City of Las Vegas

Agenda Item No.: **47.**

AGENDA SUMMARY PAGE

CITY COUNCIL MEETING OF: SEPTEMBER 21, 2016

DEPARTMENT: CITY CLERK
DIRECTOR: LUANN D. HOLMES

☐**Consent** ☒ **Discussion**

SUBJECT:
Discussion for possible action regarding an Interlocal Agreement between the City of Las Vegas and the County of Clark, which outlines the scope of work and methodology for billing to be implemented for Election Services provided by the Clark County Election Department from 2017 through 2020 (Not-to-Exceed $260,000 per Primary and $260,000 per General Election, excluding Special Elections and Elections with City of Las Vegas Ballot Questions) - All Wards

Fiscal Impact

☐ **No Impact** ☐ **Augmentation Required**
☒ **Budget Funds Available**

Amount: Not-to-Exceed $260,000 per each Municipal Election [Primary and General] excluding Special Elections and Elections with City of Las Vegas Ballot Questions
Funding Source: General Fund
Dept./Division: Office of the City Clerk / Elections

PURPOSE/BACKGROUND:
Election Services were provided to the City of Las Vegas under a Cooperative Agreement with Clark County since 1992. A new Cooperative Agreement was entered into between both parties in January 2000 after the State Legislature enacted a new statute for City Elections, with amendments to that agreement being made in 2005 and 2015. This new interlocal outlines the scope of work and methodology for billing as it pertains to Clark County handling the Municipal Elections for the City of Las Vegas.

RECOMMENDATION:
Approval

BACKUP DOCUMENTATION:
Interlocal Agreement

Motion made by STEVEN D. ROSS to Approve

Passed For: 5; Against: 1; Abstain: 0; Did Not Vote: 0; Excused: 1
RICKI Y. BARLOW, CAROLYN G. GOODMAN, STEVEN D. ROSS, STAVROS S. ANTHONY, BOB BEERS; (Against-BOB COFFIN); (Abstain-None); (Did Not Vote-None); (Excused-LOIS TARKANIAN)

NOTE: An initial motion by ROSS to Approve Item 47 carried with COFFIN abstaining and TARKANIAN excused was reconsidered upon motion by ROSS with COFFIN voting No and TARKANIAN excused, as the City Attorney advised that there was not sufficient reason to abstain, as no conflict of interest existed.

Minutes:
CHIEF FINANCIAL OFFICER MARK VINCENT and LUANN D. HOLMES, City Clerk, were present. CHIEF FINANCIAL OFFICER VINCENT indicated to MAYOR GOODMAN that this agreement, which was approved by the Clark County Commission on September 20th, included adopting vote centers which was an efficient use of resources, and in many cases, much more convenient for voters as they would not be limited to a particular polling location. MS. HOLMES informed the Mayor that 15 vote centers were being proposed, but more information would be provided to the Council on October 5th.

CHIEF FINANCIAL OFFICER VINCENT provided the history regarding costs associated with the last primary general election in 2011. At the time, the County charged approximately $460,000, and the City incurred approximately $340,000 of its own costs, for a total of approximately $800,000. Additionally, the County charged the City $150,000 and $260,000 for the three-ward primary election in 2013 and the city-wide primary election in 2015 respectively. Other associated costs to the City were for such things as printing, but generally, costs to hold a primary election run about $250,000.

The worst-case scenario proposal from the County, which would include going all the way through a city-wide general election, would cost the City about $1.5 million. CHIEF FINANCIAL OFFICER VINCENT stated that the proposed agreement would carry the City through 2023 (four election cycles) with the goal of controlling costs. In consideration for that, he noted that Item 49 would address the termination of the 1985 Amendment to the Automatic Aid Agreement and the waiver of any monies owed as a result of that.

