town of Genoa's Fiscal Year 2017-18 budgets by \$78,897. (Vicki Moore and Julie Andress)**

Vicki Moore speaks:

Thank you, Mr. Chairman, members of the Board; Vicki Moore, Chief Financial Officer. First of all, I do need to make a correction. The resolution number that is in the agenda item should actually state, 2018 R-007; that is a duplicate number to Minden's resolution and so Genoa should actually be a seven and not a six. But to proceed, NRS 354.598005 allows and provides guidance for local governments to augment their budgets, if anticipated resources actually available during the budget period exceed those estimated. Typically staff brings these augmentations to you three times a year. The first ones are typically the purchase order carryovers. The ones before you today include any additional revenue plus the adjusted Opening Fund balances as a result of our Fiscal Year 2016-2017 audit. And so for the town of Genoa, they are requesting an augmentation of \$78,897 and that is cumulative of all their funds, their Administrative and Capital Project funds. And so I'm here to answer any questions you may have.

Chairman Thaler speaks:

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Thank you, Ms. Moore. Any questions from the Board? Seeing none, I'll open this up for Public Comment. Any Public Comment on Item 6? Seeing none, Public Comment is closed; bring it back to the Board.

PUBLIC COMMENT-none.

Commissioner McDermid speaks:

I would move to adopt resolution number 2018R-007, which augments the town of Genoa's Fiscal Year 2017-18 budget by \$78,897.

Chairman Thaler speaks:

We have a motion by Commissioner McDermid, second by Commissioner Nelson; any further discussion? Seeing none, I'll call for the vote. All those in favor signify by saying "aye"; opposed? Motion carried unanimously.

MOTION to adopt Resolution number 2018R-007, which augments the town of Genoa's Fiscal Year 2017-18 budget by \$78,897; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Dave Nelson, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**7. For possible action. Discussion to adopt Resolution Number 2018R-006 which augments the Town of Minden's Fiscal Year 2017-18 budgets by \$4,893,219. (Vicki Moore and Julie Andress)**

Vicki Moore speaks:

Thank you, Mr. Chair, Commissioners; for the record, Vicki Moore, Chief Financial Officer. Resolution 2018 R-006 is the resolution augmenting the Town of Minden's Fiscal year 17-18 budgets by \$4,893,218. Included in your packet is the resolution that the Town of Minden has also approved, outlining the use of those funds in the various funds that they would like. And with that, I would open it up for any questions.

Chairman Thaler speaks:

Thank you Ms. Moore; any questions from the Board? Seeing none, I'll open this up for Public Comment. Public Comment is now open. Seeing none, Public Comment is closed. I'll bring it back to the Board.

PUBLIC COMMENT-none.

Commissioner McDermid speaks:

I would move to adopt Resolution number 2018 R-006, which augments the Town of Minden's Fiscal Year 2017-18 budgets by \$4,893,219.

Chairman Thaler speaks:

I have a motion by Commissioner McDermid, second by Commissioner Walsh;

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any further discussion? Seeing none, I'll call for the vote. All those in favor signify by saying "aye"; any opposed? Motion carries unanimously.

MOTION to adopt Resolution number 2018 R-006, which augments the Town of Minden's Fiscal Year 2017-18 budgets by \$4,893,219; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Larry Walsh, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**8. For possible action. Discussion to adopt Resolution Number 2018R-004 which augments the Redevelopment Agency's Fiscal Year 2017-18 budgets by \$651,907. (Vicki Moore and Julie Andress)**

Vicki Moore speaks:

Thank you again, Mr. Chair, Commissioners; for the record, Vicki Moore, Chief Financial Officer. Resolution 2018 R-004 is a resolution for the augmentation of the Redevelopment Agency's Fiscal Year 2017-18 budgets for \$651,907. I would like to just add to that that the Redevelopment Agency is separated into two areas, Area One and Area Two. Each area is tracked separately with their own funds and the augmentations for those funds specifically stay with those areas. And so with that, I'll answer any questions you may have.

Chairman Thaler speaks:

Thank you Ms. Moore. Any questions from the Board? Okay, I'll open this up for Public Comment. Public Comment is now open. Seeing none, Public Comment is closed. I'll bring it back to the Board.

PUBLIC COMMENT-none.

Commissioner McDermid speaks:

I would move to adopt Resolution number 2018 R-004, which augments the Redevelopment Agencies Fiscal Year 2017-18 budgets by \$651,907.

Chairman Thaler speaks:

Motion by Commissioner McDermid, second by Commissioner Walsh; any further discussion? Seeing none, I'll call for the vote. All those in favor signify by saying "aye"; any opposed? Seeing none, motion carries unanimously.

MOTION to adopt Resolution number 2018 R-004, which augments the Redevelopment Agencies Fiscal Year 2017-18 budgets by \$651,907; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Larry Walsh, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

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**9. For possible action. Discussion to adopt Resolution Number 2018R-003 which augments the Douglas County Fiscal Year 2017-18 budgets by \$15,456,541. (Vicki Moore and Julie Andress)**

Vicki Moore speaks:

Thank you, Mr. Chair, for the record, Vicki Moore, Chief Financial Officer. Resolution 2018 R-003 augments Douglas County's Fiscal Year 2017-2018 budgets by \$15,456,541. This resolution includes the General Fund, all of the Restricted Revenue Funds, such as the Airport, the Room Tax, Social Services; it includes the Capital Project Funds and includes the Enterprise Fund. So basically, everything else, other than what you have already approved, is in this resolution. Of that \$15 million, the General Fund itself is \$3,542,640 and I have a spreadsheet, you all have been provided a copy of the spreadsheet, as well as the public has copies out there to discuss that \$3.5 billion, and how, the direction the way you would like us to go with that. And so, if I may, I'll bring up that spreadsheet. As I mentioned, the General Fund augmentations are \$3,542,640; of that, \$255,350 is actually new money, whether it be through interfund transfers, if additional grant revenue and additional other revenue that was received. The balance of that is \$3,287,290. That represents our adjusted Opening Fund Balance; that is the money that is above and beyond what we originally projected as our beginning fund balance for the General Fund as a result of the 2016-17 audit, what our ending fund balance was compared to what our beginning fund balance was for this year is that \$3.2 million. The majority of that is Restricted Reserves and that is money that has been collected, whether it be through the Courts, whether it be through the Assessors or the Recorders with their Restricted Technology Funds and other restricted funds that specifically can only be used for what the Courts deemed need or what the Assessor or that the Recorders have that for. So that leaves a balance of \$1,259,870 that is before you today. There were a number of requests that have come in from various departments within the General Fund seeking additional funding for 2017-18, and if I could, I'll just kind of walk through the list here. The Sheriff's office, and in developing this Fiscal Year 17-18 budget, we had underbudgeted their incentive pays that have been in their contracts. These are the existing incentive pays and have nothing to do with the new contracts that were just approved; we missed that in this year's budget and so that's \$178,000. They've also requested an increase to the coroner expenses. There is new State software out there that is causing the coroners to take longer to declare and so they have to do additional autopsies and so they are seeing an increase in those costs. I could go through and read all of these or I can just leave it up, if you guys have questions that you'd like to address. I do want to note that the second to bottom on the list is the \$275,000 that you had approved back in the fall for the one-time funding for the health insurance increases; setting that aside, if it is needed, then it'll be available to use. But if we have the salary savings within the department that we don't need it, then again, that would fall to the bottom line for next year's discussion. And so with that, I'll open up for any questions.

Chairman Thaler speaks:

Thank you, Ms. Moore. Any questions from the Board? Who wants to go first?

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Commissioner Penzel? Only if you promise to turn that mic off next to you so I can hear your discussion.

Vice Chairman Penzel speaks:

This is more in line with what I would expect on this. So thank you and I've got to ask, are we paying somebody to give us information on priority-based budgeting?

Larry Werner, County Manager, speaks:

Yes, it's a program, the priority-based; the one that the County has, its priority-based budgeting is an actual software program that weighs all these projects and all these things. It has always been funded out of the adjusted Opening Fund Balance. So we debated this year about not doing that but we've we recognized an interest in priority based budgeting. So it'll come out of the Adjusted Opening Fund Balance this year, but for next year it will be, we'll put it in as a line item.

Vice Chairman Penzel speaks:

Okay and the Aviation Roundup was \$15,000 we put out. And this is the payback, is that correct?

Ms. Moore speaks:

That is correct; that is the \$15,000 that you had agreed to support the Aviation Roundup with, that's just restoring the contingency.

Vice Chairman Penzel speaks:

Thank you very much.

Chairman Thaler speaks:

So Unanticipated Projects of \$637,416, did I miss that? What is that going toward? What projects?

Ms. Moore speaks:

We are actually transferring that to the 410 fund and that is for a discussion on how you want to spend that money.

Chairman Thaler speaks:

So, it's like for future discussion. So this is, so just a reminder, I think everybody knows this is that point in time where, this is augments, so this is unanticipated money. There is \$1.259 million, because I guarantee soon as we approve this, someone's going to go, "well, you could've moved that all to roads". And we could've told the Sheriff's, figure it out in your budget. I'm not proposing this, I'm just saying as soon as we do this, I guarantee before I get home, someone's gonna say, "Why didn't you move that \$1.2 million in the roads?" and in order for to do that, I'll get to you, I know it's coming, I stirred the pot, but you know, you could've told every one of these agencies, "just deal with it", right? I'm not suggesting that, I'm just saying that.

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Ms. Moore speaks:  
Correct.

Chairman Thaler speaks:

Okay, so as we move through these and I I agree with Commissioner Penzel here, this is how it makes sense to us; we just don't see it, how it moves up through the process and we know that there's departments out there... In fact, years ago I was part of that in saying that, "Hey, I under budgeted one thing I need" or the grant didn't come through, whatever. So I get it. I just want to make sure that the public gets it too. So now that I stirred that pot, Commissioner Penzel.

Vice Chairman Penzel speaks:

Well, I'm not gonna stir it; I'm gonna say, if I didn't say it, Commissioner McDermid would say it, that the money that's in Unanticipated Projects is designated for these things that we're talking about; roads, stormwater, for infrastructure projects.

Mr. Werner speaks:

So maybe for clarification too, Mr. Chairman, is how we get here is we have all the departments submit their Supplemental Requests, and this is a product of IRC. So we go through that, so you'll see, this is the kind of stuff you could end up getting in the future as we go through the IRC (Internal Review Committee).

Chairman Penzel speaks:

And I really super appreciate it, although I don't remember getting a memo from you: do you guys, the Commissioners, because we have our budget... So we don't expect you to go there, unless there's somebody that wants something in their Board Designated... If not, any further discussion amongst the Board? If not, I'll open this up for Public Comment. Public Comment is now open. Yes ma'am, you need to come up to the, you can, it's really simple and painless and all that stuff and we certainly encourage people to come up and... Write your name down on that clipboard and when you're done, state your name for the record. And then our worthy timer up here will start your timer.

**PUBLIC COMMENT**

**Holly Allen speaks:**

I just need clarification on additional autopsies required. Could you explain what means, why they'd have to do it more than one time?

Chairman Thaler speaks:

Thank you, ma'am, we will get there. So I gotta close Public Comment before we answer your question. Thank you. More procedural than anything else. Any further Public Comment? Seeing none, Public Comment is open. Who wants to answer that question? I mean closed, Public Comment is open, closed; it's now closed. Ms. Moore, do you want to answer that question?

