

**TRUCKEE MEADOWS FIRE PROTECTION DISTRICT
SIERRA FIRE PROTECTION DISTRICT
RENO CITY COUNCIL**

JOINT MEETING

MONDAY

8:30 A.M.

SEPTEMBER 10, 2012

PRESENT:

Bob Larkin, County Commissioner and Fire Commissioner, Chairman
Bonnie Weber, County Commissioner and Fire Commissioner, Vice Chairperson
John Breternitz, County Commissioner and Fire Commissioner
Kitty Jung, County Commissioner and Fire Commissioner

Robert A. Cashell, City of Reno, Mayor
David Aiazzi, Reno City Councilmember
Dwight Dortch, Reno City Councilmember
Pierre Hascheff, Reno City Councilmember
Jessica Sferrazza, Reno City Councilmember
Sharon Zadra, Reno City Councilmember

ABSENT:

David Humke, County Commissioner and Fire Commissioner
Dan Gustin, Reno City Councilmember

The Board and the Council convened at 10:09 a.m. in joint session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, with Mayor Cashell presiding. Also present were Washoe County Chief Deputy Clerk Nancy Parent, Washoe County Manager Katy Simon, Washoe County Legal Counsel Paul Lipparelli, Reno City Clerk Lynnette Jones, Reno City Manager Andrew Clinger, and Reno City Attorney John Kadlic.

12-185F AGENDA ITEM 3 – PUBLIC COMMENT

Agenda Subject: “Public Comment (three-minute time limit per person) - (Additional Public Comment on specific agenda items will be limited to three-minute time limit per person after each agenda item and must be related to the specific agenda item.) Comments are to be addressed to the Chair of the meeting and to the Board of Fire Commissioners for the Truckee Meadows Fire Protection District and Sierra Fire Protection District and Reno City Council as a whole.”

Jeffery Church stated the City of Reno’s Staffing for Adequate Fire and Emergency Response (SAFER) Grants were meant to serve both the City of Reno and Washoe County. He believed since there had been no amendments or waivers to the SAFER Grants, the City needed to comply with them as they were written if the City wished to continue receiving them. He stated at the last meeting he was told to get his

facts straight, but he stood by what he said. He urged the City of Reno to comply with the SAFER Grants, because losing them would be catastrophic.

12-186F AGENDA ITEM 4 – AGENDA

Agenda Subject: “Approval of Agenda – SEPTEMBER 10, 2012. (For Possible Action).”

There was no public comment on this item.

On motion by Councilmember Zadra, seconded by Commissioner Weber, which motion duly carried with Councilmember Gustin and Commissioner Humke absent, it was ordered that Agenda Item 4 be approved.

12-187F AGENDA ITEM 5

Agenda Subject: “Staff Report (For Possible Action): Discussion and potential direction to staff regarding reconciliation of certain financial issues existing under the First Amended Interlocal Agreement for Fire Service and Consolidation for previous fiscal years, otherwise known as "True-Ups". Discussion may include, but is not limited to, engaging the services of an arbitrator and/or other direction to staff for the purposes of resolving such financial issues.”

Mary Walker, TMFPD Financial Consultant, said the District received a bill on March 6, 2012 from the City of Reno in the amount of \$1,084,720, which was a unilateral and retroactive change in policy and did not conform to the terms of the Interlocal Agreement. She advised the Interlocal Agreement only referred to the year-end true-up of any savings and how those calculations would be done, but it did not allow for any unilateral increase in expenses charged to the District. She said there was also a concern regarding the timeframe of the true-up, which was specified in the Interlocal Agreement as having to be done the year after the City’s annual financial report was completed. She stated for example, the true-up for Fiscal Year 2009/10 would occur in 2010/11 with the City of Reno paying the District its proportionate share of the savings, which would allow the City time to budget for the payment. She advised the actual calculation for Fiscal Year 2009/10 was not done until December 8, 2011.

