

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 1

A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, April 17, 2003, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

PRESENT:	Ray Masayko	Mayor
	Pete Livermore	Supervisor, Ward 3
	Robin Williamson	Supervisor, Ward 1
	Shelly Aldean	Supervisor, Ward 2
	Richard S. Staub	Supervisor, Ward 4 (arrived at 9:30 a.m.)
STAFF PRESENT:	Andrew Burnham	Acting City Manager
	Alan Glover	Clerk-Recorder
	Ken Furlong	Sheriff
	Daren Winkelman	Health Director
	Cheryl Adams	Deputy Purchasing Director
	Mark Forsberg	Chief Deputy District Attorney (arrived at 1:10 p.m.)
	Larry Werner	City Engineer
	Tom Hoffert	Utility Operations Manager
	Melanie Bruketta	Deputy District Attorney (left at 1:15 p.m.)
	Katherine McLaughlin	Recording Secretary
	Justine Chambers	Contracts Coordinator
	(B.O.S. 4/17/03 Tape 1-0010)	

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Board Action Request and/or supporting documentation. Staff members making the presentation are listed under that Department's heading. Any other individuals who spoke are listed immediately following the item heading. A tape recording of these proceedings is on file in the Clerk-Recorder's office. This tape is available for review and inspection during normal business hours.

CALL TO ORDER, ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE - Mayor Masayko convened the meeting at 8:33 a.m. Roll call was taken. A quorum was present, although Supervisor Staub did not arrive until 9:30 a.m. Mayor Masayko explained the sudden demise of Supervisor Staub's father and indicated that he would be joining the Board later in the morning. Rev. Byran Cuthill of the Fitzhenry's Funeral Home gave the Invocation. Mayor Masayko led the Pledge of Allegiance.

CITIZEN COMMENTS (1-0058) - None.

1. APPROVAL OF MINUTES - 1/6/03 Swearing-In Ceremony, 1/16/03 Regular Session, and 1/24 and 1/30/03 Special Sessions (1-0060) - Following discussion of the term "limned" and the spelling of "agenized", Supervisor Livermore moved to approve the Minutes of the Special January 6, 2003, Swearing-In Ceremony, the January 16, 2003, Regular Session, the January 24, 2003, Special Session, and the January 30, 2003, Special Session. Supervisor Williamson seconded the motion. Motion carried 4-0.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 2

2. **AGENDA MODIFICATIONS (1-0119)** - Item 4 under the Liquor and Entertainment Board was cancelled as all of the delinquent licenses have been paid.

3. **SPECIAL PRESENTATION - ACTION TO APPROVE A RESOLUTION IN SUPPORT OF THE WEEK OF APRIL 21-27, 2003, TO BE DESIGNATED AS NATIONAL COMMUNITY DEVELOPMENT WEEK IN CARSON CITY AS A PARTICIPANT IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (1-0124)** - Community Development Director Walter Sullivan explained the resolution and the City's use of Community Development Block Grants (CDBG) in the community. Mr. Sullivan explained the training session for grant applications that commences today. Mayor Masayko read the resolution into the record. Supervisor Livermore moved to adopt Resolution No. 2003-R-15, A RESOLUTION IN SUPPORT OF THE WEEK OF APRIL 21-27, 2003, TO BE DESIGNATED AS NATIONAL COMMUNITY DEVELOPMENT WEEK IN CARSON CITY AS A PARTICIPANT IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM. Supervisor Aldean seconded the motion. Motion carried 4-0.

4. **LIQUOR AND ENTERTAINMENT BOARD - ACTION TO APPROVE THE REVOCATION OF ALL DELINQUENT LIQUOR LICENSES NOT PAID FOR BY APRIL 16, 2003, FOR NON-PAYMENT OF THE QUARTERLY FEE (1-0119) (1-0195)** -Cancelled.