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Ms. Moore speaks:

Yes, thank you; Vicki Moore, Chief Financial Officer. In talking with the Sheriff, with the Undersheriff, what they are seeing is this new State software has become very cumbersome on the coroners and that what they're finding is a lot of the coroners are not wanting to declare a cause of death, and so they are requiring additional autopsies in order to close those out. And so that's what they're seeing.

Chairman Thaler speaks:

Thank you Ms. Moore. Ok, I'll bring it back to the Board.

Vice Chairman Penzel speaks:

Mr. Chair, I think it ought to be further stated that actually our coroners are deputies and they are different levels of corner. We don't have the NCIS (Naval Criminal Investigative Service) kind of coroner.

Chairman Thaler speaks:

Okay, a point of reference. So I'll bring it back to the Board for motion.

Commissioner McDermid speaks:

I would move to adopt Resolution 2018 R-003, which augments Douglas County's Fiscal year 2017-18 budgets by \$15,527,472.

Chairman Thaler speaks:

Do I hear a second? I have a motion by Commissioner McDermid, second by Commissioner Walsh; any further discussion? Commissioner Nelson?

Commissioner Nelson speaks:

Yeah, I think I'd like a little further discussion on all these items. I would go along with the three Sheriff items and the rest of that go into the County Construction fund.

Commissioner McDermid speaks:

As I understand it, Mr. Chair, it has already gone through the IRC and was sent to us for approval, so there must been more requests than this. There were a lot more requests but the IRC committee felt these were the critical ones. Is that correct?

Mr. Werner speaks:

Yes, we look at those for either we had a contractual service or we had an ongoing program that needed additional funding. We would look to see, the question we always ask is "Can you absorb it within your budget? Is within the budget to do that?" And if you can't, then that's what we decide, okay, that's something we recommend go forward out of the Adjusted Opening Fund Balance.

Commissioner McDermid speaks:

And as I understand it, this is one-time money.

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Mr. Werner speaks:  
It is one-time money; that is correct.

Commissioner McDermid speaks:  
But it's not an ongoing revenue stream?

Mr. Werner speaks:  
That is correct

Commissioner McDermid speaks:  
Okay. I think what the IRC has done is good. I noticed the Presentencing is mandated. That means we have to do it, so I would just say, we need to restore our contingency and so I'm good with these.

Chairman Thaler speaks:  
Further discussion? Dave, the floor is still yours; so, do you have any further discussion? Commissioner Walsh?

Commissioner Nelson speaks:  
I have no further discussion on that.

Commissioner Walsh speaks:  
I'd like to go back to the \$1.85 million refund that we're gonna get from PACT, that's probably going to go into the risk management. Is there need to put that \$275,000 back into that fund or could that go to roads? Not roads, but County Construction?

Chairman Thaler speaks:  
So, Ms. Moore, I think you went down that road a little bit but you want to highlight that again?

Ms. Moore speaks:  
Yes, the \$275,000 is what you had approved back in the fall to fund the one-time insurance. The \$1.8 million that you...are you good?

Chairman Thaler speaks:  
Well, just in case, he may be good but we have a whole bunch people watching; finish your sentence, please.

Ms. Moore speaks:  
The \$1.8 million that you are referring to on the settlement, I am correct on that? The \$1.8 million that for the PACT settlement would fall into the Risk Management fund to be used to help with the reserves. On the \$275,000, we didn't want to put it into everybody's budget in case it wasn't needed and so if it isn't needed, then we won't have to move it into their budgets, but it's reserved in case it is needed. So we will still be looking at where they end up at the end of the year to see if they actually need that additional for the one-time or if they could've absorbed it.

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Chairman Thaler speaks:

And what I would say, and I'll get to you, Commissioner Penzel, to Commissioner Nelson: It could be worse. We could have no money to move in the County Construction, so that's the same obstacle I get over to and you have to look at, I gotta believe at this point in time, that's why I put on the record earlier is, we do have a system in place where each one of these items that are proposed on the sheet that we're looking at, and I know the public has too, are like last case scenario. This is what we absolutely need, no doubt about it. I can walk through it and like I said, what eases mine a little bit is that it could've been worse. We had no money to put in the County Construction and this is year two; we did that last year, we're doing it again this year. We're moving money for future projects and so we're talking over half a million dollars, again, we're going to be talking about that later but that's the only thing that eases my mind a little. bit I can find, I mean, it's really easy to say, as I said earlier, let's just say those the 911 service fees or office supplies or it going, I gotta believe that these were vetted. I look at the Alternative Sentencing, the Presentencing Investigation reports, that's minor compared to what really probably they need, so I'm not sure if that sways you one way that or maybe Commissioner Penzel can sway you or not sway you. Mr. Penzel?

Vice Chairman Penzel speaks:

Thank you, Mr. Chair; appreciate it. I think this is a minimum number; the big number is the \$637,000, which is clearly, in my view, the majority of the funding and that's going in there. I guess we could ask it, once we ever get an Assistant County Manager to bring his or her furniture with them. But in all seriousness, I think these are these are things that, in the case of incentive pay, that was overlooked, that we really should've had there in the first place. The coroner, that, I think we're gonna end up with the Sheriff addressing coroner needs in the future but right now, that's a bill due. Same thing with the East Fork Justice Court, the 911 fees, we've been over enough, I think. So I won't go through those, but I do want to ask a question about the title of this vs. the recommended motion. The title of our Agenda Item is \$15,456,541 yet we're approving \$15,527,472, which I believe is the correct number, based on the background data that we have in the budget, the augments total that amount.

Chairman Thaler speaks:

Ms. Moore, you want to flush that out?

Ms. Moore speaks:

Yes, for the record, Vickie Moore, Chief Financial Officer. You are correct; Commissioner Penzel, the actual impact and what you should be approving should be the \$15,527,472. We forgot to update the title when we had made that correction.

Vice Chairman Penzel speaks:

I'm not pointing that out to make an error. I just want to make sure we're talking about the right number.

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Chairman Thaler speaks:

So we're all good? So we have a motion on the floor; we had a second. Any further discussion before I call for the vote? All in, all done? All those in favor signify by saying "aye"; opposed? Motion carries, Commissioner Nelson in the nay.

MOTION to I would move to adopt resolution 2018 R-003, which augments Douglas County's Fiscal year 2017-18 budgets by \$15,527,472; carried.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Nancy McDermid, Board Member
<b>SECONDER:</b>	Larry Walsh, Board Member
<b>AYES:</b>	Thaler, Penzel, McDermid, Walsh, Nelson

**COMMUNITY DEVELOPMENT**

**11. For possible action. Discussion and direction on potential changes to Title 5, Chapter 5.40, Vacation Home Rentals in the Tahoe Township, including discussion on the allowance of Vacation Home Rentals outside the Tahoe Township. Staff is also requesting direction on increased permit and inspection fees, revenue collection processes, and hiring a third party consultant to provide enforcement services. (Mimi Moss)**

Mimi Moss speaks:

Thank you, Mr. Chairman, Mimi Moss, Community Development, members of the Board; so before I get into the nuts and bolts of some of the ideas that staff has, I'd like to at least remind the Board that the Board adopted Initiative 3.7 in the Strategic Plan, identifying the need to evaluate our existing Vacation Rental Ordinance. That's the reason why we're here. It was almost around a year ago that the Board directed staff to move forward with that. We are behind on moving it ahead, mainly due to the delay in the Master Plan Update and the processes the additional public hearings that move forward the end of last year. We have had stakeholder meetings and staff is working on some draft code language. But before we get any further with those changes, I would like to get Board direction. So today, the ideas is to get your ideas and your thoughts and to move those potential changes to a workshop and then bring that forward to the Board first and second readings, so there's no final action today. I know there's people in the audience that want to speak to this item. The Board is not going to take final action, but just provide direction to staff on how we move forward. As identified in the staff report, some of the things we talked about is, and these are all open for discussion and plus more, if you need to. I will, before I get into this, make note that there is a PowerPoint presentation out for the public on the table. There is the staff report prepared and also we have received three emails from several General Improvement Districts (GIDs) regarding the changes being proposed and they have been provided to the Board. The first is, as the Board had discussed with staff a year ago, was to consider allowing vacation rentals, vacation home rentals or short-term rentals outside the Tahoe Township. Currently, the Code limits vacation home rentals

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(VHR) to the Tahoe Township. As identified in the staff report, staff is thinking it's best to get it right for the Tahoe Township before we initiate anything for the rest of Douglas County and so that's open for discussion. That's just our thoughts. We also like to move all of Chapter 5.40, which is Vacation Home Rental, from Volume I into Volume II, Title 20. The reason for doing is that the enforcement section in Volume I Chapter 5.40 is very limiting. We need to beef that up. That's plain and simple. We need to make adjustments to that, regarding violations, revocations, fines and penalties, and the only way to do that is to move that into Volume II and essentially identify any violations of Vacation Home Rental ordinance. The standards that are applied when you're given a permit, such as parking standards, garbage standards, if there is a violation of that, what we'd like to do is move that into our Public Nuisance section. And our Public Nuisance Section has the teeth to enforce corrections by the property owners, either through fines or penalties, or you can also look at revocation of that permit. So that's what we want to look at moving forward. We also want to have a Life Safety Inspection before permitting all Vacation Home Rentals. Internally, staff has started doing that about four weeks ago, regardless of getting additional funds to do that, we wanted to see how this works out and we been very successful with that. The property owners that we have talked to have been very accommodating and we're working through that already. The other thing is to also look at Life Safety Inspections prior to and/or annual renewal and how I've identified that here is if there's only been violations or noncompliance. But in thinking through that, it's very likely that we want to do inspections with each renewal; there is a reason for that. We have almost 400, about 480 existing Vacation Rental Permits on the books today, over the course of the last 10 or so years being issued. We've never inspected those properties, only if there's been complaints. So as they renew, we can certainly notify the property owners ahead of time to say, "We want you to complete a new permit application. Show us all your information, set up an inspection and we'll go through that permitting process". If they haven't had problems, it shouldn't be a problem for them; if they've had noncompliance, that could be an issue for them. We also are looking at the need for increasing fees associated with the processing inspection. That's just a given. Currently, we, the payment for permits, Vacation Rental permits, is \$100 per year and \$75 renewal. That is far short of the time spent in actuality that we take in permitting Vacation Home Rentals and then also inspecting. You have to consider, you know, at least an hour for inspection; getting a person in a vehicle, getting them up to the Lake, as our offices are down in Minden and bringing that forward. So it's inherent to increase those fees accordingly. We also would like to look at requiring bear proof trash containers for all Vacation Home Rentals. Currently, there is a notice if there's a problem with trash; they get a warning and then if in two years they have another problem, they may be required to have a bear proof container. We know this is a problem. You heard a presentation previously about the nuisances that we have, the problems that we have, and it makes the property owner more accountable in terms of how that trash is handled. We also would like to set a maximum occupancy similar to the City of South Lake Tahoe. Now, the City of South Lake, based it on the numbers parking spaces and the number of bedrooms, whichever is lesser. I

