



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: June 24, 2025

DATE: Thursday, June 12, 2025

TO: Board of County Commissioners

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THROUGH: Abbe Yacoben, Chief Financial Officer
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SUBJECT: Recommendation to approve the use of Fiscal Year 2025 General Fund Contingency in accordance with Nevada Revised Statute (NRS) 354.598005 to 1) increase expenditure authority in the amount of [\$200,000] in the Roads Fund to pay for the failure of existing stormwater infrastructure near Blue Spruce Road and; 2) to increase expenditure authority in the amount of [\$400,000] in the Capital Improvement Fund to pay for rehabilitation of a Washoe County owned, concrete wall located along Arrowcreek Parkway, and 3) direct Finance and Comptroller to make the necessary budget appropriation and cash transfers prior to June 30, 2025. [Total Fiscal Year 2025 impact \$600,000; net fiscal impact \$-0-]. (All Commission Districts)

SUMMARY

Nevada Revised Statute (NRS) 354.598005(5) provides that “budget appropriations may be transferred between functions, funds, or contingency accounts if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions”. Further, Nevada Revised Statute (NRS) 354.608 states that “no expenditure may be made directly from a contingency account, except as a transfer to the appropriate account...in accordance with the procedure established in NRS 354.598005”.

The purpose of this item is to consider approval of the use of the General Fund Contingency account. Approval of this recommendation will align budget authority for expenditures already incurred, or anticipated to be incurred, for Fiscal Year 2025 (FY25), including providing additional resources to support non-reimbursable costs associated with mitigation efforts related to the Blue Spruce Road stormwater infrastructure failure and the Arrowcreek Parkway concrete wall rehabilitation. All adjustments are within the Washoe County existing approved FY25 budget.

Washoe County’s Strategic Objective supported by this item: Fiscal Sustainability

AGENDA ITEM # _____

PREVIOUS ACTIONS

June 24, 2025 – the Board is recommended to approve the use of General Fund Contingency in the total amount of [\$150,000] for fiscal year 2025 in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority in District Attorney's Office for Transcripts, Witness Travel, Witness Fees, and Interpreters [\$150,000] to support reasonable and necessary costs related to mandated duties in prosecution.

June 17, 2025 – the Board 1) approved the Fiscal Year 2025 use of General Fund Contingency in the amount of [\$5,473,689] in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority in the Washoe County Sheriff's Office; and 2) acknowledged necessary General Fund net zero, cross function appropriation transfers of [\$2,482,026.09] to the Washoe County Sheriff's Office in accordance with Nevada Revised Statute (NRS) 354.598005, required to move non-departmental budget from one function to another function so as to bring the budget authority to the level of anticipated actual expenditures required for Fiscal Year 2025; both the Contingency and net zero budget appropriation transfers are associated with the net impact of the unbudgeted Collective Bargaining Agreements approved after the adoption of the Fiscal Year 2025 final budget; and, 3) directed Finance to make the appropriate budget appropriation transfers prior to June 30, 2025.

June 10, 2025 – the Board approved the use of General Fund Contingency in the amount of [\$175,000] for fiscal year 2025 in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority in Alternate Public Defender's Office for Expert Witness Fees, Interpreters, and Travel [\$175,000] to support reasonable and necessary costs to meet minimum Due Process rights in the Avram Nika Trial.

May 13, 2025 – the Board approved the use of General Fund Contingency in the amount up to [\$386,650] to increase expenditures for 1) pooled positions [\$181,000] and 2) various operating expenditures [\$205,650] needed to support the Department of Alternative Sentencing in accordance with Nevada Revised Statutes (NRS) 354.598005.

February 11, 2025 - the Board directed staff to develop a comprehensive cost for the rehabilitation of a Washoe County owned, concrete wall located along Arrowcreek Parkway and to return with the actual cost and an agreement with the abutting property owners to transfer all future rights and responsibilities to them. The estimated costs range was between \$75,000 and \$400,000.

November 19, 2024 - the Board approved the First Amendment to the Master Services and Purchasing Agreement dated January 20, 2022, between Axon Enterprise, Inc and Washoe County Sheriff's Office effective upon approval, to consolidate and amend the Axon contract for the Washoe County Sheriff's Office, Public Defender, Alternate Public Defender and District Attorney and extend the contract for a 10-year or 120 month term at a cost not to exceed [year one \$2,219,127.44, year two \$3,248,289, year three \$3,344,453 year four \$3,299,253, year five \$3,290,609, year six \$3,652,025, year seven \$3,275,675, year eight \$3,282,102, year nine \$3,336,489, year ten \$3,295,345] annually, or [\$32,243,367.44] for the full 120 months; to support body worn cameras and fleet in-car cameras with live streaming capabilities, virtual reality training, less lethal (TASERs),

unlimited storage, Justice Premier, and other software support services offered by Axon Enterprise, Inc.; approve the use of General Fund Contingency on an as needed basis, not to exceed a total amount of [\$2,073,641] for fiscal year 2025 in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority in Sheriff's office for Axon Contract expenditures.