Ms. Walker said Reno’s bill was a retroactive change to the Interlocal Agreement, but no changes were ever approved by the Reno City Council or the Board of County Commissioners. She stated the bill dealt with errors in the City of Reno’s cost allocation plan. She said the cost allocation charges were numbers the City gave to the District and the District had paid its share (23.8 percent) of those charges for 11 years. She said she had documentation from the City of Reno from 1999 showing the original cost allocation charge came from a study the City did. She stated the City never updated those cost allocation numbers during the time span of the Interlocal Agreement, but every year that charge was increased by inflation and if there were changes in staffing, the

District would pay its proportionate share of those increases. She said this practice was agreed on for 11 years, and it was the City's preferred method.

Ms. Walker advised that most jurisdictions only did a financial cost allocation study every few years due to the expense. She said in between studies, the cost allocation charges were typically increased by inflation and staffing changes. She said the methodology used by the District and the City was in line with what a lot of local governments used when they could not afford to have a study done every year. She stated the City of Reno advised in Fiscal Year 2010/11 that it wanted to charge a different cost allocation amount due to a math error, but there was no math error. She said changes could be implemented if a new cost allocation study was done. She stated the District's staff agreed to use the City of Reno's new methodology going forward for Fiscal Year 2011/12, because there would be an updated study and the District could plan and budget for the increase. She said there was never an agreement regarding retroactivity, especially since the City wanted to go back to 2009/10, which was three years after the District received the bill, budgeted for and paid.

Michele Hobbs, Reno Fire Department Administrative Services Manager, said part of the bill for 2009/10 and 2010/11 was due to an indirect-cost allocation miscalculation. She stated it was not about a savings calculation, but an incorrect payment calculation. She said when staff met in the fall of 2010 to negotiate the new Interlocal Agreement and the cost methodology, it was found the indirect-cost application had been incorrect for a number of years. She stated documentation was provided, and it was agreed the indirect cost adjustment to the payment calculation would be addressed. She said the County's concern when this was found was the idea of going back to the inception of the contract. She stated back then the District's proportionate share included the indirect costs. She said the first year was agreed on and the Consumer Price Index (CPI) was applied starting with the second year. She stated in 2004/05 the City's indirect costs plan was redone, and there was documentation showing the indirect costs exceeded what the County was paying. She said there was a verbal agreement the difference would be addressed through a true-up.

Ms. Hobbs said Reno's staff was willing to sit down and discuss the true-up this spring, but they were told the County felt the Interlocal Agreement only addressed any savings. She stated there was accepted and acknowledged issues regarding the contract payment due to the indirect costs not being applied correctly, which was agreed to by the staff of both entities during negotiations, and there was a verbal agreement to address it through the true-up mechanism. She said Reno staff believed the billing stood and the contract was clear regarding what the District should pay Reno for fire services. She said unfortunately the amount paid was too low.

In response to the call for public comment, Jeffery Church stated he understood the City of Reno's Staffing for Adequate Fire and Emergency Response (SAFER) Grant for \$1 million was not put into the consolidated fire budget, and he asked if that would change any of the issues being discussed. He asked if there was a three-year statute of limitations on any past debt. He said there was an Inspector General

investigation regarding the SAFER Grant, and he provided the contact at the Federal Emergency Management Agency (FEMA) if anyone had any questions regarding his allegations.

Councilmember Dortch asked what the under billed amount was. Ms. Hobbs replied it was \$3 million over the term of the contract. Councilmember Dortch asked how the City should move forward. Tracy Chase, Chief Deputy Reno City Attorney, advised the Council could have staff look through the contract to see what was legally owed and to do a demand just like the District did with the City of Reno. She stated the contract did not require binding arbitration, because binding arbitration was a permissive clause in the contract. She stated if no resolution was reached, the two issues could be taken to court for a decision.

Councilmember Sferrazza said the problem with using arbitration was there was no number to look at because the positions of the two staffs were different. Ms. Chase said from the City's perspective it was a payment calculation error and not a true-up of the savings. She acknowledged the savings true-up used whatever the District paid that year as part of the formula, but the amounts charged to the District would have to be looked at to see if they were accurate. She said the City should be able to go back and correct the financial accountings for the payment calculations. She stated how many years the City could go back would be a legal issue. She advised the binding-arbitration provision was in the contract for when the parties wanted to resolve issues, but those types of issues never came up and the binding-arbitration provision was never used. She explained the binding-arbitration provision provided for the District and the City to each pick a representative, who would then pick a third representative. She stated because this was an accounting and a legal issue, staff was recommending the City Council direct the City's legal counsel to pursue the appropriate remedies.