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threw that in there really for discussion purposes, that may or may not be a good fit for Douglas County. We certainly know that once we go in and inspect the property, we can verify the number of legal bedrooms, so there will be an occupancy limit based on our inspection, not what the homeowner wants that, based on our inspection. If they have, say for example, they have three bedrooms, current Code allows occupancy of two per bedroom, plus four in total to take care of those kids or people, wherever they're at, so that increases the number. So for a three bedroom home, you can have, legally, three bedrooms at six occupancy plus four additional, that's 10 total. If you have parking in the driveway and the garage is full, you have no parking in the garage; you have two spaces for parking for that Vacation Rental. That means that if we're permitting occupancy at 10 that means the people that come to the home have to limit how they get there and they can only part two vehicles. If they park any more than that, they are in violation. So I'm throwing it out for discussion because that may be the way to go. It's difficult to enforce how many people are living in a unit; we don't have the ability like the Sheriff to go in there and say, "Hey, what's going on?" But we know when you have more vehicles parked in a driveway or in the street or down the street, there's a problem and that's something we can enforce more readily. So, that's something we want to talk about. Also, I mentioned amending the violation revocation sections because they're wholly inadequate. It was initially set up to be very accommodating for property owners, but over the years, what we found is that we have been too lenient. We need more teeth in terms of violation notice, fines or penalties that might be applied. I'm not saying we want to go the route that City of South Lake Tahoe has done. I'm not saying that we want to go that route in terms of amounts and you know, the next day you're going to be fined. I'm not saying that; I think we want to look at something a little bit different than that but I want more teeth, more authority for applying fines or penalties because that's just not available today. I did provide a comparison table in the staff report and for discussions, briefly, what I just went over; really beefing up garbage collection and parking requirements, Life Safety Inspections, increased permit fees and fines for noncompliance, and the last is implementing a rental activity and monitoring. That's part of the next presentation in the discussion with, staff had with Host Compliance, a third-party consultant that was hired by the City of South Lake Tahoe to track the Vacation Home Rentals that are permitted in the city. I'm going to go to the next one, if I could, see if I can find it.

Chairman Thaler speaks:

So while you're getting there, just to, well, Mimi, while you're getting there, I'm just going to let the public know when you're done with your presentation, so public knows, anybody that's looking for Public Comment, I'm going to bring Public Comment up first so we can start getting your input, so we can start hearing... So I'm going to kind of forewarn you, maybe you can start throwing your thoughts together, because I believe most of you are probably here because of this. So when Ms. Moss is done, I'll bring up Public Comment before we come up to the Board and start discussing that stuff.

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Ms. Moss speaks:

Thank you. So I've attached Host Compliance's information that they provided us in January and as I mentioned, they have been hired by City of South Lake Tahoe; some of the other communities that have hired Host Compliance for their short-term rental compliance, Town of Truckee is one. So as Host Compliance identified, and most communities have these issues with short-term rentals, noise, parking, traffic, party houses, changing neighborhood character, issues with building safety, complaints. How you respond to those complaints? Also, we know that they affect affordable housing in communities. They are used up for transit uses and they are no longer available for anybody to rent out. Also, improve the permit and tax compliance, this is the TOT (Transient Occupancy Tax) tax revenue, ensure a level playing field. This is between the lodging businesses vs. short-term rentals. Again, neighborhood character and reducing tension in the neighborhood and it also sends a clear message to the citizens that the County takes the short-term rental problem seriously. Host Compliance identified 1742 listings of short-term rentals in Douglas County. That represents deducting the approximate 470-480 out of that, that we have permitted today; that represents 1272 unique rental units that aren't permitted, that we don't know about, for the most part. The detail from Douglas County is they determine the median nightly rate is \$295. Typically, the unit types are entire homes that are rented out, for the most part; the listing types or combination of all multifamily, single-family, and then unknown. They have reported to us that in general, less than 10% of short-term rental owners voluntarily get a permit and pay all of their TOT taxes. This is based on the business that they do. So that the difficulty the County has today in enforcement, and I'm stressing that, is that there is hundreds of websites and they don't list their address data and so you can't trace it back to the address; they purposely do that, I think they do, even though we asked that the information be provided on their permit. And it's practically impossible to collect taxes. There's no easy way to way to find out how often properties are rented, for how much, how many nights do they stay? We have no way of finding that out. And the existing Vacation Rental Platforms that people use, they refuse to provide that detailed data in order for us to enforce the local ordinances. And so manual compliance monitoring and complaint based enforcement often leads to claims of selective enforcement. We don't need that. So the ways that Host Compliance can help, and Nancy, being on part of the discussions with City of South Lake Tahoe, you've probably seen this information previously, in terms of what Host Compliance does, others may have too, but the potential is for mobile permitting and registration, address identification, that's a given, compliance monitoring. If someone calls in and says, "There is something going on a property, it's been permitted by the County", Host Compliance reacts to that and they compare that complaint to the database and depending on what that complaint is, they contact the property manager or the 24 hour contact. If that isn't responded to within a certain period of time, they call out assistance from the Sheriff's department, if it's a Sheriff related issue. So what that means is that the Sheriff isn't automatically called out; it is wholly more efficient. The dedicated hotline 24/7 is something that we sorely need. The issues that rise are on the weekends or

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evenings and we get back in the office on Monday and its like, okay, we got the complaint, now what we do we do? That's part of the problem. So Host Compliance gave us a breakdown of cost and this is by each, the cost per each vacation rental that would be monitored. If you go to the next slide, this is the 1272 vacation rentals that could potentially be available in Douglas County and the cost for those services which amounts to, I think I actually found a typo or incorrect figure under the address information that should be more like \$28,000 something and the total cost is about \$83, \$84,000 a year for the County to pay to hire Host Compliance. And I'll be talking with them if the Board just elects to go forward that route to clarify those numbers, but in the staff report, I think I identified \$94,000, over \$94,000. They show the mobile app type registration, they show address identification, how many are staying, how often, what properties. They can bring up the actual property in the photos provided in the advertisement, how many nights were stayed. The listings and what they can do is generate the letters for the County. They generate a compliance letter for us; they are in violation, they don't have a permit? They generate that for us and then they also monitor the rental activity, which, if they are paying TOT taxes, how many nights do people stay. Again, the 24 hotline, as I mentioned. All these elements of compliance are what is needed by Douglas County and that's why I'm providing this information to you. We couldn't hire a person to do this work. These people have proprietary data; they can access up to 50 rental businesses and locate who is renting where. They can do that; we can't. What is positive for me is that it takes care of the compliance, as I said, but it also provides better tracking for us as we go through Vacation Rental Permits and there is predictability there. Once you have a permit issued, you know what's expected and you know if you are in violation at some point during the years that you have it rented, that you are responsible to make those corrections and it's not to just go by the wayside. We will follow up and I think that's important for the neighbors that are affected by problem properties because that's one of the issues today. So with that, I'm available for questions. I know you want to open up to Public Comment. I will let you know that the Code Enforcement Officer, Kelly Nevills, is in the audience to answer any questions you might have, as well as Heather Ferris, Planning Manager and the Planning Department issues Vacation Home Rental permits.

Chairman Thaler speaks:

Thank you, Ms. Moss; whole lot of stuff out there, but let's go ahead and open this up for Public Comment. Public Comment is now open. Please feel free to come up to the podium. Place your name down on the little pad there, state your name for the record; we have the three minute timer and the timer guy, so go ahead, and Vicky, if you don't mind bringing the lights up, please? And take your time, we're not going anywhere.

PUBLIC COMMENT

**Holly Allen speaks:**

My name is Holly Allen, I've lived our current address for over 20 years. We

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have a Vacation Home Rental two doors from us; simply adore the owners. They came over and introduced themselves, said if ever they need, we need anything, to please call them. It was prior a Vacation Home Rental, I'd had major surgery and it's a little cul-de-sac we live on. Last year, snow made it so we couldn't get an emergency vehicle down there if I had needed it. Thankfully, I didn't; we have plow issues because of vehicle parking up. I live off the top of Kingsbury and we have that ordinance from October 1 to May 1 that says you have to, "Parking prohibited on all streets or within five feet of pavement from October 1 to May 1", that's still not happening. I've called the Sheriff's Department and they say, "If we have time, we'll check it out"; usually by the time they have time, everybody's already gone. A house near us that I have looked up, it's listed as a single-family residence; I've got pictures of the tour bus unloading people there. Presidents' Day weekend, they had 15 cars parked there, and they're not paying any TOT. So I know you guys have your work cut out for you and the Compliance Enforcement. So I just wanted to give you a little news from up where I live and that was all. Thank you for your time. And I will continue to watch with interest.

Chairman Thaler speaks:

Thank you, Ms. Allen. Public Comment is still open.

**Joshua Priou speaks:**

Hi, I'm a Joshua Priou. I manage Vacation Rentals. I'll write my name down as I talk, here okay? I don't have much time and I'm losing my voice and I didn't realize your meetings were going to take so long.

Chairman Thaler speaks:

Could you spell your last name?

Mr. Priou speaks:

It's PRIOU; I hope this isn't eating up into my time. Everything that was said up here today and what's in the staff report, talks about how the, we're following the guidelines of the City to be closer to the City's ordinance. And I want to clarifying, I don't know how far or close you guys follow that whole issue but you know, basically, the City followed some other Community's ordinance and they got some, a few residents got the ear of the City Council and made some major changes, when unfortunately, there really wasn't that many major problems in the City. And I'm sorry, Mrs. McDermid, your face is a very clarifying that you don't like Vacation Rentals.

Commissioner McDermid speaks:

I'm just saying that the City does have documentation.

Mr. Priou speaks:

I have documentation, too.

Chairman Thaler speaks:

Sir, this is your time, so...

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Mr. Priou speaks:

Well, she's making faces at me; it's very frustrating.

Chairman Thaler speaks:

Keep in mind; this is your time for Public Comment.

Mr. Priou speaks:

There's 1400 Vacation Rentals in the City and these are documents that they post on the City's websites about enforcement and over the last six months, really from August 1 through January 30 is a six-month period, including major busy times and holiday periods such as New Year's, which as you guys know is the most busy time up here, there's a total of 271 events and only 28% of those calls were verified; that's 75, and only 13 were noise. So let's get this straight before you go make some crazy rules and regulations that 13, that, you know, so just to clarify, about 15 reservations out of those 1400 Vacation Rentals, that's 21,000 reservations and there was 13 verified noise complaints. So there is stats, Mrs. McDermid and they're not very convincing to me. Most of them are parking and so you're aware, they're a lot of times, just somebody's tire on some dirt, you know and it's not just because they're overparking or something like that. About bear cans, I'd like to hear from the County what kind of evidence you have about bear problems. You can look at my stats. There was two trash problems in the City out of all those reservations; do we need to get bear cans at all of our properties? I don't know, I'd like to get some stats before you guys make some major changes. Safety? And I'd want to know is there any complaints about inhabitability to the County? I don't know, I think it would be easier for the County to have some sort of certification or something, an owner could certify that, you know, they're going to do the right thing and that they got CO (Carbon Dioxide) detectors and smoke detectors and fire extinguishers and things like that. As a professional management company, we do that already, plus furnace inspections and other things as well. At least you know you have certification from the homeowner. So I guess to start, I should have started differently. I am in favor of Host Compliance. I think that's great. I know they're working in Placer County and the City's hired them, the County of El Dorado is on the hook to do it as well. I think they're perfect and they're going to collect TOT for you guys that's not being collected and collect permit fees, but before we start increasing fines, you know you have a fine structure already. I'll make it quick; before you start changing your fine structure, find out how many fines you've imposed. I don't think there's any, so, you know, make sure that you do all the research and the stats and if you need more, I'm happy to help. Thank you.