5. **CONSENT AGENDA (1-0197)**
 - 5-1. **ASSESSOR**
 - A. **ACTION TO APPROVE THE REMOVAL OF 930 CORBETT STREET (APN 002-122-15) FROM THE 2002/2003 TAX ROLL DUE TO A CLERICAL ERROR**
 - B. **ACTION TO APPROVE THE REMOVAL OF REAL PROPERTY TAXES AND PENALTIES FOR 2003/2003 ON 303 SOUTH ROOP STREET (APN 004-083-02), PROPERTY IS BEING USED BY A STATE OF NEVADA EMPLOYEE AS PART OF HER EMPLOYMENT AGREEMENT PER NRS 361-157(2)(h)**
 - 5-2. **DEVELOPMENT SERVICES - ENGINEERING**
 - A. **ACTION TO APPROVE AN AGREEMENT BETWEEN RICHARD THOMPSON AND LOESSA THOMPSON, TRUSTORS AND TRUSTEES OF THE RICHARD AND LOESSA THOMPSON FAMILY TRUST, DATED MARCH 18, 1994, AND CARSON CITY WHEREBY RICHARD THOMPSON AND LOESSA THOMPSON AGREE TO GRANT A PERMANENT EASEMENT AND RIGHT-OF-WAY FOR THE CONSTRUCTION OF STORM DRAINAGE FACILITIES UPON, OVER AND ACROSS CERTAIN REAL PROPERTY DESCRIBED AS ASSESSOR'S PARCEL NUMBER 007-111-14**
 - B. **ACTION TO APPROVE AN AGREEMENT BETWEEN CARSON-TAHOE HOSPITAL, A NEVADA NONPROFIT CORPORATION, AND CARSON CITY WHEREBY CARSON-TAHOE HOSPITAL AGREES TO GRANT A NO-BUILD EASEMENT AND TEMPORARY PARKING LICENSE FOR LAND COMMONLY KNOWN AND USED AS THE SENIOR CITIZENS CENTER, ASSESSOR'S PARCEL NUMBER 002-121-12**
 - C. **ACTION TO APPROVE AN AGREEMENT BETWEEN KENNETH H. WILSON AND LOUISA R. WILSON, TRUSTEES OF THE WILSON FAMILY TRUST U/D/T 7-25-95, AS COMMUNITY PROPERTY, AND CARSON CITY WHEREBY KENNETH H. WILSON AND**

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 3

LOUISAR. WILSON AGREE TO GRANT A PERMANENT EASEMENT AND RIGHT-OF-WAY FOR THE CONSTRUCTION OF STORM DRAINAGE FACILITIES UPON, OVER AND ACROSS CERTAIN REAL PROPERTY DESCRIBED AS ASSESSOR'S PARCEL NUMBER 007-111-07

D. ACTION TO AUTHORIZE THE MAYOR TO SIGN THE NATIONAL FIRE PLAN - ECONOMIC ACTION GRANT APPLICATION

E. ACTION TO APPROVE AN AGREEMENT BETWEEN THE DEPARTMENT OF ADMINISTRATION BUILDING AND GROUNDS DIVISION, THROUGH THE DIVISION OF STATE LANDS, ON BEHALF OF THE STATE OF NEVADA AND CARSON CITY, WHEREBY THE STATE OF NEVADA AGREES TO GRANT AN EASEMENT FOR UNDERGROUND UTILITIES AND A LEASE FOR WATER WELL NO. 49, OVER AND ACROSS CERTAIN REAL PROPERTY DESCRIBED AS ASSESSOR'S PARCEL NUMBER 004-022-01

5-3. DEVELOPMENT SERVICES - CONTRACTS

A. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON FREEWAY UTILITY RELOCATION, PHASE 1B - EAST COLLEGE PARKWAY TO GENOA LANE - CONSTRUCTION ENGINEERING SERVICES, CONTRACT NO. 2002-097 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO PBS&J, INC., 5310 KIETZKE LANE, SUITE 101, RENO, NEVADA 89511 FOR A CONTRACT AMOUNT OF \$32,369

B. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON THE DRAINAGE DESIGN - NORTHWEST ALTERNATIVES AGREEMENT - AMENDMENT NO. 4, CONTRACT NO. 9900-009 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO WRC NEVADA, INC., 6542 SOUTH MCCARRAN BOULEVARD, SUITE B, RENO, NV 89509 FOR AN AMENDMENT NO. 4 AMOUNT OF \$20,800 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE ADDITIONAL AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$4,200

C. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON CARSON CITY LANDFILL - CONSULTING SERVICES, CONTRACT NO. 2002-117 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO HDR ENGINEERING, INC., 500-108TH AVENUE, NORTHEAST, SUITE 1200, BELLEVUE, WA 98004, FOR A CONTRACT AMOUNT OF \$59,440

D. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON CONSTRUCTION INSPECTION SERVICES FOR CARSON CITY FREEWAY UTILITY RELOCATIONS PHASE 1-B NORTH, COLLEGE PARKWAY TO GENOA LANE, CONTRACT NO. 2002-106, AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO HARRIS AND ASSOCIATES, 2310 PASEO DEL PRADO SUITE A104, LAS VEGAS, NV 89102, FOR A CONTRACT AMOUNT OF \$85,300 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$15,000

E. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION AND AWARD THE CARSON CITY WELL NO. 25 REMODEL PROJECT, CONTRACT NO. 2002-105 TO BIDDER NO. 2, RDC, INC., DOING BUSINESS AS RESOURCE DEVELOPMENT COMPANY, 2305 GLENDALE AVENUE, SUITE 10, SPARKS, NV 89431, AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO THE REQUIREMENTS OF NRS CHAPTERS 332, 338, 339, AND 624 FOR A CONTRACT AMOUNT OF \$277,650 AND A CONTINGENCY AMOUNT OF

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 4

\$20,000

F. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION AND AWARD THE CARSON CITY PRODUCTION WELL NO. 49 PROJECT, CONTRACT 2002-104 TO BIDDER NO. 1, RDC, INC., DOING BUSINESS AS RESOURCE DEVELOPMENT COMPANY, 2305 GLENDALE AVENUE, SUITE 10, SPARKS, NV 89431, AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO THE REQUIREMENTS OF NRS CHAPTER 332, 338, 339, AND 624 FOR A CONTRACT AMOUNT OF \$309,500 AND A CONTINGENCY AMOUNT OF \$25,000

G. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON CONSTRUCTION MANAGEMENT SERVICES FOR THE CARSON CITY SENIOR CENTER EXPANSION CONTRACT NO. 2000-142 AND AUTHORIZE PAYMENTS TO METCALF BUILDERS, INC., 751 BASQUE WAY, CARSON CITY, NEVADA 89701, FOR AN AMENDMENT NO. 1 AMOUNT OF \$163,000 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE ADDITIONAL AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$5,000

H. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON ARCHITECTURAL SERVICES FOR THE CARSON CITY SENIOR CENTER EXPANSION, CONTRACT NO. 2002-051 AND AUTHORIZE PAYMENTS TO HANNAFIN/DARNEY ARCHITECTS, LLP, 318 NORTH CARSON STREET, SUITE 2002, CARSON CITY, NEVADA 89701, FOR AMENDMENT NO. 1 TO INCLUDE REASSIGNING THE \$25,168 APPROVED FOR INTERIOR DESIGN SERVICES TO THE BASIC COMPENSATION, AN ADDITIONAL AMOUNT OF \$24,554.50, AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE ADDITIONAL AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$5,000

5-4. ENVIRONMENTAL HEALTH

A. ACTION TO APPROVE A GRANT AWARD IN THE AMOUNT OF \$25,000 FROM THE NEVADA DEPARTMENT OF HUMAN RESOURCES, HEALTH DIVISION TO BEGIN THE INITIAL PLANNING AND DEVELOPMENT OF THE PROTOCOL FOR ASSESSING COMMUNITY EXCELLENCE IN ENVIRONMENTAL HEALTH (PACE-EH)

B. ACTION TO APPROVE CONTRACT NO. 0203-131 HIV INTEGRATION PLAN A REQUEST FOR PROFESSIONAL SERVICES TO BE PROVIDED BY HEALTHSMART TO THE HEALTH DEPARTMENT THROUGH DECEMBER 31, 2003, FOR A NOT TO EXCEED COST OF \$30,000

5-5. HUMAN RESOURCES

A. ACTION TO APPOINT LEE ANN KEEVER TO THE SHADE TREE COUNCIL WITH THE TERM EXPIRING JANUARY 2004

B. ACTION TO APPOINT WES CLYDE TO THE ADVISORY BOARD TO MANAGE WILDLIFE WITH THE TERM EXPIRING JULY 2003 - Supervisor Livermore moved to approve the 19 items on the Consent Agenda containing two items for the Assessor, five items for the Development Services - Engineering, eight items from Development Services - Contracts, two items from Environmental Health, and two items from the Human Resources as presented. Supervisor Williamson seconded the motion. Board comments noted that neither Lee Ann Keever nor Wes Clyde were present and thanked them for applying. The motion to approve the Consent Agenda was voted and carried 4-0.