July 16, 2024 - the Board approved the use of General Fund Contingency in the amount of [\$100,000] to implement a "Transparency and Open Checkbook" website which will Washoe County Commission Meeting of May 13, 2025, Page 2 of 5 display Washoe County's vendor payments, expenditures and other financial information to the public.

July 16, 2024 - the Board approved the 1) award Request for Proposal (RFP) No. 3223-24 for inmate medical services for the Washoe County Detention Facility to NaphCare, Inc. in the amount of [\$13,502,694.24] for year 1, and [\$14,177,828.88] for year 2 and 2) approve the use of General Fund Contingency in an amount up to but not to exceed [\$1,300,000] to increase expenditure authority within the Washoe County Sheriff's Office departmental budget for detention medical services for unbudgeted expenditures for Fiscal Year 2025 in accordance with Nevada Revised Statute (NRS) 354.598005.

May 21, 2024 - the Board approved the Fiscal Year 2025 (FY25) budget, which included \$12,500,000 of General Fund Contingency.

December 12, 2023 – the Board approved the use of General Fund Contingency in the total amount of [\$95,000] for fiscal year 2024 in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority for the 2024 Joy Lake Road Pipe Failure.

BACKGROUND

The County must stay within its adjusted budget for each fund, with certain very limited exceptions, and by function. To remain compliant with this statutory requirement, General Fund Contingency account transfers totaling \$600,000 is needed for

1. Increased expenditures [\$200,000] associated with the 2025 Blue Spruce Drive stormwater infrastructure failure activities and;
2. Increased expenditures [\$400,000] associated with the rehabilitation of a Washoe County owned, concrete wall located along Arrowcreek Parkway

It's anticipated that these adjustments will cover actual and/or anticipated FY25 fund and functional expenditures. Additional contingency requests, related to this item or separate, will be brought forward for Board approval, pursuant to the requirements of NRS 354, as aforementioned.

General Fund Contingency appropriation transfers are necessary as outlined below:

Blue Spruce Drive Storm Drain Failure - \$200,000

Washoe County is responsible for the storm drain system located within County owned rights-of-way and in some situations, within areas specifically identified by easement or by agreement. In this area of the Galena Forest Estates, the County's responsibility includes storm-drain pipes within the right-of-way as well as storm-drain pipes that run from County right-of-way through private property. In these specific areas, the County

assumed the future maintenance responsibility of the stormwater pipes that connect the drainage system and has legal access to these areas by approved easement.

The failing culvert pipe runs between Blue Spruce Rd and Joy Lake Road, between 200 and 250 Blue Spruce Road. The total anticipated cost of this project is \$200,000 and still needs to be let out to bid. This project is the “second phase” of a multi-phase project of stormwater infrastructure replacement in this area. Joy Lake Road Pipe Failure was the first phase in Fiscal Year 2024. The Board approved use of FY24 contingency on December 12, 2023 (please see previous actions outlined above).

These phased projects are required due to the age and failed condition of the system. The Blue Spruce Road project includes design and bidding process leading to the removal of failed assets and installation of new infrastructure including:

- 250 linear feet of 36-inch storm drainpipe
- 14 feet of 12-inch storm drainpipe
- 1 type 1B 60-inch manhole
- 200 square feet of rip rap
- 1 headwall
- 1,500 square feet of asphalt cut and replacement

Arrowcreek Parkway Concrete Panel Fence Replacement - \$400,000

In the late 1990s, as part of the Arrowcreek residential development (Southwest Pointe), a residential development located to the west of Thomas Creek Road, new offsite infrastructure was designed and constructed by the project developer. This included improvements to Whites Creek Lane, now known as Arrowcreek Parkway. Prior to 1999, Arrowcreek Parkway did not exist behind the subject properties although a 100-foot-wide strip of land had been offered for dedication to Washoe County in 1989 (Document 1305568).

While initially contemplated to be four lanes wide, the plan for the new sections of Arrowcreek Parkway was designed as a two-lane roadway as it exists today. In response to concerns by several of the property owners whose property backs to Arrowcreek Parkway, a discussion between the developers’ representative and the Washoe County Commission resulted in a commitment by the developer to “work with those homeowners, even meeting with them individually, if necessary, to come up with acceptable solutions to minimize impacts on them.” After this commitment, Condition 19.C was included in the approved Development Agreement that required “Whites Creek Lane (now known as Arrowcreek Parkway through this area) will be designed in a manner that minimizes any impacts on the adjacent homes to the north in Fieldcreek Ranch (e.g., fencing, berms, lowering the travel Washoe County Commission Meeting of February 11, 2025 Page 4 of 4 lanes).” It is understood that the Wall was included in the approved plans to assure compliance with Condition 19.C.