Chairman Thaler speaks:

Further Public Comment?

**Joanna Zerg speaks:**

Good afternoon, my name is Joanna Zerg; I to have a vacation rental two doors away from me. It sleeps 18 people. It's five floors big. The least of my problems with this Vacation Rental are parking and bears. In fact, last summer, the

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Vacation Rental, the people that were staying there, bought two boxes of wood that Safeway sells and started a bonfire at the end of the cul-de-sac in the dirt where the trees start and head toward the lake. I was awakened at about 12:30 at night to see these flames; I was absolutely appalled and ran out. We stopped it with our garden hose. I talked to Mr. John Pickett the next day, I showed him pictures. I also called the rental agency; never find these people at all. I asked them to please give the money for the \$5000 fine to Mr. Pickett in his department; it was never done. The second incredible story about the same rental is, I'm in my house one day and I have a knock on the door and it's two guys. And they say to me, "We're just wondering when you're going to be out because we're the next renters". I said, "Well, I own this home and I knew there is a rental two doors down. If you try the key they gave you, it will probably work". And they said, "Well, we're having a bachelor party this weekend, 19 guys, and the rental company gave us your address and so we sent the package here and we want our package. And I said, "Sir, if it was UPS or FedEx. I probably have your package because we don't get any mail here. How did you send it?" He said, "I sent it US Post Office". I said, "Well sir, we don't have mail delivery". And these two guys, their eyes popped out of their heads and I'm looking at them and looking at them. They are all in their early 20's, they got 19 kids coming. I said to them, "You sent drugs to my house, didn't you?" "How did you know?" I said, "I might've been born at night but I wasn't born last night". I said, "I don't have your drugs. You need to get online right now and tell them, the US Post Office, to send the package back to Ohio, boys, because I don't do drugs. I don't have drugs in my house". Garbage? Parking? Small stuff. These are also the things that are going on and I actually don't believe it's an isolated incident, especially the fire. I mean they come up here, they're drunk as a skunk by 12:00 pm, the party bus just dropped them off and they're going to have a fire, at the end of the cul-de-sac, in summertime. Thank you very much.

Chairman Thaler speaks:

Further Public Comment? C'mon up, sir. Just get an idea how many more Public Comments, please raise your hand. Okay, thank you.

**Bruce Jorgensen speaks:**

Hi, my name's Bruce Jorgensen. I'm a Douglas County resident and I would just like to recommend that the County impose a couple of limitations on our various communities in terms of numbers. They represent situations where a financial burden is placed on all homeowners and residents, not just those who are profiting by renting their unit out. One is the percentage of rental units in the community, as we approach 50%, the financial folks at FHA (Federal Housing Administration) and Fannie Mae no longer buy the mortgages that are written for those properties and it becomes a burden on the homeowners who are trying to purchase, refinance, and so on. So if we could have a limit in our communities under 50%, we would be addressing that financial situation. A second one is having or permitting one night rentals in the community. Oftentimes, someone has to check off a lot of the boxes for the finance company when someone is proposing to buying in the community, and if they

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say, "Yes, we permit one night rentals", the prime lenders back out and you have to go to the number two financing companies in order to get your mortgage. In my case, that cost me a quarter of a point because I live in a community that does permit single night rentals; the quarter of a point calculated out over a year is \$480, which I have to contribute to the short-term rental scene, by virtue of the fact that we do allow the one night rentals. Add that up over a large number of people who do have to pay a slightly higher mortgage rate because of that allowance of single night rentals and you got quite a bit of money that is lost from the community because there's no two night minimum required. So, I'd just ask you to consider those kinds of limitations for the communities.

Chairman Thaler speaks:

Thank you, sir. Who's next? C'mon up.

**Eric Guevin speaks:**

Eric Guevin, for the record, Fire Marshal for Tahoe-Douglas Fire Department; good evening, it is evening. Thank you for your time, Board, I just wanted to point out a couple things. The rental program is set up primarily for Tahoe. Now we would really like to engage with staff and be at all the meetings regarding the rentals, so that's something that we would like to have, to be included in the staff. We are a special district, but we have a lot of fire concerns. You know we've had up at Lake Tahoe, just recently in North Lake Tahoe Fire Protection District; they had a death in a Vacation Rental. They had one there, they just displaced 16 persons; the smoke alarms weren't working. That's outside of our district. We've been looking at trying to regulate or, regulate is probably not the best word; we just want to make sure they're safe. Ensure the safety of our visitors and we think it goes way beyond noise, trash, and of those type things. We're really concerned about fire and life safety. We've had five fires in vacation rentals this last year. Some of them are due to smoking. One was a fireplace, actually, it was last year, a fireplace that actually, the cabin burned down in Zephyr Cove, I don't know if you remember that not but we had that the cabin was completely consumed by fire, their visiting, smoke alarms frequently do not work, carbon oxide detectors are frequently not present. We've had numerous alarms for carbon monoxide levels being high. We've had people on decks fall from decks and we have maintenance issues, barbecue fires because the barbecue was too close to the wall and probably what concerns me the most is that you've got this red part of this pie here and that says multi-family homes. That means that they're renting right next to someone else, so someone's on the other side of that wall and the people that are renting here, they don't have very much control about what those neighbors are doing. For a fire safety concern, if this person causes a fire here, they may exit and leave, but not let the other person know on the other side of the wall. So on some of these we would like to see them have, like monitored alarm systems. We don't think it's unreasonable. They're very inexpensive and they could make the difference to notify the occupants to get out and maybe they don't even know what their address is to call 911 so there's a lot of things we would like to see happen, alarm systems, Knox boxes,

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perhaps. We really want to work with staff to develop this, as we've been working with Mimi so far. We really support staff in the implantation of this program for compliance. Thank you very much for your time.

Chairman Thaler speaks:

Thank you, sir. Next? Mr. Rice?

**Wes Rice speaks:**

Mr. Chairman, my name is Wesley Rice I'm a trustee with the Round Hill GID (General Improvement District) and other than berms this time of the year, I guarantee you the biggest complaint that we receive are from residents complaining about the rental next door. 90% of the time, we don't have a record that that houses a Vacation Rental. They don't bother contacting the County and they don't want to increase, they don't want to pay the increased the water and sewage fees that we charge for commercial properties. And we do charge commercial rates for that very reason, that the citizens in our community are being bombarded with noise, with drunken people walking our streets. I'm here to tell you, I live around the corner from what they call the party house which is one Paiute and I can't tell you the number of times that we've had to call because at 4am, somebody was in the backyard dropping the F bomb. And I really appreciate the fact that the County is looking at doing something. Thank you.

Chairman Thaler speaks:

Thank you, sir. Feel free to start wandering on up. Thank you.

**Lauren Romain speaks:**

Hi, my name is Lauren Romain and looking at the packet today, I found out that I'm one of the 10%; I pay my TOT, I have a VHR, I've had my permit. I have not any complaints and so, I guess what I'm asking for is some balance. I do understand there are people that have issues; I do understand there is problem properties. I think we all should pay our part and what we are supposed to pay and so I really look for the compliance. I think that issues great and I love the company that was looked at there as far as doing those types of things; 24/7 reporting, keeping track, I think it really is something we need to do. But I would hope that you would keep in mind that VHR's are not the complete problem. I have a VHR, I've have seen the Sheriff at our place twice. One was a long-term renter with a heroin overdose. The other was a physical altercation long-term renter's. So, and I even have owners that we have problems with, so I hope when you listen to these problems, if it is a compliance issue and us being able to really identify the problem, let's take care of that. But we also have to understand that if you have an owner full-time, next to you, 365 and they're a bad owner, you're gonna have that problem every single day. So I just hope keep the big thing in mind...the other thing too, is that I'd like to see compliance first before we put in restrictions. Let's really try and work on the compliance and get a system in place that works. I'm not sure that I understand kind of the arbitrary two-bedroom type of thing plus parking spots. I understand parking is a problem. I have a two bedroom place. The people that

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have been there for last five years, I've never seen anyone bring more than one car, so I'm not sure that I understand that part and I'd just like to make sure we have common sense issues. I also don't have a problem in paying my part, I do, but I was also interested in looking at the fact that that the compliant VHRs, at this point, bring in \$1.2 million. I think that's great. I'd like to let the VHR benefit Douglas County but I don't want to see us having to pay more. I mean, I don't understand why we have to up fees and up this type of thing when we're already bringing in \$1.2. And if we up it, people who aren't paying, which I'm in favor of, you get \$2.6 million. Let's use those funds and turn those into the compliance and following through and that type stuff. So, I think I got my thoughts together.

Chairman Thaler speaks:

Thank you; further Public Comment?

**Fred Voltz speaks:**

Good afternoon, for record, Fred Voltz. I generally support the proposed VHR changes from Community Development. However, I believe they are just a fraction of the health and safety problems of unsecured trash for both humans and wildlife, which we haven't really focused on in the discussion so far today. There is considerable waste of law enforcement time both at the local and at the state level when wildlife is lured into urban areas by human trash that's not managed properly. You saw earlier today and the informational presentation from Clean Tahoe that they documented 451 known "animal in trash" incidents in 2017 alone, just for South Lake Tahoe and El Dorado County and that indicates there is a Basin wide problem. It's not just in one community and the wildlife settling is not going to Douglas County to do something like that. We need Host Compliance services to license more of the VHRs, creating equity among all the residents, as well as the VHR operators. And I'm somewhat concerned by the folks who are either managing or have these who don't want more regulation and are trying to somehow sweep the problem away or under the carpet. I don't believe that's really the responsible response from the community at large. And I'd like to propose that for Douglas County code 5.40.090 that it be changed, so that trash should be placed for collection at 7am on the day of collection and that it be applied not only to the VHRs, but all of the residents and businesses. Similarly, County Code 5.40.110, the four step violation process is way too lenient and too much discretion. There should be the requirement for a bear proof box after the first violation and significantly increasing the fines if somebody refuses still to do that. If the County ultimately contracts with another entity, such as Clean Tahoe, to document and clean up further trash spills, the photos of the problem should be sent by Clean Tahoe or South Tahoe Refuse to the County's Code Enforcement Officer for official action, and the funding for that could come from the unallocated VHR license fee increases that have been proposed by Community Development, due to more registrants that would be used, beyond compensating Host Compliance services. For your reference, TRPA has done a study recently about trash practices across the Basin and this would help Douglas County informing any sort of changes. One of the changes could

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be to require that someone take the service with South Tahoe Refuse, but you might have a requirement for how people contain their trash, whether they do or do not take service. And I have a copy of the Mammoth Lakes ordinance that I'd like to put on the record. Thank you.

Chairman Thaler speaks:

Go ahead and give it to the clerk, if you would, sir. Further Public Comment?

