



Building Enterprise Fund Advisory Committee (BEFAC)

Minutes

October 27, 2020 9:00 a.m.

Meeting via teleconference only pursuant to NRS241.023

Pre-register using this link to join the meeting via web or phone:

Web: https://zoom.us/webinar/register/WN_MqKKn0OgQJ-P7YkrQ2xgZQ

MEMBERS

John Krmpotic, Chair
Teresa DiLoreto
Doug Roberts
Art Sperber

Bob Lissner
Vacant
Vacant
Council Liaison Naomi Duerr

AGENDA ITEMS

1. Call to Order, Roll Call, and Determination of Quorum

Chair Krmpotic called the meeting to order at 9:00 a.m.

Members present when the meeting was called to order: John Krmpotic, Teresa DiLoreto, Art Sperber, Doug Roberts, and Robert Lissner. Council member and BEFAC Liaison Naomi Duerr was also present.

2. Public Comment

There was no public comment.

3. Approval of Minutes

- a. Building Enterprise Fund Advisory Committee – Regular Meeting – August 19, 2020 (For Possible Action)

It was moved by Art Sperber and seconded by Teresa DiLoreto to approve the minutes from the August 19, 2020 meeting. The motion carried unanimously with five (5) members present.

4. City Council Liaison Report

Councilwoman Duerr reported she has received a few more applications to serve on the BEFAC. She asked the committee if they know of anyone who are accountants working in the construction field and could they send some names her way. Councilwoman Duerr has one application that she thinks would be good, however she wanted to see if there are any other prospects before she makes a recommendation.

Councilwoman Duerr spoke about the COVID situation. She has been closely involved with developing the COVID Risk Meter. Recently Naomi toured two construction projects. One was

the new DMV in south Reno. The Commercial DMV used to be located at a different address, now it is combined at the new DMV. Councilwoman Duerr also added that she requested a traffic light be installed at Sandhill and Double R, in response to multiple accidents. There is another portion of Sandhill that will require a traffic light do to the concerns of access to the site.

Councilwoman Duerr asked Arlo or Angela to clarify the permitting process of state projects.

Angela Fuss replied the city doesn't review state projects. They all get reviewed in terms of the building and fire review, through the State Public Works process. From a zoning perspective, they look at them and make sure the use is allowed on the site and they comply with all of our zoning regulations, however, they are not required to go through any City building permit review process.

The second project Councilwoman Duerr toured is the Sierra Nevada Medical Center. She did a live stream and saw a couple different levels of the building. One of the unique things about this building is they installed a sanitation box. Naomi mentioned re-evaluating this type of system for the city so that people who visit the city and staff will feel safer during COVID.

Doug Roberts wanted to share he works with Amazons across the country and has about four thousand jobs. He has been privy to how Amazon's protocols have been working. As for the construction safety, Amazon does implement the same sanitation box Naomi is talking about. Amazon has a fulltime nursing staff on site and anyone can get tested anytime 24 hours a day. There are also cameras and TV's around the building that have green zones around each person and if they get within six feet of someone it turns red. Supervisors can actually see if the employees are getting too close to each other and back them off.

Councilwoman Duerr asked Doug Roberts if he would share this information with the city leaders.

5. Building Enterprise Fund Update

Angela Fuss started off by introducing Matt Taylor who is a Senior Management Analyst with the Finance Department. Matt was asked to provide two things, an overview of the Enterprise Fund during COVID going back to the last six months, and where the fund has trended in the last three years.

Matt Taylor gave a presentation on the funds budget with a balance sheet, graph and income statement spreadsheets. Matt presented the summary, pointing out the red line is the Building Enterprise cash balance, the blue line is the Net Position or Fund Balance or Retained Earnings, the green dotted line is 50% of the prior years' operating expenses, which NRS states must be maintained. The blue line must stay below the green line. If the green line is above the blue line two years in a row, something has to be done for the blue line to be below the green line. The red line is the cash balance, this line goes back to 2003 and during the recession it dipped down really low. In 2010 cash had a balance of \$119. After that things started to increase significantly. In 2015 an analysis was done it sort of leveled off, showing revenues kind of equal with expenses. In 2018 the valuation tables were increased and the cash balance has increased since then.