The concrete panel wall was constructed in 1999, through special assessment district funding, and is a 6-foot high, 1,511 foot long, precast concrete-panel wall was constructed directly behind the 14 subject residences. The concrete panel wall functions as the back fence for the majority of the 14 properties and is located on Washoe County accepted right-of-way, approximately 12 inches from the property line. On February 11, 2025, the Commission directed staff to develop a comprehensive cost for the rehabilitation of a Washoe County owned, concrete wall located along Arrowcreek Parkway and to return

with the actual cost and an agreement with the abutting property owners to transfer all future rights and responsibilities to them.

As outlined in the February 11, 2025, staff report, discussion included disposition of a deteriorating 6-foot tall, 1,151 foot long, precast concrete-panel wall (concrete panel wall), located along the interface of the Arrowcreek Parkway within Washoe County right-of-way and along the rear-property line of 14 residential lots, beginning at 13430 Fieldcreek Lane and ending at 13560 Fieldcreek Lane. The concrete-panel wall is located on Arrowcreek Parkway within Washoe County right-of-way and was constructed by Southwest Pointe Development in 1999 as part of the offsite improvements for the Arrowcreek residential development. Possible approaches include repair, replacement or removal with associated costs estimates ranging between \$75,000.00 and \$400,000.00 and considerations for the transfer of ownership from Washoe County to the abutting individual residential properties. Staff received direction to return with a project cost and agreement for the Commission's final consideration.

General Fund Contingency is requested to move forward with a competitive bid to repair deteriorated concrete panel fence located within Washoe County right-of-way and to subsequently transfer ownership and future maintenance responsibilities to the abutting property owners.

Approval of these transfers will leave \$637,656.00 available in FY25 General Fund Contingency.

If the Board approves the separate \$150,000 General Fund Contingency transfer request to the District Attorney's Office scheduled for 6-24-2025, there will be \$487,656.00 remaining in FY25 General Fund Contingency.

FISCAL IMPACT

If approved, the General Fund Contingency transfers will result in increased appropriations for the Roads Fund and the Capital Improvement Fund, of \$600,000, which will be appropriated in the following accounts:

Fund/Function	Department/ Expenditure	Cost Object(s)/ G-L Account(s)	Budget Change
General Fund	Contingency Funds		
General Gov't	Contingency	<i>C189000-820000</i>	<i>(600,000.00)</i>
Roads Fund			
Public Works	Construction Contracts	C216003-781080	200,000.00
		<i>Roads Subtotal</i>	<i>200,000.00</i>
Capital Improvement Fund (CIP)			
Public Works	Construction Contracts	C920599-781080	400,000.00
		<i>CIP Subtotal</i>	<i>400,000.00</i>
	Total Net Expenditures		-0.00-

Transfers In/Out			
General Fund	Transfer to Roads Fund	C189000-812216	200,000.00
General Fund	Transfer to CIP	C189000-814092	400,000.00
		Total Transfers Out	600,000.00
Roads Fund	Transfer from General Fund (offsets expenditure)	C216003-621001	200,000.00
Capital Improvement Fund (CIP)	Transfer from General Fund (offsets expenditure)	C920599-621001	400,000.00
		Total Transfers In	600,000.00
Grand Total		Net Zero	- 0.00-

If approved, Finance-Comptroller's Office, needs to process the interfund cash transfers as outlined below, prior to June 30, 2025:

Interfund Transfer of Cash

C189000 - 812216 General Fund transfer to Roads Fund	\$200,000.00
C216003 - 621001 Transfer from General Fund	\$200,000.00

C189000 - 814092 General Fund transfer to CIP	\$400,000.00
C920599 - 621001 Transfer from General Fund	\$400,000.00

Total Interfund Transfers **\$600,000.00**

RECOMMENDATION

It is recommended that the Board of County Commissioners approve the use of Fiscal Year 2025 General Fund Contingency in accordance with Nevada Revised Statute (NRS) 354.598005 to 1) increase expenditure authority in the amount of [\$200,000] in the Roads Fund to pay for the failure of existing stormwater infrastructure near Blue Spruce Road and; 2) to increase expenditure authority in the amount of [\$400,000] in the Capital Improvement Fund to pay for rehabilitation of a Washoe County owned, concrete wall located along Arrowcreek Parkway, and 3) direct Finance and Comptroller to make the necessary budget appropriation and cash transfers prior to June 30, 2025. [Total Fiscal Year 2025 impact \$600,000; net fiscal impact \$-0-].

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:
"Move to approve the use of Fiscal Year 2025 General Fund Contingency in accordance with Nevada Revised Statute (NRS) 354.598005 to 1) increase expenditure authority in the amount of [\$200,000] in the Roads Fund to pay for the failure of existing stormwater infrastructure near Blue Spruce Road and; 2) to increase expenditure authority in the amount of [\$400,000] in the Capital Improvement Fund to pay for rehabilitation of a Washoe County owned, concrete wall located along Arrowcreek Parkway, and 3) direct Finance and Comptroller to make the necessary budget appropriation and cash transfers prior to June 30, 2025."