6. BOARD OF SUPERVISORS

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 5

A. DISCUSSION AND POSSIBLE ACTION ON THE LEGISLATIVE MATTERS (1-

0236) - Board discussion noted the Assembly's approval of the Charter amendments, known as AB 113. It has been sent to the Senate. Mary Walker's memo regarding the status of various legislative bills was briefly discussed including the failure of Senator Raggio's ad valorem tax bill, the Assembly's approval of the City's Redevelopment amendment, and the failure of Washoe County School District's bill. Comments indicated that Senator Raggio's bill may come back as an amendment to a bill. No formal action was taken or required.

B. NON-ACTION ITEMS-INTERNAL COMMUNICATIONS AND ADMINISTRATIVE

MATTERS (1-0276) - Supervisor Aldean reported on her tour of the jail with Sheriff Furlong, her TRPA orientation, its Governing Board meeting, the Chamber of Commerce meetings, a luncheon with the Golf Course Board and a tour of the facility, an Economic Development luncheon, the RTC meeting, and the Employees Appreciation Luncheon. Supervisor Williamson reported on the Board's budget meetings, the Power Reorganization for Public Officials workshop, the Employees Appreciation Luncheon, and phase 1 of the Boys Comstock Soccer Shootout. She announced the Girls Comstock Soccer Shootout scheduled for April 26 and 27. Supervisor Livermore reported on the Hospital's strategic planning workshop, the Subconservancy District meeting, the Board's budget sessions, the Hospital meeting with City Parks staff, the Chamber of Commerce Manufacturers' meeting with Northern Nevada Development District on the employer recruitment program, the Hospital Finance Committee meeting, the Parks and Recreation Commission meeting, and the Employees Appreciation Luncheon. Mayor Masayko reported on Board's budget sessions and the lack of one shot funding; a meeting with Sheriff Furlong and TRIAD Council and complimented Sheriff Furlong on his willingness to resurrect this Council; the Chamber of Commerce Manufacturers' meeting; the successful Lions' Meals on Wheels breakfast fundraiser activity; and the Convention and Visitors Bureau Board meeting including the suggestion that the Comstock Soccer Shootout Committee include additional information with the hotel/motel registration information explaining the reservation requirements/policies, a proposal to use the two percent room tax currently used to repay Park Bonds for future V&T Bonds after the Park Bond is repaid, the Bureau's grant program, and the effort to revise the 28 day transient tax limitation. Supervisor Williamson complimented the Bureau on its willingness to provide funding for new events. The Redevelopment Authority Citizens Committee has a similar incentive program which provides seed money for new activities. Discussion indicated that the Bureau is establishing a similar program which reduces the grant funding for the event over a period of several years. Mayor Masayko also reported on his participation in the Employees Appreciation Luncheon and the Charter and V&T hearings at the Legislature. He announced the V&T Railway fundraiser at the Atlantis in Reno on Saturday and that tickets could be obtained from the Foundation. Supervisors Aldean and Livermore reported on the Economic Vitality Group's meeting. No formal action was required or taken.

C. STAFF COMMENTS AND STATUS REPORTS (1-0805) - Mr. Burnham explained that

a memo had been circulated to staff on the Friday after the final budget hearing delineating the Board's direction. The final State budget documents will be prepared based on the Board's directions. The Board will approve these documents on the third Monday in May. No formal action was required or taken.

RECESS: Mayor Masayko recessed the meeting at 9:21 a.m. Mayor Masayko reconvened the meeting at 9:33 a.m. by expressing the Board's condolences to Supervisor Staub. The entire Board was present, constituting a quorum.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 6