Councilmember Sferrazza asked Ms. Walker to clarify the County's position. Ms. Walker said she was part of the negotiating team for the original contract. She stated the payment the District made to the City would be based on the upcoming budget, and every spring an agreement would be reached on the dollar amount the District would pay the City for the coming Fiscal Year. She said the City wanted the payment based on the budget, but she had wanted it based on actual costs. She stated the Reno Fire Chief wanted one budget, which meant the monies would be comingled. She said since the payment was based on the budget, the City said there needed to be a true-up at the end of the year for the actual costs in case there was an error in the budget or over expenditures that would allow charging the District for the actual costs. She said the District's response to the City was the City was in complete control of the budget and the District was not. Councilmember Sferrazza felt that was the same situation as for Animal Control where the County did an indirect cost allocation, which was also done by the City for all of the City's departments. She stated errors did happen. Ms. Walker said the District supported using new cost allocations studies, but no studies were done for 11 years. She said there was no provision in the Interlocal Agreement for the City to come back and bill the District for any increase in costs. She noted there was only a provision to share the savings at the end of the year.

Councilmember Sferrazza stated staff had been meeting for two years and had not been able to resolve the true-up issue. She said because of that disagreement, she did not see how arbitration could move forward until there was a legal interpretation of the Interlocal Agreement. Ms. Walker acknowledged it was a legal dispute.

Councilmember Sferrazza asked what the error was. Ms. Hobbs replied the error was in the indirect cost allocation. She explained each year every City of Reno department was charged for indirect costs for all of the support services which supported the City's various departments. She said in 2004/05 the City's indirect cost allocation was redone. She stated the 2004/05 indirect costs for the fire department were almost \$2 million and the District should have paid 28 percent of that amount. She said what was allocated in the cost payment calculation was 28 percent of \$1.2 million, which meant approximately \$210,000 was not correctly charged to the District. She also provided the figures for 2009/10 and 2010/11. She said when the study was done in 2004/05, the indirect costs went up significantly because a consultant helped the City adjust its base amounts. Councilmember Sferrazza recalled those indirect costs were always a year behind, and she asked how the numbers could be calculated. Ms. Hobbs said the costs were always a year in behind, but basing the costs on the prior year was the best way to allocate the costs for the next year. Councilmember Sferrazza stated there would always be true-ups because there was no way to know what the indirect costs would be because of the year lag.

Ms. Hobbs said Ms. Walker stated there had never been adjustments for errors in calculations before. She stated there was an error in 2007/08 where the City paid too much. She said when the City came back before this Board in Fiscal Year 2009/10, the payment calculation was adjusted for Reno savings due to Reno browning out stations. She said because the District's service level was not impacted, the District was paying a lower payment and in 2009/10 the District's payment was adjusted as was the 2007/08 payment. She stated the Interlocal and the formula did not address Reno reducing services and making those types of adjustments. She said contract payment adjustments were made, so there was a history of that being done.

Commissioner Breternitz said a method of dispute resolution needed to be decided. He believed there could be a binding-arbitration resolution within four to six months, while a court case could take two to three years due to the possibility of appeals. He said the arbitrators could bring in consultants for legal advice and the arbitrators could handle this. He said he supported whatever the County decided, but the idea of dragging this on for two to three years was not the right thing to do for the people who lived in Washoe County. He stated he supported going with binding arbitration to resolve this issue.

Katy Simon, County Manager, clarified the question was not about doing the indirect-cost allocations, but the ability to apply them retroactively when the District paid the amounts submitted by the City in good faith. She said there was a change in City's methodology in doing the indirect-cost allocation, which the City would apply

going forward. She acknowledged the County also applied indirect-cost allocations but, if the methodology was changed, it would only be applied going forward because of the appropriation authority requirement. She agreed this was a contract dispute and questioned if the indirect costs could be applied retroactively without there being a change to the Interlocal Agreement.