**Gary Richert speaks:**

Good afternoon, my name is Gary Richert, RICHERT. I live in the subdivision and community of Zephyr Cove and on my block, we have four different homes that are used as vacation rentals, some with two night stays. So in the course of a 10 day, 2 week period, we can have different groups moving in and out and many times they don't know our homeowners regulations, because they aren't posted within the property. And they tend to abuse parking, especially. Our neighborhood was so subdivided in 1929, so our roads were designed for Model T's and accommodates no on-street parking or access parking at all. One observation I've made is that many of the Vacation Home Rentals are the result of investors buying property, which then puts the pressures on our schools, because they are not full-time residents, usually not even part-time residents, so our school population diminishes because we don't have that property is either a full-time residence or even a full-time rental for workers and families within our community. The enforcement problems that you've heard, we've had those and many more. And it forces the residents to contact the renters because the Sheriff doesn't have time to respond in a timely manner and some of the infractions are over before they could arrive. We've had bonfires on our beach. We've had the Japanese lanterns that rise with the hot air from a flame and are carried by the wind any direction, so the Fire Marshal's concerns are well-founded and a concern. I would like to see a provision that either the property owner or the property manager visits the property within the first 24 hours of rental; they can confirm occupancy, whether there are pets or no pets, depending on the contract, the number of parking, and the various issues that are often against the contract and create compliance problems. And then finally, I'd like to say that South Lake Tahoe has also initiated an issue where not only the property owners is fined, but that the occupant is fined and I think that is a strong message for the renters. Thank you.

Chairman Thaler speaks:

Thank you; further Public Comment?

**Debra Lang speaks:**

Mr. Chairman and members of the Board, for the record, my name is Debra Lang. I'll be reading a statement on behalf of the Carson Valley Visitors Authority, its nine-member board as well as the associated lodging properties in our region. We like to offer a few brief comments for the record. We understand today's discussion on short-term vacation home rentals is primarily to be centered around the Tahoe Township. In regard, we are very interested to follow the key outcomes and direction carried forward. Based on

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the key learnings as well as the overall conclusions for the Tahoe Township, it is our desire to see clear guidelines subsequently established for the East Fork Township. In short, and most importantly, we ask the board to help establish parity, an even playing field. The same guidelines set for the current lodging properties should apply to the individual short-term property rentals in our area. Taxation, permitting, safety considerations and other measures we consistently abide by, should apply to the individual property owner interested in short-term rentals. We look forward to being in engaged partner in this process and further believe it is prudent to get out in front of this subject early and to the benefit of clarity and compliant. While there may be a relatively small number of offenders currently, this form of lodging is here to stay and requires a clear plan. Thank you.

Chairman Thaler speaks:

Thank you, Ms. Lang; Public Comment is still open.

**Natalie Yanish speaks:**

Hello, good afternoon. My name is Natalie Yanish; I live up on the tippy top of Kingsbury grade. I am a full-time resident up there; I've been up there in Tahoe Village and also on top of Kingsbury Grade for many years, probably about 15. So I'm well aware of the VHR issue that's happening not only here in Nevada, but California and nationwide. It's kind of a top of mind issue. First of all, I think that this is a private property rights issue. A lot of the folks who are here who are complaining, they have the right to enjoy their property and to not have noisy neighbors, not have trash in the roads, not have parking problems in their neighborhood; so that is a property right. On the other side, the other property right is for people to be able to rent out their home, whether it be for short-term rental or long-term rental, and there is little bit of confusion about if a short-term rental is a commercial entity and it is not recognized as such. I think that a lot of the issues that everyone's brought forward here who are having problems with Vacation Home Rentals could be resolved with enforcement. And I know that that takes resources, so if there is a need. I would say for people have to pay their fair share for additional enforcement on properties, especially the problem ones. I think that the homeowners who are doing vacation rental would probably, you know, be okay with that. My other comment on the inspections, I'm all about health and safety, I think it's wonderful. I would just be very careful about what you put on the list for the inspections. The City of South Lake Tahoe created an inspection list and once they got done with it, became very onerous and it's very difficult for people to pass that checklist even on the first try for homes that are pretty turnkey and newer. And then also, you know, a lot of these people who own these VHRs, they're not making a huge amount of money on them on. They bought a property in Tahoe so they could use a part-time; if they were not to have the option to vacation home rent it, they would probably just leave it vacant, in my opinion. I work in the California side and the Nevada side is a realtor and I deal with a lot of sellers and buyers. The City of South Lake Tahoe, their ordinance, it goes pretty far and it makes it really difficult for property owners to sell their property. We're seen buyers writing offers that are contingent upon inspections

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and things of that nature and it really gums up the process. So it's a very complicated issue and I appreciate that you're bringing it up. Thank you.

Chairman Thaler speaks:

Thank you; further Public Comment? I think we've almost run out of everybody. So that got someone coming.

**Kristi Kendall speaks:**

My name's Kristi Kendall and I live here in Stateline and I saw on the beginning of the PowerPoint that we lost affordable housing for vacation rentals; do we have a number, just out of curiosity, of what that is?

Chairman Thaler speaks:

So, Public Comment is just Public Comment. If you have a question, staff will answer it, just comes after Public Comment when we bring back to the Board.

Ms. Kendall speaks:

I'd just be curious to see that for future meetings.

Chairman Thaler speaks:

You've got a whole another three minutes, if you want to use it or if you want to leave that.

Ms. Kendall speaks:

No, just purely curious.

Chairman Thaler speaks:

Okay, we'll finish up the Public Comment and try to answer that question. Further public comment? Seeing none, Public Comment is closed. This is a good time before I bring it back to the Board, we're going to take a real quick 10 minute break, cuz we've been at this for a while and then what we'll do, just so everything knows, we'll start getting into the Board discussion. So let's take 10 minutes; I'll see everybody back here at a quarter till.

Chairman Thaler speaks:

Okay, we'll come back to order. I closed Public Comment so we're going to bring it back to the Board for discussion and direction and potential changes so, I believe, Nancy, you moved on this first, so I'm going to give you the opportunity and we'll go back and forth and see if we can't flesh some of this stuff out. Commissioner McDermid?

Commissioner McDermid speaks:

Thank you. Well, again, as Chair of the Local Government committee of the TRPA governing board, all of the jurisdictions have been dealing with this issue. We've had lots of presentations. The City did a socio-economic study on

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the impact of Vacation Home Rentals in their city and their neighborhoods. I highly recommend you read that, it's about 150 some odd pages, but that is what they, to some extent, based their ordinance on. And I would like to state for the record that I am not against Vacation Home Rentals. What I am against is those Vacation Home Rentals negatively impacting our constituents who are here year-round. That's what I'm concerned about, because I do believe that too many Vacation Home Rentals in an area can destroy the community aspect of that neighborhood. So I'm going to go back to Mimi's potential amendments clarifications. While this may be for the Tahoe Township now, it is irresponsible on our part as Commissioners not to look at the rest of Douglas County. I appreciate Debra Lang coming, I appreciate the Carson Valley Visitor's Authority and also the Chamber of Commerce and the Lodging Association for bringing this up. Being someone who is in the lodging business, we do have to follow strict requirements and rightly so, but I believe one of our most important charges is public health and safety. Whether that's a resident or a visitor, and since tourism, as you heard earlier, is 62% of the economy on the South Shore, it's very important for our visitors to have a good experience, but it's also important for us as elected officials that are residents have a quality of life. So I do believe there should be a Life Safety Inspection in the Tahoe Township, that would fall to the Tahoe-Douglas Fire District and I think that they should work with staff to develop the checklist and Tahoe-Douglas should decide what the fee for that inspection is and they keep it. They're putting out the work, they keep it and that should be on an annual basis. Now the reinspection could be a lesser fee but they need to make sure that smoke alarms, carbon monoxide things, now up here we have radon, I mean, there are a lot of issues and so that needs to be... Increase fees, absolutely. I think, first of all, number one, we've heard something about private property rights. Vacation Home Rentals come under zoning, not private property rights. You have to have a Special Use Permit because you are taking what the land use and zoning in the residential and you're doing something different, so that requires a Special Use Permit. So I would want to make sure that the notification area is substantial. And also, as you know, Special Use Permits have specific findings that have to be met. So I do agree with that. I think it's important to have bear proof containers on Vacation Home Rentals; many of the people that would come in, wouldn't know what our requirements are, might not even know about the bears and so I think, you know, it's important that we follow making sure that the trash is well protected from the bears. Yes, there, I talk about occupancy and the reason I say I'm going to be going to a Vacation Home Rental in Alabama on a lake that supposedly sleeps 10 of us, it's just family, not going to wild party, it's a college graduation. So they say that it sleeps 10; I am going to be looking very carefully at every aspect of that. But you know, I'm just saying, I understand, now, try to get all of us into hotel rooms is little difficult, so I think that's, I think the occupancy is important. I think that goes along with knowing how that home is going to function. In the violation revocation section, yes, those need to be looked at; number one, I believe the City's new ordinance has what they call "three strikes". If you get three strikes, I don't know what the timeframe is, but if you get three strikes, you lose your Special Use Permit. If you have an "animal and trash" problem,

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that's considered one strike and \$1000 fine. Now, I don't know, we don't , you know the other thing, is we don't have near the number that are in the City of South Lake Tahoe. And to the young lady's question about how many affordable or workforce homes have been displaced in Douglas County, I don't think as many in Douglas County as in the City of South Lake Tahoe. Which if you saw the Tahoe Prosperity presentation, you saw what was considered a two bedroom one bath. We do not really have anything like that on the Nevada side. It's totally different. And what I would say is, yes, I think Host Compliance would be, is a way to go. I think one of the things too, I heard, Douglas County has water systems at the Lake and we should look as to whether we have Vacation Home Rentals on our systems and should we adjust the rate if it's a Vacation Home Rental. The other thing I think we have to find out, now, if your resident in your single-family home in that's how you're using it, you pay a property tax that assessed on that. But if you are going to change the use so that it's a Vacation Home Rental, what does that do to the property tax? It's now not just a residence but it's actually generating income, so is there a property tax difference there? And of course, the TOT is critically important and I just would say that getting ahead of this now and putting this ordinance in with teeth, as Mimi said, is really important because I'm sure those of you who live up here know that there will be a ballot question on the City of South Lake Tahoe's this November. And I appreciated the comment to get ahead of this; the City didn't really get ahead of it. They now have about 1400 but they had like 1800 before they started doing their research and everything but the residents have put out a petition and they got the signatures, and as I understand it, it will be on the ballot in November for those who live in the City of South Lake Tahoe to ban all Vacation Home Rentals and Airbnb's and they give them three years to have it done. I think that puts Douglas County, and to some extent El Dorado County, that means, where are those people going to want to go? So we need to get ahead of it for various reasons because it's the right thing to do, but also because we don't know what the future holds and I will say that I have heard from several people that some realtors, not all but some realtors, have said, "Oh yes, you can afford this house. You can, if you're not gonna be here, but a couple weeks, you can make it a Vacation Home Rental, and you can generate income and therefore you can afford it". Now that is not, and so as you heard one lady say, some people that are looking to purchase the property want to know if they can qualify to be a Vacation Home Rental, so this has really been an issue that has really caught fire in many places throughout the world are doing things quite different than they have always done, because this has changed the landscape. So I think I got all my things in but I'm anxious to hear from my fellow Commissioners.

Chairman Thaler speaks:

Thank you, Commissioner McDermid. Who would like to go next? Mr. Penzel?