Matt discussed the balance sheet for the last four years as an indicator of the budget. Cash has increased and is the unaudited balance. Investments have done well do to the amount of money in the account.

Bob Lissner asked to schedule a phone call to discuss the balance sheet.

Vicki VanBuren asked if Matt would speak about the balance sheet regarding the internal service

funds and how it hasn't been booked yet.

Matt responded to the committee saying that with the liability being zero for this year, it could go up or go down, it could also show that the General Fund owes the Enterprise Fund money, possibly getting money back at the end of the year.

John Krmptotic commented on the assets going up forty percent in one year from 2018 to 2019.

Matt replied that's when the valuation table was increased and people were paying higher rates, while expenses did not increase significantly.

Art Sperber was concerned about filling the vacant positions mentioned by Chris Pingree and what type of impact does that have on the number.

Matt explains using the balance sheets.

Art Sperber asked how many open positions were currently out there.

Chris Pingree answered there are five open positions in the Building and Safety Division.

Arlo Stockham replied some of the Planning position currently being filled are partly Enterprise funded. The Building positions are all funded by Enterprise.

Art Sperber asked how much of the Planning positions are funded by Enterprise.

Arlo Stockham replied they differ by position, general it is roughly half.

Robb Miller added that he and Calli Wilsey worked on the fees, brought the most recent valuation table forward for 2019. They offset the increases with decreases in MPE fees. The fees ranged from 5.3% to 5.5% decreases.

Arlo Stockham added there are needs related to Accela. Currently we are not able to get necessary data out of Accela. Getting this fixed is going to require expenditures. Management is proposing in next year's budget additional Accela expenditures so the system can be more useful.

Chris Pingree added they have used a third party plan review option this year and will continue to do so on major projects. Costing about \$200,000 per year. This is to help with the volume of projects.

6. City of Reno Division and External Partner Agency Updates

a. Building & Safety Division Update – Building & Safety Manager Chris Pingree

Chris Pingree gave an update of the COVID numbers for inspections, new permits and plan reviews coming in. He compared numbers from March 1st thru October 26, 2019 to March 1st to October 26, 2020. Total permits last year at this time were 7,159. This year the number is 7,365 permits. There has been a shift from less commercial. This timeframe last year there were 217 new commercial permits, this year's permits are down at 179. The biggest shift in permitting has been in residential. Last year at this time 813 new single family residences were processed. To date, we are at 1,144 total new single family dwellings. The numbers show the residential push is still going strong. This does not consider the apartment multifamily numbers. We are still in the process of singling out those numbers to give better data.

In terms of building permit inspections, we typically average 65,000 per year. This year we are trending towards 80,000 building permit inspections. It's clear the projects coming in are more complex.

Chris added that since March, there are six open positions within the Building and Safety Department. Since they did not know what the economic forecast would be due to COVID, Chris, Arlo, and Angela decided not to fill the positions in case they would have to lay someone off. Building is in the process of recruiting for the two open Permit Technician positions and will be interviewing next week. Chris is hoping to have those positions filled in the next few weeks. There is also one Plans Examiner position open, which they are submitting to the Position Review Committee (PRC).

The division is inundated with plans and doing all they can to keep up with the timelines. They have outsourced anything larger than a four story building to a third party plans examiner because of the amount of time it takes to review a project that large. There are also two inspector positions that have been on hold that they will be filling.

b. Planning Division Update – Planning Manager Jeff Borchardt

Jeff Borchardt responded to what Chris Pingree reported earlier, Planning had a slow September with two planning cases, but has picked up this month with eight cases. Regarding staffing updates, Grace Whited has been promoted to the Assistant Planner position. They are actively hiring for a Planning Technician. The Department recently lost AnneMarie as Assistant Planner and have been approved to fill the position. They recently hired a Principal Planner, Kelly Mullin.

Jeff provided an update on the Zoning Code. A City Council workshop is scheduled on November 5th and working towards adoption. The first Planning Commission adoption hearing is scheduled for November 18th and the 1st reading at City Council is scheduled for December 9th. There are two areas of concern focusing on the sustainability ordinance and restriction on hours of construction. There was general concern expressed by Councilwoman Brekhus that the new code allows for too many projects to be decided at the staff level, rather than reviewed through a public hearing process.