Councilmember Aiazzi asked what the District paid currently in indirect costs to the County. Ms. Walker said for Fiscal Year 2011/12, the District paid zero in indirect costs to the County. Councilmember Aiazzi asked if all of the County staff present today were paid out of the General Fund. Ms. Walker replied that was correct. She said there was a contract between the District and the County for the District to provide fire service to the County and the County provided the District with all County services in exchange. She said starting this year all of the expenses in serving each other would be calculated and reviewed at year's end. Councilmember Aiazzi said the County's General Fund subsidized the District for the past 11 years. Ms. Walker said because the District had been servicing the County's area north of Township 22, it was a quid quo pro exchange.

10:50 a.m. Councilmember Zadra left the meeting.

Councilmember Aiazzi said the Arrowcreek fire occurred a week after the Interlocal was signed in 2000. He stated if Reno spent \$2 million to fight that fire in the unincorporated area, there was no mechanism for Reno to recoup that money. Ms. Walker said the District had operational funding set aside for wildland fires at the time of consolidation in 2000, and it was transferred over to Reno as part of the consolidation. She stated for the last 12 years, the funding provided to Reno was equal to one large fire per year or two medium size fires, which was based on the length of the fires. Councilmember Aiazzi asked what if there were three large fires. Ms. Walker replied the District would pay for the other two fires. Councilmember Aiazzi asked how far apart the District and the City of Reno were. Ms. Walker stated the District's position was there was no bill due to the City of Reno. She said the City's bill included around \$800,000 for fiscal year 2009/10 including retroactive increase in costs, and around \$200,000 for 2010/11. Ms. Hobbs explained the details of the bill.

Councilmember Aiazzi said the indirect costs would be \$3 million if they were redone to the beginning of the contract. Ms. Hobbs concurred, but said she felt all of the pieces of the contract payment should be looked at if the decision was made to go back that far.

Councilmember Aiazzi suggested making a decision on what to do right now, which would save everyone the cost, time, and trouble of going to court. Commissioner Weber said she was not sure an agreement could be reached right now because the City of Reno wanted the true-up to be redone for the length of the contract. She said the true-up had been discussed by staff, who reached a verbal agreement, but unfortunately the elected officials were not made aware of what was going on. Councilmember Aiazzi stated he did not disagree. He said an agreement was just signed

regarding redevelopment where it was decided to not go back for so many years. He suggested throwing out some numbers and getting it done.

Paul Lipparelli, Deputy District Attorney, said if litigation regarding the Interlocal Agreement moved forward, it would be necessary for the parties to put all of their claims against the contract into the litigation or those claims would be lost. He stated that would include any disputed issues such as equipment returns and any other issues governed by the relationship between the parties. He felt that supported Commissioner Breternitz's concern that litigation would be complicated and lengthy.

Chairman Larkin felt any agreement today would be outside the scope of what he felt comfortable with due to the complex issues involved. He believed entering into binding arbitration would better serve the citizens of Washoe County. He said that way all of the factors and legal ramifications would be placed on the table instead of dragging it out in court. He stated he was willing to live with the results of binding arbitration whatever those results were. He said it limited the issues, which could really expand during litigation and would not serve the citizens of Washoe County that well.

Councilmember Dortch made a motion to direct staff to pursue legal remedies for the entire amount over the entire term of the contract. He said that did not mean there could not be settlement negotiations if the County was ready to come to the table with some options. Councilmember Sferrazza seconded the motion. She said she supported the motion because staff worked on this issue for two years without resolution, and there needed to be resolution because it represented a substantial amount of money to Reno's taxpayers. She agreed with Councilmember Dortch about remaining open to working with the County.

Ms. Simon said she mentioned earlier to Andrew Clinger, Reno City Manager, the groups might consider to voluntarily choose one arbitrator, which might expedite the process.

Councilmember Hascheff asked if the motion would come back to the City Council for discussion on an agenda item regarding what options were available or was a decision being made right now to go to court. Councilmember Dortch said the motion was giving permission to legal staff to move forward, because he understood they believed going through the courts was the way to go. Ms. Chase agreed.

On a call for the vote, the vote was 4-2 in favor of the motion with Councilmembers Gustin and Zadra absent.