Vice Chairman Penzel speaks:

Thank you, Mr. Chair and thank you, Mrs. McDermid for starting it off this way. First of all, I believe that a lot of the complaints are behavior complaints, but that we have the same kind of behavior with people that put their dogs out and they bark all day and then we gotta call the Animal Control. You know, 19

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young men in a room or a house with the booze, I think I know a little bit about that part, I've heard, anyway, from other people... That's a tough one; that's not good for anybody. Mr. Rice was talking about they had a party house and he told me privately that it slept 20 people; holy mackerel, I mean, that's a hotel then or at least a motel, or other things. Anyway, the point is it's also a problem with society. It traverses just, it transgresses not just Vacation Rentals; it's everywhere. Unfortunately, our way of dealing with it is to provide more fines and that kind of thing or pretty soon, I guess we'll have the Sheriff, if they're bad enough, we'll have them locked up in the hoosegow for a couple days. Somehow we have to change behavior. And I'm not sure that any of this really changes behavior, just makes it more expensive for that kind of behavior. Lighting a fire at the end of a cul-de-sac, I mean, give me a break. In amongst all the trees and they start a fire? We should do more than just fine them, you know, but we're not reaching that kind of situation, you know, unthoughtful and uncaring people. We need to reform that part of it. Having gotten on that soapbox, realizing that we're not going to cure the cancer here, what are the things that we can do? And Mrs. McDermid went through a good list of them. I would like to make a couple comments about them. First of all, parking up at the Lake and the Township is a problem everywhere you go, it has been. Most of the places that were up there, I used to live up at Tramway and I had a place that was four levels and would sleep 20 people, I suppose, just the four of us. But you know, you'd have to find a hook to put your car on; there's no place to even put snow, you know. We haven't addressed those issues well at all. Parking needs to be addressed as an issue. Snow removal needs to be addressed as an issue and yet we leave it to the GIDs to maybe work it out but they're not really working it out either. They have the same problem, just on a smaller scale and that means it goes to just the homeowners. But I think parking has to be addressed as a specific issue. In that regard, we talk, in your presentation, Ms. Moss, you talked that just if we did just one third of the amount of the ones you think could be licensed, that the return could be \$1.2 million. I think we need, if that is the case, I think we need to be able to identify where that money goes; if it goes to TOT, that's a restricted fund and do we want it to go into a restricted fund? And we had a presentation by the folks at TDTD (Tahoe Transportation District), the district doesn't have money, and even Mr. Feldman was talking about transportation is a problem, and of course, parking is a problem, but transportation is a problem. There's gotta be a way to put some of this money into transportation, both in streets and in public transportation. I don't see a clear path for that but I think we need to resolve that issue, or at least work on it. I thought that the gentleman that spoke to about the limiting under 50%, I think is a very valid point. I also think that one night rentals are an important point. I'm not sure that we need to approve it for one night rentals. I think we ought to have some kind of minimum stay requirement. I think the other part of this is that we have two groups. We have the groups that are managed by a management company; those homes seem to be accounted for or those places seem to be accounted for. The ones that we're having a problem with the ones that are, we don't know about because they're on the Internet and it's, I would put them in the class of VRBO (Vacation Rental By Owner) and Airbnb. Ironically, I attended the last

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presentation at the Tahoe Prosperity Group and that was an issue for them. They had the lawyer for Airbnb there and the lawyer said, "We're going to do all this; we'll make sure you get the TOT, we're gonna take care of inspecting the place..." They had a list of things they were going to do but their lips were also moving, so I'm not sure that we're going to get all the things they promised. Somehow I think our target initially should be the Internet rentals, the VRBOs, the Airbnb's, those kinds of folks. It seems to me like reading what Host Compliance put out, that they can do that. I can see that we could hire a Host Compliance to give us that information. I wouldn't want a long-term contract until I know how effective they are. So I'm not sure how long their thinking, but certainly, they're not coming to us for free either. So we gotta make sure it makes economic sense. The things that the fire marshal mentioned, incredibly logical, I mean, it makes sense on all those condos, especially up by Tramway where I was living at one point. We did have shared walls that, and the people living next door to us, they could have had a fire and left and never said anything to us because they were all renters. And so I know that those are our problems and we need to look at those and somehow incorporate that into what we're going to do. I would like to prevent any neighbor from interrupting the solace of another neighbor in any neighborhood, but that's virtually impossible. That should be our goal because that area that that persons living in is just as important as the area where the neighbors living and we should respect that. Somehow, behavior and respect have been lost in the total equation, if I can inject something into that, I would. But I think those are really important issues. What I don't want is I don't want what appears to be on the face of it, punitive restrictions that South Lake Tahoe has put in. I'm glad they're doing that because that will then put more rentals over here; that's only good if we can control the ones they cause to come over here. So I agree with Mrs. McDermid about moving forward. I think it is a problem and I'm glad that we're at least confronting it now. It's been a problem up here for really long time; I've been here for over 25 years and its always been a problem. So I think taking these positive steps is important. I appreciate what you've put out, and I appreciate the opportunity to examine it thoughtfully in this kind of a context and I would really look forward what my fellow Commissioners have to say on it.

Chairman Thaler speaks:

Thank you, Mr. Penzel; I'll go down the Commissioner Nelson and then Commissioner Walsh, you're up next.

Commissioner Nelson speaks:

Yeah, I just listened to Commissioner McDermid and I agree with everything she said. I think that this problem is not going to go away. We need to address it. We need to address it now. It's not ever going to get better, as far as I can see in future, so we need to address this now. I think that, you know, property rights are interesting, all of our rights that we're granted by our Constitution are interesting because they all have limits. And one of the things that goes with property rights is the right to enjoy that property and when somebody else is doing something that's prohibiting you from enjoying your property rights,

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that needs to be stopped. I think that this should require a Special Use Permit for this particular use, the properties, when it's in a residential neighborhood. I know for bed-and-breakfast, I think we require a Special Use Permit. I think this is almost worse than a bed-and-breakfast, personally. So why don't we require a Special Use Permit? And we need to notify the people around that this is going to be going on at this property, unless you come in and make a statement that you don't want this to happen in your neighborhood. I think that we have to be neighborly and think about the people we live next to and be concerned about their enjoyment of their property. The parking issue is a huge issue, from what I've seen, and I think that definitely needs to be addressed. As far as the number of people in the unit, I think two per bedroom should be the maximum; I don't believe in adding another four, just because you might have children, you know, and then they don't end up being children anyway, so what's the point? So I think that we need to do something and I'd like, I think the things you laid out here are good and when you compare what you're recommending to what South Lake Tahoe is currently doing, I think those are good approaches. So that's what I have to say on the issue. Thank you.

Chairman Thaler speaks:

Great points. Thank you, Commissioner Nelson. Commissioner Walsh?

Commissioner Walsh speaks:

Wow, I could hardly add anything to this, but great comments from all of you. First of all, I want to go on the record say I'm not against Vacation Home Rentals in the Tahoe Township; I will reserve comment for the Valley. Dave, that's a great idea about two per bedroom; I don't think we need for extra people, to allow for two extra people. I agree with parking; life safety is a very big issue with me. We heard from the Fire Department and they brought up some great comments. Mimi, I think you've done a great job so far and continue in the right direction with all of our comments. I like Host Compliance. I assume that if we contract with them that will be paid out of TOT? I can't believe some of the horror stories I heard about Vacation Home Rentals being next to somebody else's house or in the same block or whatever. That's pretty bad, so we really need to get ahead of this and come up with something that we all can live with. I understand punitive fines may be an issue with some of us, but we need to have some kind of penalty structure. And I guess that's it. Thank you.

Chairman Thaler speaks:

Thank you, Commissioner Walsh, let me, I know some of what I'm to say is somewhat rhetorical, but I need to add a couple, and I don't think anybody on this Board is against Vacation Rentals per se. The problem is we have new technology that makes it very simple to do, but this would be the rhetorical question is, why wouldn't we hold Vacation Rentals to the same standard we hold our hotel properties? They're both going to pay into TOT; why wouldn't we do that? And I'm not looking for an answer and that's somewhat rhetorical. I'm gonna work from the bottom of my list up. As I was taking notes and I know Nancy hit just about every nail that could be pounded into this board and I

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agree with that but I'm gonna add a couple more things. First of all, the reason you fine people is to gain compliance. I hate to say it; I was a cop for many years. The reason people drive fairly quickly on the freeways, they balance out driving 10 miles over the speed limit because they do the calculations and go, "Okay, if I get pulled over, it's probably gonna cost me \$125. Maybe I can slip that into my budget". Guaranteed, if that fine for speeding was \$1000, probably people would slow down cuz there's that value there. So you fine people to gain compliance or maintain compliance. Thank you. Here's an issue that I have been and if we look at it from the bare bones basics, when you buy a home, you buy a home and we talked about it, water consumption, I think Nancy brought this up and I'm gonna explore this a little bit more. We know that water consumption and we know the water master up there, the water engineer says, you know, two acre-feet per residence and then we get into now whatever comes in has to go out. The issue I have is that that two acre-feet, we know, is probably around half an acre, could be up to an acre foot but when you take a residential home and you now turn it into a commercial property, that, I hate to say it, toilet that only flushes five times a day for three occupants is now being, and I'm trying not to get this too low, but now it's gonna be flushed 20 more times. That was never the original intent of that property. So there's an issue there and granted, because I said that, I know a good colleague of mine will probably, that sits on whether it's on MGSD (Minden Gardnerville Sanitation District) or any of the other sewer districts up here, it should be an issue for them because the initial properties were never intended to be used as commercial. And this is a commercial use because you're taking money off your property. It was never, ever intended for that matter, so, and Nancy talks about it, we, the state of Nevada, changed our laws a couple years ago and said residential, the maximum you can be taxed on your residence, can increase every year is 3%, but a commercial 8%. So maybe there might be some appetite if you want to get into the commercial rental of your property. We may have to look at or the Assessors may have to look at the tax collectors; does that put that into the 8% category? And quite frankly, I've been racking at my brain trying to figure out why wouldn't it, because you're using a private property. And this is not a property rights issue; this is just about how you make it right. So I would argue that it would probably put it in the 8%. I honestly believe that if we were to move forward, and I believe everything and I know, Mimi, you've took notes, is that if compliance is all that matters, those that have good running VRBOs or Vacation Rentals, whatever term you want, those are the really good ones that we don't hear about. We don't get complaints. I don't think they're gonna have a problem with us adding a couple more regulations because they're not the ones that we're going after; we're going after the ones that tend to abuse the system. Let me give you an example, and I won't use names, but recently within the last two years, we had a hotel that just didn't pay their TOT. We found out, we went after them and now they're current. I think that's great. Well, guess what? You pointed out that there's 25 potential people out there, potential by your research, are running of VRBO, or, I hate using that term because its probably registered trademark, a Vacation Rental and we're not collecting any TOT. So, I Googled a little bit and I brought this up this morning at Visitor's Authority and I found it