7. WESTERN NEVADA HOME CONSORTIUM - PUBLIC HEARING TO SOLICIT QUESTIONS AND COMMENTS ON THE PROPOSED WESTERN NEVADA HOME CONSORTIUM'S ANNUAL ACTION PLAN (1-0828) - Western Nevada Development District Home Consortium Representative Diane Pettitt explained the purpose of the consortium and its composition. She distributed a financial report showing the allocations made since fiscal year 97-98 to the Board and Clerk. (A copy is in the file.) She then highlighted the report. Locations where a copy of the draft plan is available were limned. The comment period ends on May 10. All comments and responses will be included in the final plan when it is submitted to the San Francisco HUD office. Mayor Masayko noted for the record that the final hearing on the plan will be held at the Lyon County Commissioners' meeting on May 15. Supervisor Williamson explained a discussion she had with Community Development Director Walter Sullivan which indicates the housing rehabilitation program has \$80,000 for which commitments must be made in two years and the funds spent in five years. Mr. Sullivan is presently working on the guidelines for the program. There is a need to have an advisory board to assist with the program. Potential uses for the funds were limned. The program will make older homes more habitable. The repayment schedule uses a sliding scale to determine the amount and timeframe for repayment. After approximately seven years, repayment is waived if the occupant is still residing in the home. She then explained for the record the regional CAHI program and its application process. It helps provide affordable housing for first time home buyers. Ms. Pettitt explained that the program decisions are made during open meetings. Discussion explained the rent subsidy program for low income residents. An explanation of the repayment programs was provided. Supervisor Staub expressed his concern that some of the participants may not be aware of the need to repay the funds. It was explained that the participants signed an agreement indicating the terms for repayment. It is recorded with the deed of trust. Public comments were solicited but none were given. Mayor Masayko then closed the testimony on this item and indicated for the record that written comments will be received until May 15 and that comments could be made at the other meetings as indicated on the meeting notice. Copies of the plan are available at the City Hall. No formal action was required or taken.

8. FINANCE - Director David Heath

A. A PUBLIC HEARING ON THE PROPOSED ISSUANCE OF ECONOMIC DEVELOPMENT REVENUE BONDS FOR CARSON -TAHOE HOSPITAL (1-1147) - Mayor Masayko indicated for the record that the Board had adopted a resolution of intent to be the conduit for the Hospital bonds under the Economic Development Program. Today is the date set for the public hearing on the issuance of these bonds. The bond amount is \$95 million. Public comments/questions were solicited but none were given. No formal action was required or taken.

B. ACTION TO INTRODUCE AN ORDINANCE AUTHORIZING THE ISSUANCE BY THE CITY OF ITS NEGOTIABLE "CARSON CITY, NEVADA, GENERAL OBLIGATIONS (LIMITED TAX) PUBLIC SAFETY REFUNDING BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES 2003," FOR THE PURPOSE OF FINANCING THE COST OF REFUNDING CERTAIN OUTSTANDING BONDS OF THE CITY; RATIFYING ACTION PREVIOUSLY TAKEN TOWARD ISSUING THE PROPOSED BONDS AND EFFECTING THE PURPOSE OF THEIR ISSUANCE; PROVIDING OTHER MATTERS RELATING THERETO (1-1174) - Mr. Heath explained that the refunding will provide a lower interest rate on the bonds. This is the only time that they

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 7

can be refinanced. Discussion indicated that Mr. Heath had reviewed all of the City's outstanding bonds. At this time he did not believe that there are any others that the City could refinance. Several had already been refinanced during the last two years. Mayor Masayko explained the arbitrage requirement that restricts refinancing to one time. If more than one refinancing occurs, the tax exempt status is lost. Mr. Heath estimated the bond interest rate at 4 percent. The bond currently has a 5.5 percent rate. Public comments were solicited but none were given. Supervisor Williamson moved to introduce on first reading Bill No. 109, AN ORDINANCE AUTHORIZING THE ISSUANCE BY THE CITY OF ITS NEGOTIABLE "CARSON CITY, NEVADA, GENERAL OBLIGATIONS (LIMITED TAX) PUBLIC SAFETY REFUNDING BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES 2003," FOR THE PURPOSE OF FINANCING THE COST OF REFUNDING CERTAIN OUTSTANDING BONDS OF THE CITY; RATIFYING ACTION PREVIOUSLY TAKEN TOWARD ISSUING THE PROPOSED BONDS AND EFFECTING THE PURPOSE OF THEIR ISSUANCE; PROVIDING OTHER MATTERS RELATING THERETO. Supervisor Livermore seconded the motion. Motion carried 5-0.

REDEVELOPMENT AUTHORITY (1-1255) - REDEVELOPMENT AUTHORITY (1-1111) - Mayor Masayko then recessed the Board of Supervisors session and passed the gavel to Chairperson Williamson who convened the Redevelopment Authority. For Minutes of the Redevelopment Authority, see its folder.

BOARD OF SUPERVISORS Following adjournment of the Redevelopment Authority, Chairperson Williamson returned the gavel to Mayor Masayko who reconvened the Board of Supervisors session. The entire Board was present, constituting a quorum.