Commissioner Breternitz said he supported using binding arbitration because it would be in the best interest of the people in Reno and in the County. He stated since there was a vote by the City to go through the court system, a motion for binding arbitration would not work because one of the parties chose another process. Commissioner Weber said if such a motion passed, the City might reconsider their motion.

Commissioner Weber made a motion to refer to binding arbitration the dispute between the Truckee Meadows Fire Protection District and the City of Reno concerning true-up of Fiscal Year 2010/11 as set forth in Sections 11.1.1(h) and 11.1.3 of Amendment No. 1 to First Amended Interlocal Agreement for Fire Service and Consolidation and to include possible true-up disputes for Fiscal Year 2011/12 with the arbiter to be a mutually selected single arbiter who may also decide whether to reopen Fiscal Year 2009/10 for the purpose of considering that year's true-up dispute. The motion was seconded by Commissioner Breternitz.

Chairman Larkin asked if the motion was legally sufficient. Mr. Lipparelli said he believed the motion comported with the public notice in Agenda Item 5.

Commissioner Jung said she supported the motion with the hope that while the City of Reno was exploring litigation, everyone's mind would be open for a possible settlement. Mayor Cashell said it did not mean the two entities could not sit down and negotiate while the litigation was being pursued. He said that was done recently with redevelopment and that worked out fine.

On a call for the vote, the vote was 4-1 in favor of the motion with Commissioner Humke absent.

Councilmember Aiazzi made a motion to settle the true-up for \$750,000 for all of the years of the contract. The motion was seconded by Councilmember Hascheff. Councilmember Dortch said the true issue was \$1,084,720 was owed from Fiscal Years 2009/10 and 2010/11, which the County was aware of all along. He questioned suddenly giving them a \$250,000 discount. Councilmember Aiazzi stated settling up today would mean not having to go to court or to arbitration. Councilmember Dortch said the potential impact of the litigation could be \$3 million. Councilmember Hascheff said the redevelopment number was a big number, but everyone reached a resolution on it.

On a call for the vote, the motion carried 4-1 with Councilmember Dortch voting "no." Councilmembers Gustin and Zadra were absent.

Councilmember Hascheff said he would like to hear the County's response to the City's offer. Commissioner Jung asked if any numbers were run regarding what might come out of binding arbitration. Ms. Walker said it was believed the District would succeed in binding arbitration and would receive \$250,000. Commissioner Jung said she did not know what the statute of limitation was on the offer just made by the City of Reno, but perhaps this could be an emergency item for tomorrow. Chairman Larkin said it would not qualify as an emergency item. Ms. Simon said it could be discussed in an attorney/client meeting tomorrow.

Chairman Larkin said due to the threat of possible litigation, this discussion by the Board of Fire Commissioners should cease.

12-188F AGENDA ITEM 6

Agenda Subject: “Discussion and possible action/extension of mutual and/or automatic aid agreements between the City of Reno and the Truckee Meadows and Sierra Fire Protection Districts (For Possible Action).”

Fire Chief Charles Moore said he wanted to make one more presentation on why mutual aid was in the best interests of both jurisdictions, but first he wanted to discuss mutual aid reporting. He stated under the Federal Emergency Management Agency (FEMA) was the United States Fire Administration, which operated the National Fire Incident Reporting System (NFIRS). He said NFIRS was a baseline for reporting of fire incidents for every fire department in the Country. He explained if a mutual aid call was cancelled, it was not considered to be mutual aid because NFIRS considered mutual aid to be two fire departments at one incident. He stated mutual aid was also considered to be one fire department covering another department’s station, but answering a call while covering the station was not considered to be mutual aid. He said the numbers he gave the Board of Fire Commissioners (BOFC) were faithful to the NFIRS definitions. He understood at the end of the year, the BOFC might want to have some numbers on the entire mutual aid experience whether it conformed to NFIRS or to some other definition.

Chief Moore advised Andreas Flock, City of Sparks Fire Chief, was concerned a lot of time was spent going from one jurisdiction to another on an automatic aid basis, and Chief Flock wanted to memorialize those times. He said conversely he had discounted the times the District did automatic or mutual aid to the City of Sparks, meaning he did not report those incidents simply because they were not consistent with NFIRS. He said the Chiefs wanted to sit down to see if there was some additional reporting that would reflect what the community’s experience was instead of what NFIRS wanted.