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quite interesting that this is going on, I'm just gonna read a little bit of this. It says that "the Las Vegas City Council levied \$72,900 in fines on a homeowner who rented out a house on a Vacation Rental Website without a license, sending a strong message to people who disregard new short-term rental rules"; interesting. This was one; there was actually another one that the fine was over \$200,000, because these homes down in Vegas or any other big economy scaled homes, they're collecting a lot of money and what City Councils, and what places are doing going, "If you don't want to follow the rules, we're going to fine you". And quite frankly, now that we've pointed out that there are possibly 25 possible homes down in the Valley running illegally, you know, I'm kind of bothered by that because they shouldn't be doing that. It's kind of like we have a lot of ordinances on the book; we have ordinances about you can't drink unless you're 21, you can't smoke unless you're 18. We have a lot of ordinances on the books and fortunately, we have law enforcement that goes out and enforces those ordinances. But yet a Vacation Rental, we just kind of say, Well, how do we enforce that?" Well, I would argue that if we put our Code Enforcement, and I'm not saying we're going to, but we put our Code Enforcement Officer on those 25, their salary would probably take care of it, if it came back to us to fine those people for operating a Vacation Rental against our County ordinance. And that's more of a message to the DA's office, saying if we know there are ordinances out there being violated, I think we have the duty now to least investigate it. Here's the reason I brought it up, and I was a little bit reluctant to but I did, is that now we're on notice. We have 25. I bet you if I went on to a website and I probably could find those residences and I bet you if we went in and did similar to what we did with that local business, we could find out that they been renting and we could probably find out a couple years and my guess is they might even want to make a deal with us and say, "Hey, we'll stop doing this, we'll pay your fine and you guys, we'll help you get your ordinance straight." So that's my bigger concern is that we've got to start looking at this stuff, so, I will agree totally 100%. This is something that's coming fast because technology and what we need to do is look around, see how everybody else is doing it; we have the advantage here. Time is in our favor. I think we can put together two things. One, we can work on the Lake ordinance refining, defining and making it better. And then at the same time, we do need to look at it in the Valley, and I think Nancy, you said it best, it would be, what was the term you used, irresponsible for us not to look at the Valley too. And I can tell you that if I was a hotel property, I would be kind of concerned because I would be saying, "Why aren't you holding them to the same standards?" And that has to do with health safety, inspections, fire code, all that stuff because bottom line, I don't want a Vacation Rental to catch on fire and then all of a sudden, you know, maybe it's one of those 25 down in the Valley and people now are going, "You knew about it but you didn't do anything about it." So that's the unfortunate part about it, you knew about it but you didn't do anything about it. So I think and I'm gonna ask you, Mimi, a question and I was kind of leaning over to the County Manager, this is a big issue for staff to tackle and you've heard a lot from all of us up here. Do you feel that your staff can get all the information or I guess my question is, do you need help from, do you need help from, I know the Visitors Authority, the Chamber,

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both the Lake, the Valley, they'll work with you to make sure we come up with some of the, not only best ordinances, maybe the best regs, maybe the best stuff that you could bring back to this Board in a timely fashion. I guess my question is do you feel that you can do it and your staff or do you need help?

Ms. Moss speaks:

Based on the comments that I received today, I think we can bring a revised ordinance forward.

Chairman Thaler speaks:

And I would ask that you at least also reach out to, or let me guess, they're probably gonna reach out to you anyway.

Ms. Moss speaks:

We're going to have those discussions.

Chairman Thaler speaks:

Good, okay, so, I hope I didn't stir up, so I think I'm done, so I'm going to turn it back over to Commissioner McDermid.

Commissioner McDermid speaks:

Thank you. You brought up a good point and I don't think we have it in our ordinance, even that's in the Tahoe Township, if you are operating a Vacation Home Rental and you're not permitted, what is the penalty?

Ms. Moss speaks:

Right now, the penalty is you get like a warning for the first 12 months. It's very ineffective and that's why we want to move it into Title 20 under the enforcement side for public nuisance and have it follow that way and you can also include for fire violations, fire code violations as well. That's another step.

Commissioner McDermid speaks:

Well, the other thing is you brought up about Vegas, so I would assume, although sometimes NRS, if you're under certain population you have different requirements, but it might be worth looking at what Clark County's ordinance is, because I believe it's the Clark County that might have done it or it might've been a city, might have been one of the four incorporated cities in Clark County, but if we.. Sometimes you don't have to reinvent the wheel, or, you know, we might leave something out. Maybe there's something that can be a benefit.

Chairman Thaler speaks:

Thank you, Commissioner McDermid. Commission Penzel?

Vice Chairman Penzel speaks:

Since we're going down the fine route, I think that we ought to consider is an announcement that we are going to license all of the Vacation Rentals and that we'll put this license into effect in 90 days, 60 days, whatever timeframe the

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Board goes for and that there's a, I don't know, amnesty program for 30 days or 60 days where you can register it now and get it done and if you don't do it on the 61st day or whatever day, then the fine increases to \$50,000. Why not? Part of that is the tongue-in-cheek, but a lot of it goes to, I think it's hard to fine people in certain instances. For instance, for parking, which we all know is a deficit up here and we make no move to solve that problem. Maybe we take the fines and we apply it towards additional parking and we provide parking for certain areas. It doesn't, to me it does no good to put in your ordinance you can only have two people there and you can only have two cars if you can have four people that drive and you can only have two cars. What have we told him to do? Break the law? Because there's nothing else they can do; they gotta go hang it on a hook or they gotta go use a casino parking, which is wrong, or they gotta go park in front of their friends and that doesn't solve the problem, I don't think. I think we need to be able to make sure that there's adequate parking. And so it may be you start out by limiting the number of cars in your ordinance, but you also provide some way to create the capital to build the parking. And, you know, it may be based on TRPA (Tahoe Regional Planning Agency) and some of their very reasonable rules, you can't park anywhere. So then do we create a parking spot on the other side of Kingsbury Grade where they can park and then we have a bus system, in which case they're charged for that. These things have got to be responsive, in my view and realistic. And I just used the parking thing. I don't know about that, starting in the Valley, unless we have an amnesty program, if we wanted to do that. I think that you would, right now, we don't know exactly where we're going with this program; we haven't seen Host do it. That doesn't mean it shouldn't be done in the Valley but I do think we need some data that tells us how this goes before we expand the throughout the County with that. That'd just be my input.

Commissioner McDermid speaks:

Well, one of the problems with creating more parking is when you're in a residential area, you can't really do that. And the other thing is TRPA isn't going to allow it because it has to do with impervious surface coverage, which, no, that's not to happen. Most places have the ability to park one or two cars and if that, you know, is the case, if we go with two people per bedroom, unless you've got six bedrooms, you're going to be able to accommodate the number of people that could use that. So I think we just have to look at what is reasonable and go with that. One of the big concerns that has come up is getting an allocation permit from TRPA; Douglas County, if we're good children we get nine a year and in 10 years, just about, we would be built out if that happens, because we have 100, a little over 100, but not all of those are possibly buildable. So one of the concerns and one of the things TRPA has done is you cannot use an allocation to build a Vacation Rental because, not in Douglas County but across the state line, they were building, you know, 10, 11 bedrooms, they were expanding and building in order to be a Vacation Rental, and so we haven't had that on our side and we don't want that. So I'm just saying I think, and you may not to deal with it in the Valley but the reality is the Lodging Association down there and your Visitors Authority, they're saying, "Hey!", you know, "help us." It can't just be Tahoe; El Dorado County, it's not

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just the Tahoe portion that has Vacation Home Rentals throughout their whole El Dorado County. It's not just Placer County at the Lake. It's in Auburn, Grass Valley. It's in all those so while we may deal with it a little different at the Lake, the same principles, as far as the residential areas, still apply. Nobody in the Valley that lives in a residential area wants to, as many of the Commissioners have said, want to be able to enjoy their property. And so, it doesn't matter, you know, you can be in a desert and you want to enjoy your property in the desert and if right next to you is a party house, that might make it difficult for you. So, I'm just saying that Tahoe may be the destination but look, the Visitor's Authority and the Lodging properties and the Chambers, they're advertising. They're using that TOT money to bring tourism here and I will tell you that there is a great connection from the Lake to the Valley in terms of tourism. So if that's the case, someone could rent a place in the Valley and easily get up to the Lake.

Chairman Thaler speaks:

Thank you, Commissioner McDermid. We'll just bring this, wrap this all around, on a, just a final note, because what always happens is whether people are sitting here watching us or watching us on TV sitting in their home and they're going, "You know, this is a property rights issue. This is a property rights issue and this is government control." And you know, by gosh, sometimes, I hate to say that, sometimes government does have to control. And I'm thinking through my mind, so I live in a residential neighborhood and let's say I wanted to start selling liquor out of my house, I want to open liquor store. I can buy it pretty cheap and I start selling liquor. Well, there's rules that says I can't do that. Well, wait a minute; it's my house, why can't I sell liquor out of my house? Or maybe I want to start a little gaming operation in my garage and that's a property rights issue. I could probably make a lot of money with little game, put a couple slot machines in the garage and you know, people are gonna get upset, but that's how, I hate to say that, but that's how these things get fabricated and we do need control to a certain extent. We know this is nationwide. Personally, I think there should be some, these websites that allow it, I think we need to hold them accountable. I've been told that there are some websites that they don't even ask if, is there an ordinance prohibiting this and they just allow it. I personally believe that if one of those websites doesn't ask that question, they're culpable but that's me. I'm not an attorney. I think that's wrong. They, one of the first questions they should say, "Is it allowed?" Because if they allow it and it's against the law, let's face it, it's an ordinance, the ordinance allows it up here, it does not allow it anywhere else in the County, so we need to fix this. I appreciate all the good comments. Mimi, I hope you got enough here to move it to the next level. I apologize, but I think this was an issue that probably really needed to be discussed. Thank you, Nancy, for pushing it. And thank you for all the Commissioners for put your input out there. This is an issue that I'm sure sits heavily on everybody's mind but let's see how we can logically get through it and hopefully it wasn't, it was more, I think, direction you were looking for and I don't know that you need a motion but I think you got enough out there that we can start pushing it forward and guaranteed it won't fall off our radar screen and what else you need from us?

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Ms. Moss speaks:

I've gotten everything I need for today, so thank you very much, and more,

Chairman Thaler speaks:

Okay, any other final comments from the Board? If not, don't go anywhere. We've still got one more item. So it's snowing out there so will finish up with 11 and move into Item 12.

<b>RESULT:            FOR PRESENTATION ONLY.</b>
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**HUMAN RESOURCES**

**12. For presentation only. Presentation and discussion on the current status of Douglas County's self-funded worker's compensation program. (Wendy Lang)**

Wendy Lang speaks:

Good evening, Chairman Thaler, members of the Commission, Wendy Lang, Douglas County Human Resources, and with me, right behind me, are members of the Human Resources staff, Cecilia Meyer and Whitney Lehr, who are the ladies who do a phenomenal job of managing this program. So as you may recall, Douglas County elected about a year ago, or just under a year ago, to begin a self-funded Worker's Compensation program effective July 1 of this current fiscal year and we wanted to bring back to you an update on the program, how it's doing and if that was a good decision so far. Just a little bit of background about self-funding and Worker's Compensation, a self-funded plan is one in which Douglas County assumes the financial risk for providing Worker's Compensation benefits to our employees. In practical terms, as a self-insured employer, we pay the cost of each claim out-of-pocket as they are incurred instead of paying a fixed premium to an insurance carrier. Douglas County has chosen to self-insure our Worker's Compensation plans because it gives us more opportunities to control costs and ensure our injured workers are receiving timely and proper care. Under a self-insured arrangement, we also pay claims as they are incurred, as opposed to paying costs upfront in the form of commercial insurance and this pay-as-you-go approach does maximize cash flow in theory. Douglas County protects ourselves against unpredicted or catastrophic claims by having sufficient financial reserve to cover virtually any amount of claim and we have also purchased what is known as an excess or self-insured retention for claims about a specified dollar amount and we do subcontract the administration of the individual claims to a third-party administrator, CCMSI (Cannon Cochran Management Services Inc.), in our case. So how are we doing? This slide shows you nearly four years of history for comparison. So far, we are doing well in the current year; previous years claims that are still open, remain with our previous insurance carrier. So one of the benefits to moving to the self-insured program, was a fresh start for Douglas County. We are still involved with employee wellness and return to full duty, but we are not fiscally obligated to those claims, so just as total of costs and

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claims over the past few years and current year is up through January 31. Yes, go ahead, please.