9. REDEVELOPMENT/ECONOMIC DEVELOPMENT MANAGER - Joe McCarthy - ACTION TO APPROVE REDEVELOPMENT INCENTIVE FUNDING FOR KEITH AND LINDA MARTIN FOR ADA UPGRADES AND SITE IMPROVEMENTS PROPOSED FOR 205 JOHN STREET (1-1323) - Supervisor Williamson moved to approve Redevelopment Incentive Funding for Keith and Linda Martin for ADA upgrades and site improvements proposed for 205 East John Street, fiscal impact is \$6,240.00 and the funding source is the Redevelopment Tax Increment. Supervisor Staub seconded the motion. Motion carried 5-0.

10. DEVELOPMENT SERVICES - UTILITIES - Utility Operations Manager Tom Hoffert

A. ACTION ON A MOTION FINDING THAT THE PROPOSED ORDINANCE AMENDING CHAPTER 12.01 WATER CONNECTION CHARGES AND USE RATES OF THE CARSON CITY MUNICIPAL CODE REGARDING AN INCREASE IN WATER CONNECTION CHARGES AND USE RATES DOES IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN ON A BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION OR EXPANSION OF A BUSINESS, THAT A BUSINESS IMPACT STATEMENT HAS BEEN PREPARED, ACCEPTED AND IS ON FILE WITH THE BOARD OF SUPERVISORS AND THAT THE REQUIREMENTS OF THE ACT HAVE BEEN MET (1-1342) - Mr. Hoffert explained that the proposed ordinance has a financial impact on businesses. He had contacted both the Chamber of Commerce Chief Executive Officer Larry Osborne and Builders Association of Western Nevada (BAWN). Both of their representatives had indicated that they have no problem with the proposal at this time. The business impact statement had been posted as required. No comments had been received.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 8

Mayor Masayko noted for the record that the City will accept petitions for 30 days. The appropriate agencies/individuals have been noticed by the City. The 30-day clock is now running. Supervisor Williamson indicated that there had been several workshops and public hearings conducted on the proposed rate increases. Mayor Masayko felt that the impact was not significant but the finding is required to be made. Public comments were solicited but none were given. Supervisor Aldean noted that all of the stakeholders had been involved. She understood BAWN and the Chamber's position. Supervisor Aldean then moved to find that the following proposed ordinance amending Chapter 12.01 Water Connection Charges and Use Rates of the Carson City Municipal Code, regarding an increase in water connection charges and use rates, does impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business, that a business impact statement has been prepared, accepted and is on file with the Board of Supervisors and that the requirements of this act have been met regarding the fiscal impact. Supervisor Williamson seconded the motion. Mayor Masayko indicated that the proposed rates will impose the fiscal impact. The finding does not create the impact. Motion carried 5-0.

C. ACTION ON A MOTION FINDING THAT THE PROPOSED ORDINANCE AMENDING CHAPTER 12.03 SEWER CONNECTION CHARGES AND USE RATES OF THE CARSON CITY MUNICIPAL CODE, REGARDING AN INCREASE IN SEWER CONNECTION CHARGES AND USE RATES DOES IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN ON A BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION OR EXPANSION OF A BUSINESS, THAT A BUSINESS IMPACT STATEMENT HAS BEEN PREPARED, ACCEPTED AND IS ON FILE WITH THE BOARD OF SUPERVISORS AND THAT THE REQUIREMENTS OF THE ACT HAVE BEEN MET(1-1435) - Mayor Masayko reiterated the Statutes mandating the need to make this finding. The finding is that it will impose a significant economic burden on businesses. The finding has been made as required. Supervisor Aldean moved to find that the following proposed ordinance amending Chapter 12.03 Sewer Connection Charges and Use Rates of the Carson City Municipal Code, regarding an increase in sewer connection charges and use rates, does impose a direct and significant economic burden on a business or directly restrict the formation, operation or expansion of a business, that a business impact statement has been prepared, accepted and is on file with the Board of Supervisors and that the requirements of this act have been met; regarding the fiscal impact - as the Mayor pointed out - there may be a fiscal impact on the citizens. Supervisor Williamson seconded the motion. Mayor Masayko indicated that the finding does impose a fiscal burden. The Statutes have been complied with. The motion was voted and carried 5-0.