Chairman Larkin said he appreciated the work the Chief had done preparing his presentation, but a quorum would be lost in a few minutes; and he asked if there were any questions regarding mutual aid. Commissioner Jung suggested continuing this discussion until tomorrow’s meeting. Chairman Larkin believed this business had to be taken care of today.

Commissioner Breternitz said the agenda item mentioned mutual and automatic aid. He stated one of the things he had been harping on was the mutual benefits of both types of aid, and he asked the Chief to talk about the benefits of automatic aid for both entities. Chief Moore said when the Sierra Fire Protection District (SFPD) was a standalone District, it often responded to incidents in the Verdi area, which was in the City’s jurisdiction, and would cancel the City’s response if the District found it could handle the incident. If there was an incident within the TMFPD where the City could get there faster than the District could, the City could determine the District was not needed and would cancel the District’s call. He said if there was cooperation on some sort of

automatic aid basis, it would eliminate not getting to any portion of the two districts within eight minutes.

Commissioner Breternitz asked if the responsibility for backing up the other entity was balanced or was it extremely biased in one direction. He said he knew there was an argument posed that automatic aid exclusively benefited the District, and he would like to know whether or not that was the case.

Mayor Cashell noted he would be leaving in two minutes and any action needed to be taken before then.

Commissioner Breternitz felt the Chief could answer the question within a minute or so. Mayor Cashell said he was leaving.

11:19 a.m. Mayor Cashell left the meeting.

Chief Moore said one way would be to look at the historical tabulation of the experiences throughout a year. He stated another way would be to look at the figures given to the Board regarding the population and the assessed values of the areas that would be responded to quicker by the other jurisdiction. He said he believed the responses were fairly balanced, and the end-of-year tabulation usually came close to being 50 percent.

Councilmember Aiazzi asked if Chief Moore considered the depth of service when looking at the number of calls. He explained if the District responded to a house fire within the City of Reno, the District could not go inside to fight the fire. He stated if the City responded to a fire in the unincorporated area, the City's firefighters could go inside to fight the fire. He said the City would have to wait for two of the District's units to arrive on the scene to provide the same service the City provided the District with one unit. He asked if that related in any way to the Chief's belief it would be even and fair. Chief Moore replied it did not, but the District's strategy was different than that called for by the urban density within the City of Reno. He said the District's strategy was based on 1/10th of 1 percent of the calls were for structure fires in the two months the District was in operation. He said the number requiring two-in/two-out was less. He explained it would cost 33 percent more to maintain four-person crews, which led to the strategy to distribute the District's resources across the entire service area where it was expected the service calls would not necessarily be for fires. Councilmember Aiazzi said he was not arguing the District's strategy in the unincorporated area, but the citizens living in Reno said they wanted four-person crews. He said doing automatic aid with the District meant those four-person crews were not being delivered anymore. He felt that needed to be discussed and not just the numbers of calls going back and forth, but how many personnel would be on the scene, how long it would take the second unit to arrive, and how long it would take to knock down the fire. Chief Moore said that would be fair.

Chief Moore said on August 29, 2012, as a District fire engine was driving through the City of Reno, it saw a fire within the City's jurisdiction. He stated the District's firefighters could have radioed the City about the fire, but they chose to stop and extinguish it.

Chief Moore said the District's citizens indicated they wanted all of the District's fire stations open even though they understood four people could not be put at every fire station. He noted there was also the depth of the volunteer force backing the District up.

Reno Fire Chief Michael Hernandez said last week there was a fire between two adjacent two-story structures where two crews were deployed. He stated the crews went into the buildings that had significant fire involvement. He said both structures were saved as was a significant amount of their contents.

Chief Hernandez stated there were two types of service delivery models, which exactly spoke to Councilmember Aiazzi's point. He said there was a densely populated urban area, which the City of Reno was, and then there was the outlying areas well outside the urban area. He said there would have to be more in-depth analysis to see if an automatic aid agreement would indeed be 50/50.