He reviewed the proposed agreement that was previously submitted as backup. He specifically pointed out and summarized Article 6 that covered the costs and reimbursements to the County, which set the Citys costs at a flat rate of $250,000 for election services through the primary. This included the preparatory work done prior to the election. The flat fee associated with the general election would be $42,000 for each ward; the most the County could charge for a city-wide general election would be $250,000, which was what was charged back in 2011 for a general election. This section also contained the costs that the City had paid in the past and would continue to pay directly, predominantly printing costs, postage and rentals. Staff believed this to be a fair deal because it would save approximately $1 million in costs.

CHIEF FINANCIAL OFFICER VINCENT stated he had several fruitful meetings with Clark County Budget Manager JEFF SHARE, and they were working together on language to be used on billings to other entities. That language would eventually be incorporated into this interlocal agreement to address very specifically how the City would be billed for other services.

He pointed out that Article 7 contained a termination date of 2023 and a remedy process if there were any defaults, which was not in the prior agreement.

CHIEF FINANCIAL OFFICER VINCENT stated that this was the first step in trying to work collaboratively with the County on many issues, and he was pleased with this agreement. He did note that this agreement was predicated on the action taken on Item 49.

COUNCILMAN BARLOW indicated his support of this item and wished to publicly thank MS. HOLMES for a job well done, as she and her staff worked diligently and strategized with all of the various matrixes. He also thanked CITY MANAGER ELIZABETH FRETWELL.

COUNCILMAN COFFIN referenced discussions that had taken place over the last couple years regarding election costs. He wondered what it really cost the County to put on an election and what the City was getting for the $250,000 it would be charged. CHIEF FINANCIAL OFFICER VINCENT explained that in the past, the City had not been charged for any costs associated with Election Department staff, equipment, services or systems that supported the Election Department and process or County staff that operated the polling locations, which the City would have to reimburse the County for. If the City chose to handle their own elections, it would be at a much greater cost because the City did not have the efficiency of being able to share those costs with other municipalities. MAYOR GOODMAN mentioned the constant upgrade in technology that would also be required.

COUNCILMAN COFFIN referenced an audit and a refund from the County. CHIEF FINANCIAL OFFICER VINCENT explained that there was an audit and a minor adjustment of less than $50,000. He also informed COUNCILMAN COFFIN that the City had only been paying the County for their incremental costs which amounted to $460,000 in 2011, but that did not include reimbursement for their labor support for that election. Today, under the proposed billing process, the bill would be $1.5 million.

CITY MANAGER FRETWELL stated that the City did an analysis as to what it would cost to do its own election function versus what the County indicated they intended to charge the City, and if the City were to conduct the election on its own, the cost would be over $1 million more in year one and that could not happen until 2019. The City's ability to control costs up to that point were severely diminished, and if the City decided to roll out its own election function, there would be significant capital, technology and staffing investments involved. This resolution kept the Citys costs contained through 2023. At that time, there could be additional conversations.

COUNCILMAN COFFIN wondered how this compared to the amount the City should have collected in relation to Item 49. CITY MANAGER FRETWELL stated that the estimate from a couple years ago of what the City could request in arrears was approximately $3.5 million, and since then, the City had been billed around $1 million. CHIEF FINANCIAL OFFICER VINCENT stated the average was about $600,000 per year; approximately $4.8 million total.

When asked by COUNCILMAN COFFIN why it was decided only $3 million could be collected, CHIEF FINANCIAL OFFICER VINCENT explained there was a statute of limitations.

MAYOR GOODMAN suggested further discussion could continue under Item 49.

COUNCILMAN COFFIN stated that he wished to abstain on this item because he thought the motion contained two subjects. ASSISTANT CITY ATTORNEY TERI PONTICELLO explained for COUNCILMAN COFFIN that he was within his discretion to vote on this item because it was a separate item that stated termination of the 1985 Amendment would be considered. COUNCILMAN COFFIN still wished to abstain because it was not clear in his mind.

See Item 60 for related discussion.