Art Sperber asked Jeff what the issue is regarding construction hours.

Jeff responded that typical construction projects have hours conditioned, as part of the public hearing process. It typically limits construction on weekdays, shorter hours on Saturdays and no construction on Sundays. This was applied in code and had a number of people reach out and say they shouldn't be doing that, it should be continued through the conditions of approval process.

Some in the industry are concerned and there are a lot of neighbors who have reached out asking to have it added into code. Projects that are not discretionary actions could potentially also have those hours of construction on them. This is something that is not currently existing in code and we are proposing to add it in.

Arlo Stockham added it's for residential adjacency, it's not generally applicable. The planning commission recommended tightening it down and banning construction on the holidays.

c. Engineering Division Update – Engineering Manager Mike Mischel

No report was provided.

d. Fire Department Update – Fire Marshal Tray Palmer

No report was provided.

e. Washoe County Health District

Wes Rubio gave an update dealing with COVID and their staff is stretched. They have moved staff around to be able to monitor their response and adapt to the changing landscape. They are currently meeting most, if not all of the demands of the planning agencies, all three regional departments and the building divisions with reductions in staff. They have had to reduce most of their plan review group to two routine staff and one senior staff that is overseeing it. They have the ability to modify that, but with the impact from Senate Bill 4, NAC 447E (Regulations related to SARS-COV-2 and Public Accommodation Facilities) has just been passed that has put a big weight on their shoulders to be able to meet the inspection requirements mandated. For example, all hotel resorts are required to be inspected every two months and regular hotels that are non-gaming that are over two hundred rooms are required to be inspected every three months.

f. Truckee Meadows Water Authority

No report was provided.

7. COVID Updates (For Possible Action) - Acting Community Development Director Angela Fuss

Angela Fuss, Acting Community Development Director, provided an update on four topics. There have been a lot of questions on public hearings and whether or not they will be opened up to live public hearings again. Angela replied we will be continuing to use the Zoom platform for the unforeseen future. There is no date in mind when we will be going back to live in-person meetings. This will continue for both Planning Commission and City Council hearings. Another question asked is when can we start allowing live public comment. Angela replied that there have been challenges in the past with having inappropriate comments during public comment. At this point we are doing everything by email, hard copy written comments and voice messages. Patrons can call right up until the meeting and leave a voice message, the message will be played during the meeting once it has been vetted and is appropriate.

Councilwoman Duerr mentioned she has been talking with the new City Manager, Doug Thornley, on this topic. They both recognize that the last two appeals could have been addressed if they did allow public comment at the Planning Commission. What is happening is people can't speak at Planning Commission so they are not being heard and filing appeals so they can be heard at the City Council meetings and then get ten minutes to state their case.

Arlo Stockham replied those discussions are in process. Angela and Arlo are proponents of as much participation as they can get. There are technical challenges and the team is working through those. They are trying for a more interactive meeting format soon, but don't have a date.

Angela spoke to in-person meetings. The department used to have Monday morning drop in meetings. Anyone who had a question on a project would sit down with the Planning, Engineering, Fire, and Building Department staff to discuss. When COVID hit, in-person meetings were cancelled and went to a virtual platform. Those meetings will remain virtual for the unforeseen future.

Angela mentioned the Neighborhood Advisory Boards (NABs) are another group that was put on hold due to COVID. A lot of the committees and smaller groups were put on hold. NABs will be coming back in a modified version because they will be in a virtual setting. There are a few of the NABs missing members and in December the Council will appoint some new members.

Councilwoman Duerr has used town hall meetings during COVID. Some of the Council members prefer to use town halls meeting rather than NABs, and that will be up to the individual council member to decide if they want to hold a monthly NAB meeting or do it in a different format such as a town hall meeting. In terms of how those NABs will work, in the past the applicants have presented at the NAB and staff has been there to answer questions. We are going to keep that format.

8. Next Meeting – January 26, 2021 at 9:00 a.m.

9. Public Comment

There was no public comment.

10. Adjournment – Chair John Krmpotic (For Possible Action)

It was moved by Member Art Sperber and seconded by Member Teresa DiLoreto to adjourn the meeting.

Meeting adjourned at 10:15 a.m.