Commissioner Jung believed it was discussed at the last joint meeting to try automatic aid for a defined time period and then do the true-up, and she hoped that possibility was still on the table. She stated she understood the Councilmember's point regarding the difference in staffing, but there might be a way to calculate for that difference.

Commissioner Breternitz stated this was a public policy question about the City of Reno and Washoe County wanting to provide the best service possible to people living in the Truckee Meadows, which he believed they both wanted to do. He said there could be a discussion about three-person or four-person crews but, if there was a fire where it was believed someone was inside the structure, the firefighters could deal with that instance. He stated the situation was not perfect, but for the other 99.9 percent of the time when there was another kind of emergency, the people being provided those services would rather have the closest emergency response deal with their emergency. He suggested putting an automatic aid agreement in place and to see how it went. He said the citizens would benefit from it and the entities could deal with the cost. He stated the last thing he wanted to see was someone suffering because a department would not cross jurisdictional lines.

Councilmember Dortch said that had been the system, but the County decided money was more important than safety. He stated now the County wanted all the benefits of the consolidated fire department with the City of Reno being the first responder to Caughlin Ranch and Hidden Valley, but without the County paying for it. He said he was willing to move forward with that a few months ago as long as the true-ups issue was resolved and the ballot question was taken off of the ballot. He stated the

Council agreed to do that, but the County decided to go in a different direction. He said he was not willing to move forward with an automatic aid agreement, and he wanted to terminate the existing mutual aid agreement. Commissioner Breternitz said he understood Councilmember Dortch's position, but again a political deal was getting in the way of public safety. He stated both the City and the County saved money because automatic aid and mutual aid meant they did not have to open new fire stations. He said both entities would be faced with situations in the future where they would be constrained by their financial resources and where they have to work together. He stated working together should start now because it would benefit the people. He said having two fire departments was a fact of life, and everyone should move forward instead of living in the past. Councilmember Dortch said the County was the one who moved backwards.

Councilmember Sferrazza said she agreed with Councilmember Dortch. She said she asked at the last meeting what would happen to the Donner Springs area if the City had to respond to a structure fire in Hidden Valley. She stated the people in the City of Reno who paid for that service had gotten lost in all of this. She said if automatic aid was provided to the District, then Reno's citizens would have a 15-minute response time. She stated that was not what the Reno City Council adopted and it would not be right for their constituents. She said the Commission made that decision, and she was tired of fighting about it. She respected the Commissioners were duly elected officials, but the same respect had to go for the City Council. She said the Commission made decisions because the consolidated fire department was not sustainable and, as Councilmembers for the City of Reno, they needed to make sure the Reno Fire Department was sustainable. She noted the residents of the City of Reno voted for consolidation twice. She said the City's Fire Chief indicated there was no problem providing service within the City of Reno and the response times within the City were good, and the City needed to move forward on that basis. She stated if the discussion of automatic aid continued, then the whole discussion of regionalization should be opened up again with all of the fire departments participating. She said that was what existed in the first place, but the County decided to break away from it.

Katy Simon, County Manager, said staff reviewed Reno's Staffing for Adequate Fire and Emergency Response (SAFER) Grant, which indicated 99.86 percent of Reno's calls did not involve two-in/two-out. She stated the GIS maps indicated the City of Reno benefited more from automatic aid in terms of assessed value, calls, and population. She said that information was covered in the staff report, but there was not an opportunity to present that information today.

Councilmember Aiazzi said if 1 percent of 30,000 calls were for house fires, that meant 300 calls involved house fires. He suggested the Commissioners knock on their doors and say you were sorry we could not fight your fire to save your house. He said 1 percent of 30,000 calls was a lot of calls. He stated a fire department always needed to staff up for the worst that could happen, and not the average. He said it was fine the County was going for the average, but the County admitted it paid for mutual aid north of Gerlach. He stated if the County paid for the indirect costs, it would be writing a check for \$300,000 or more per year. He said the indirect costs for fire services should be

paid for the same as was being done with Animal Services. He said he was paying for the County's fire service as a County taxpayer, but he did not get any benefits. He said the question was would mutual aid be cancelled, because he did not see the benefits to the City of Reno of doing it. He said there was a suggestion to try it and then do the true-up, but the County and the City were going to court over the lack of resolution over the true-up on today's agenda; and his opinion would have been different if the true-up could have been agreed to today.