Vice Chairman Penzel speaks:

The total outstanding reserves, is that what you've got as set aside because the claim hasn't been fully paid?

Ms. Lang speaks:

That is correct. Yes, that is what the third-party administrator has identified as reserves as potential or likely costs that would be expended on those claims.

Vice Chairman Penzel speaks:

So you have, in addition to this, we're paying a third-party administrator?

Ms. Lang speaks:

That's correct, yes.

Vice Chairman Penzel speaks:

What do we pay them?

Ms. Lang speaks:

We pay them a flat rate as well as a per claim administrative fee.

Vice Chairman Penzel speaks:

Is that rolled into the claim?

Ms. Lang speaks:

It is not rolled into the actual claim expenses. It is represented here in this roughly \$36,000 that we've spent this year and I actually break down that in the next slide, if I may? This slide here on the far left shows the expenses and fees. Those are the expenses and fees associated with administering the claims that we pay to that third-party administrator. Again, this slide breaks down of the \$36,000 roughly that we have spent by the dark column, what we've spent and by the lighter column, what has been reserved and in what areas of claims those funds are going towards. So the first set is an expenses and fees. The first where we spent expended no money is Permanent Partial Disability Indemnity as Total Disability and then the actual, I'm sorry, the Total Temperate Disability and then the actual Medical Expenses, which you can see is the largest concentration of where funds are spent in such a program. These expenses, of course, just outline actual costs and not any kind of administrative or overhead costs, aside from the fees directly associated to each claim. This is the Program Budget that was outlined when we made the decision to go self-funded, what the cost would be for the claims that was actuarially estimated, that we plan for \$600,000 a year and claims were obviously far below that in this year. The Self-Insured Retention Insurance, which I spoke about earlier, is once a claim reaches a certain dollar threshold that kicks in; there is a premium associated with that. Third-party administrator fees, this is the estimated "not to exceed" figure, because a lot of

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those fees are based on the claims as they are incurred and paid. A surety bond for the state of Nevada to bond us and allow us to be a Worker's Compensation Self-Insured Program and then we've contracted for some of the Risk Management Services and the knowledge from Carson City, which is where Cecilia actually works for, and she lends those services and her expertise to us in this program. So those were, there was also staffing changes to the District Attorney's Office and HR (Human Resources) office that we reorganized in order to manage the program, but I'm going to focus on the Program Budget, itself, as I compare. The third green line, what we budgeted for 17-18, of, \$851,000 we've actually spent just over \$206,000 in total and are projecting that for the full fiscal year at \$256,000. As I said before, we've had a good year so far, knock on wood. We don't have any current heart-lung claims, which would be significant expenses to us, but overall, I think it does show, comparing in particular to the blue lines of the premiums history that we've paid when we were fully insured, that we have made a good fiscal decision so far. This slide outlines the reserves that the County needs to build and have as a self-insured company carrier because we potentially would incur major expenses or significant claims in future years. It's intelligent to have a reserve fund built up. When we initiated the program, we were at just shy of a million dollars specifically in Worker's Compensation reserves. The current reserve amount with this year savings is on track to be about \$1.2 million and but a target for a well-funded program would be approximately \$4.5 million, each years savings versus budgeted amount builds towards that target of reserves. But additionally, today you've approved an item, and there are some tentative budget recommendations that will be coming forward towards you that can help us to achieve this goal sooner rather than later, and I look for to hearing more about that in the budget process.

Chairman Thaler speaks:

And what you don't have in there is what we talked earlier, the \$1.8's, we're actually at \$3 million and change, so we're getting really close to that \$4.5.

Ms. Lang speaks:

Yes, exactly. This slide is just a factoid for you; and no flags or concerns here, but just a demonstration or picture, if you will, of where claims have come up this year by location. It's what you would expect; the departments with the largest claims experience our 24/7 operations, larger departments, larger staffing and departments with greater risk factors. This slide talks about the medical claims that we've received this year, which is 26 as compared to the report only, or incident only claims. Less than half of actual incidents have resulted in claims, is what this tells us. Those incidents are helpful because of the way that the law works its necessary to report incidents or potential claims of injury right away; it's also a valuable learning opportunity for the organization. I think that this tells us that our training has been effective because we are learning of those situations as they come up and are able to address them. So finally I just wanted to highlight some program improvements that have been made since we've moved to Self-Funded Worker's Compensation that are not necessarily financial. We review the claims each month with the

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County Manager, the Risk Team, if you will. The Safety Committee also reviews claims, not so much by claim but by types of claims and trends of claims that we're seeing so that we can work to mitigate those in the future. Our claim expenditures have reduced; part of that is because of our strong Return to Light Duty program having injured workers back to work, has proven time and again effective for the organization and the employees healing. Subsequent injury questionnaire is just an opportunity for State funding assistance and that is something that we are ensuring we collect information on so that if those opportunities do arise, we can take advantage of them. We've had training with all of the supervisors throughout Douglas County. We continue to monitor the pre-existing claims that are not part of our self-funded insurance. We've had opportunities to review all of our postings and reporting are in compliance and as effective as possible and we've also increased communication with our injured workers departments and our third-party administrator. And with that, I'm available for any other questions that you may have.

Chairman Thaler speaks:

Thank you, Ms. Lang, great presentation. Questions from the Board? Seeing none, this was for presentation only. Keep up the good work. I know it's not really hard and I know the Colonel next to me remembers the days when you're in the military and you had that little sign that you walked in and there was 3463 days without an injury, and then you had that one that did and then you start all over again and go back to zero and it's always frustrating. But again, whatever you guys are doing and I'm knocking on wood, that whatever you guys are doing is working great. I think our goal, obviously, is to get that reserve up to that \$4.5 million; we're getting there. We just did some stuff, we're going to be there and I know there will be a little bit of a breath of relief when we get there. But great presentation, thank you.

Ms. Lang speaks:

Thank you very much.

**COUNTY MANAGER**

**13. For presentation only. Reports/updates from County Commission members concerning the various boards and/or commissions that they may be a member of or a liaison to or meetings/functions they have attended. (Lawrence Werner)**

Commissioner Nelson speaks:

Yeah, I did have a meeting this morning with the Nevada Tahoe Conservation District. The State has a new program manager. Her name is Bettina Scherer and we're going to be working closely with her on all the projects that we need help with. So that was good news.

Chairman Thaler speaks:

Thank you, sir. Commissioner Walsh?

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Commissioner Walsh speaks:  
I have nothing to report.

Chairman Thaler speaks:  
Thank you, sir. Ms. McDermid?

Commissioner McDermid speaks:  
Well, most of what I could report we covered with the trash and with the Vacation Home Rentals. Those are getting a lot of attention by people up here and are taking it to TRPA (Tahoe Regional Planning Agency). TRPA believes it is a local government issue and does not want to be put in the position of dealing with either, so they passed it off to the local government committee and we have worked that. I did have a good NACO (Nevada Association of Counties) meeting in (Washington) DC. I met with all of our representatives and you know, it's going to be an interesting year.

Chairman Thaler speaks:  
Thank you. Commission Penzel?

Vice Chairman Penzel speaks:  
Two things real quickly; first is that we had a meeting of the coalition and one of the issues on the subcommittee for local government was the affordable housing. It's a problem throughout the state. One of the things that I suggested they should start looking at is how the regulations hem us in. For instance, what can we do with the Nevada Rural Housing to actually get something done as opposed to giving them our bond cap and it moves somewhere else. And so, I don't know if they'll take that up or not. Then the other thing was the CWSD (Carson Water Subconservancy District) has been working on a lot of things and they are going to pay for two river incursions by the Carson Valley Conservation Agencies. It's gonna be approximately \$300,000 that they're going to put into it, but I would, as a future item, we still have some river things that have to be funded, and so more along the line as we do the budget, that should be, my guess is that we're gonna need another \$200,000-\$ 300,000, so I don't know how we'll work that in the budget because we have a lot of demands and limited money.

Larry Werner, County Manager, speaks:  
To that point, I've asked them to, the water, that's the conservation district, to kind of give me an idea of what they want to do, so we're kind of been playing tag back and forth but asked if they could identify what they really needed and what kind of programs then we can certainly do that, but I haven't had that yet.

Vice Chairman Penzel speaks:  
Okay, and that I would tell you the Virginia Allerman Ditch Company has some requests, as does Mike Case, that were not filled.

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Mr. Werner speaks:

Mike Case is the one that I've been talking to.

Vice Chairman Penzel speaks:

I'm sorry, I thought that you talk about Water Subconservancy.

Chairman Thaler speaks:

Yeah, I would agree with Commission Penzel on it. I think it's coming because I, both Barry and I work pretty close with the river people, I call them river people but I don't know if that's a good term. That sounds weird, doesn't it? Expect that it's coming real quickly. If you all remember last month, my fellow Commissioner Penzel went up under Public Comment, talked about the security in the schools. I can tell you since that time, I have met with the Chairman of the School Board. We, both of us have gotten together and we're looking at planning a joint meeting between the School District, the Board of County Commissioners and that will include also the Sheriff's office and also reach out to the Courts. And right now, not asking for anybody, other than to get the County Manager, to start pulling this together. We would most likely be looking at meeting down at the Senior Center because we'll pull this all together and I'm gonna ask you to start working on it. April 11 is fairly quick. I'm not sure if we can get notices out by then, but April 11 and what, the reason I'm doing it is, we're on for a joint meeting with the School District and us and the Sheriff's office; we're on a short timeline with their Board and getting every one of them together, so I know it makes it really quick. The item would be just simply a roundtable discussion.

Mr. Werner speaks:

I will reach out again; I have reached out, actually Commissioner Penzel asked me several times, to the superintendent.

Chairman Thaler speaks:

So, the Chairman of the School Board and myself are pulling this together. His superintendent, just like our County Manager, works for a board. I know it's a quick timeline but we're trying to pull this together and just look at some dates and again, it's all we're simply trying to do is a roundtable discussion similar to what the governor did at the state level; kind of update the public on what's going on in the schools. The Sheriff, invite them do a little presentation on the School Resource Officers, the importance of School Resource Officers and it simply to come together collaboratively between the School District and the Board of County Commissioners and pull in the Sheriffs and the Judges so that we can just set around the table and talk and then receive public input and in mostly just let the public know what we're doing. I think that's what you asked for, Commissioner Penzel.

Vice Chairman Penzel speaks:

Thank you very much for taking on, Mr. Chair. I appreciate that.

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Commissioner McDermid speaks:

And also on April 10<sup>th</sup> at the CVIC, Eric Nielsen is putting on the Johnson Lane Drainage Master Plan at 5 o'clock.

Chairman Thaler speaks:

Okay, that being said, I'm going to open this up for final Public Comment. Dennis? All right, you're good. Final Public Comment is now closed and I will thank every member and wish you a safe trip over the top of the hill. Please drive safely. We haven't looked out but my guess is there's some snow up there. I'll adjourn this meeting; thank you.

**CLOSING PUBLIC COMMENT**

None.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 6:49 p.m.

Respectfully submitted:

\_\_\_\_\_  
Steven J. Thaler, Chairman  
Douglas County Board of Commissioners

ATTEST:

\_\_\_\_\_  
Kathy Lewis, Clerk-Treasurer