B. ACTION TO INTRODUCE AN ORDINANCE AMENDING TITLE 12 (WATER, SEWERAGE, AND DRAINAGE), CHAPTER 12.01 (WATER CONNECTION CHARGES AND USE RATES), SECTION 12.01.020 (SCHEDULE OF RATES) BY AMENDING DOMESTIC/RESIDENTIAL SERVICE TO INCLUDE COMMERCIAL, QUASI-RESIDENTIAL INTO ONE RATE SCHEDULE, LOWERING THE MONTHLY SERVICE CHARGE 10 PERCENT, INCREASING THE MONTHLY COMMODITY CHARGE 21.47 PERCENT FOR ALL CLASSES TO THE SAME TIER STRUCTURE, DELETING QUASI-RESIDENTIAL, COMMERCIAL AND PRIVATE FIRE PROTECTION SERVICES SECTIONS, AND BY DELETING "COMMERCIAL" AND ADDING "WATER" TO WATER TRUCK WATER SERVICES, AND DELETING "JUNE" AND ADDING "WITH THE ANNUAL BUDGET, BUT NO LATER THAN APRIL", AND AMENDING SECTION 12.01.030 (SCHEDULE OF WATER CONNECTION CHARGES, LATERAL AND METER BOX SETS,

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 9

AND METER SET FEES) BY DELETING "THREE THOUSAND THREE HUNDRED THIRTY-FOUR DOLLARS (\$3,334.00)" AND "JANUARY 1, 1998", ADDING "THREE THOUSAND NINE HUNDRED SIXTY-EIGHT DOLLARS (\$3,968.00)" AND "JUNE 1, 2003", AND DELETING SECTION 1.B CONNECTION FEE AUDIT REQUIREMENTS, AND OTHER MATTERS PROPERLY RELATED THERETO (1-1500) - Acting City Manager Andrew Burnham - The Utility Rate Study Committee's role in establishing the recommended rates was noted. Efforts to obtain public participation at their meetings were limited. The proposed rate decreases the monthly service charge for water by ten percent. Enlarged copies of the water bills were shown illustrating how the proposed program would impact various users. The users were separated into various classes. All users within a class were assessed the same rate. The connection fee was increased by 19 percent. As the fire hydrant service charge had been eliminated, BAWN and the Manufacturers' Association supported the rate increases. The ordinance also includes a mandatory annual review of the rates that is to occur no later than April of each year. Discussion explained the remarks received during the March 31 workshop and assured the Board that everyone who had attended it supported and understood the need for both the water and sewer rate increases. Mr. Hoffert corrected one of the examples which had a \$90.00 typographical error in the service charge. The monthly residential service charge is \$9.00. The commercial monthly service charge will be increased from \$90.00 to \$98.00. Mayor Masayko noted that the proposal assesses the highest commodity charge on the high volume users for both the commercial and residential categories. This is the reason the service charge had been decreased. He also disclosed that Utility Rate Study Committee Chairperson Knecht had indicated an intent to attend the Board meeting if possible. Chairperson Knecht was not present. The Committee had previously made a presentation to the Board regarding the rates. He felt that it was immaterial that Chairperson Knecht was could not attend due to his representation of the community at its Assemblyman and needs to be at the Legislature. Public comments were solicited. None were given. Board discussion with Mr. Hoffert indicated that the ordinance will be effective June 1. Mayor Masayko indicated for the record that the City has a revenue target required for the system. Every effort must be made to insure that it is reached. Staff will use the model to analyze the rates and insure that the expected revenue is generated as anticipated. The expenditures for capital needs and overhead required of the Utility Fund will be reviewed annually. Supervisor Staub voiced concerns that the proposed connection fee would cause a last minute rush to obtain building permits or that people would protest the increases based on the lack of knowledge about the intent to raise the rates. Mr. Hoffert indicated that a one page flyer would be available to the public at the Utilities and the Building Departments. He had not intended to do a mass mailing. Mr. Burnham indicated that BAWN would be given a notice. Mayor Masayko felt that the media articles had not clearly indicated the intent to increase the connection fee. He urged staff to take steps to notify the contractors and home builders regarding the proposed rate increases. Board comments pointed out the number of meetings and effort that had been undertaken to insure public awareness of the proposal and complimented staff and the Committee on its professionalism and efforts. There had been 17 meetings. Ten of the meetings had been televised. Supervisor Staub moved to introduce Bill No. 110 on first reading, AN ORDINANCE AMENDING TITLE 12 (WATER, SEWERAGE, AND DRAINAGE), CHAPTER 12.01 (WATER CONNECTION CHARGES AND USE RATES), SECTION 12.01.020 (SCHEDULE OF RATES) BY AMENDING DOMESTIC/RESIDENTIAL SERVICE TO INCLUDE COMMERCIAL, QUASI-RESIDENTIAL INTO ONE RATE SCHEDULE, LOWERING THE MONTHLY SERVICE CHARGE 10 PERCENT, INCREASING THE MONTHLY COMMODITY CHARGE 21.47 PERCENT FOR ALL CLASSES TO THE SAME TIER STRUCTURE, DELETING QUASI-RESIDENTIAL, COMMERCIAL AND PRIVATE FIRE PROTECTION SERVICES SECTIONS, AND BY DELETING "COMMERCIAL" AND ADDING "WATER" TO WATER TRUCK