In response to the call for public comment, Jeffery Church stated there must be an agreement in place regarding automatic aid because the SAFER Grant required it. He expressed concern regarding the City of Reno incurring liability for not responding. He noted even though the District had three-man crews, many of the District's personnel were paramedics, which the City of Reno did not offer. He provided some instances of when it made sense to use automatic aid, and he stated people would die if an agreement could not be reached.

William Steward read the City of Reno's and the County's visions for the community. He stated he just saw a great example of what was not happening, and it was deplorable. He said public safety was job number one for local governments and everyone was failing. He stated no one could put a price tag on people's lives.

Commissioner Weber said it was a sad commentary when the City Council and the Commission could not work together. She said this was not about what was best for the City or for the County, but what was best for whole community.

Councilmember Aiazzi said the City made an offer earlier regarding the true-up issue and the County did nothing. He stated the City made offer after offer for 14 months to meet with the County, but it was always about money. He said the County made its decisions based on money, but the County would not allow the City of Reno to do the same. He stated the City gave the County mutual aid for free and dispatch services for almost nothing because the County could not afford it. He said the City stepped up to provide everything the County could not afford, and now the City was saying maybe it was time the County paid something because the City could not afford the service levels the County wanted. He said he made the County an offer that dropped the City's demand by 20 percent, but the Commissioners would not even discuss it. He stated the City offered an olive branch for over a year, but the City only got slapped down. He suggested the County make an offer and maybe the City would accept it.

Councilmember Hascheff asked if the mutual aid agreement would end today. Chief Hernandez replied either party was required to give a 30-day termination notice.

Councilmember Dortch made a motion that the City of Reno send a letter to terminate the mutual aid agreement. Councilmember Sferrazza seconded the motion. Councilmember Hascheff said he would not support the motion. Councilmember Dortch withdrew the motion and asked the item be put on the next City Council agenda.

After discussion about whether or not this item was already on the next City Council agenda, Tracy Chase, Chief Deputy Reno City Attorney, said she confirmed the possible termination of the mutual aid agreement was specifically agendized for the next meeting.

Commissioner Breternitz made a motion to institute automatic aid and to establish a formula based on actual expenses and the agreed upon overhead percentage for the number of responses each department made. He said any difference could be settled up either every six months or a year. He said he was throwing this offer out to see if there would be any support. Chairman Larkin asked if the motion was appropriate for this agenda item. Paul Lipparelli, Washoe County Legal Counsel, said Commissioner Breternitz's motion could be construed as direction to develop an agreement for automatic aid that contained the provisions in the motion, which would be within the contemplation of the agenda item. Commissioner Jung seconded the motion.

Commissioner Breternitz restated his motion stating there would be an offer to engage in an automatic aid agreement to the end of the year, which would include a true-up of actual costs plus overhead expenses for the fire department responding to the other jurisdiction's calls. On a call for the vote, the vote was 4-1 with Commissioner Humke absent.

12-189F AGENDA ITEM 7 – PUBLIC COMMENT

Agenda Subject: “Public Comment (three-minute time limit per person)- (Additional Public Comment on specific agenda items will be limited to three-minute time limit per person after each agenda item and must be related to the specific agenda item.) Comments are to be addressed to the Chair of the meeting and to the Board of Fire Commissioners for the Truckee Meadows Fire Protection District and Sierra Fire Protection District and Reno City Council as a whole.”

There was no public comment on this item.

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11:53 a.m. There being no further business to come before the Board and the Council, the meeting was adjourned without objection.

ATTEST:

AMY HARVEY, County Clerk
and Clerk of the Washoe County
Commission, Ex-Officio Clerk,
Sierra Fire Protection District, and
Truckee Meadows Fire
Protection District

ROBERT M. LARKIN, Chairman
Washoe County Commission,
Sierra Fire Protection District, and
Truckee Meadows Fire
Protection District

ATTEST:

LYNETTE R. JONES, City Clerk
City of Reno

ROBERT A. CASHELL, Mayor
City of Reno

*Minutes Prepared by Jan Frazzetta,
Washoe County Deputy Clerk*