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 10

WATER SERVICES, AND DELETING "JUNE" AND ADDING "WITH THE ANNUAL BUDGET, BUT NO LATER THAN APRIL", AND AMENDING SECTION 12.01.030 (SCHEDULE OF WATER CONNECTION CHARGES, LATERAL AND METER BOX SETS, AND METER SET FEES) BY DELETING "THREE THOUSAND THREE HUNDRED THIRTY-FOUR DOLLARS (\$3,334.00)" AND "JANUARY 1, 1998", ADDING "THREE THOUSAND NINE HUNDRED SIXTY-EIGHT DOLLARS (\$3,968.00)" AND "JUNE 1, 2003", AND DELETING SECTION 1.B CONNECTION FEE AUDIT REQUIREMENTS, AND OTHER MATTERS PROPERLY RELATED THERETO and that there will be a fiscal impact after the second reading. Supervisors Aldean and Livermore seconded the motion. Mayor Masayko indicated for the record that the ordinance will not change the special utility charges for items out of the ordinary for the Water Utility; e.g., water taps, fire flows, etc. Mr. Hoffert agreed that these fees had not been changed. Motion carried 5-0.

D. ACTION TO INTRODUCE AN ORDINANCE AMENDING TITLE 12 (WATER, SEWERAGE, AND DRAINAGE), CHAPTER 12.03 (SEWER CONNECTION CHARGES AND USE RATES), SECTION 12.03.020 (SCHEDULE OF RATES) BY INCREASING ALL RATES 9.10 PERCENT, AND AMENDING SECTION 12.03.025 (CALCULATION AND REVIEW RATES) BY DELETING "ADMINISTRATIVE SERVICES", ADDING "FINANCE", DELETING "BY JUNE", ADDING "WITH THE ANNUAL BUDGET, BUT NO LATER THAN APRIL", AND AMENDING SECTION 12.03.030 (SCHEDULE OF SEWER CONNECTION AND HOOK UP CHARGES) BY DELETING "TWO THOUSAND TWO HUNDRED TWENTY-SIX DOLLARS (\$2,226.00)", ADDING "FIVE THOUSAND SEVEN HUNDRED SEVENTY-SEVEN DOLLARS (\$5,777.00), FOR EVERY CONNECTION MADE AFTER JUNE 1, 2003", AND DELETING 1.B. CONNECTION FEE AUDIT REQUIREMENTS AND 2 CONNECTIONS MADE PRIOR TO DECEMBER 31, 1988, AND OTHER MATTERS PROPERLY RELATED THERETO (1-1814) - Discussion explored the class rates for sewer service. The sewer connection fee had increased 105 percent. The same mandatory review clause for the water ordinance is included in the sewer ordinance. Clarification indicated that the sewer rate is based on actual usage and does not consider the difference between summer and winter usage like the water rates do. Supervisor Livermore explained the sewer connection rate increase he had heard would be implemented in Lyon County. Discussion indicated that Lyon County's proposed rate was significant. Lyon County's Public Works Director had asked to see how Carson City had established its rates. Staff may become involved with their rate analysis. The need for consistency in the region was stressed. Mr. Hoffert indicated that the rates will apply to the proposed Moundhouse uses under the interlocal agreement with Lyon County. There is a nine percent overall service increase which is in addition to the increased connection fee. Public comments were solicited but none were given. Discussion noted the different impacts of the sewer and water increases. Public comments were again solicited but none were given. Supervisor Staub moved to introduce on first reading Bill No. 111, AN ORDINANCE AMENDING TITLE 12 (WATER, SEWERAGE, AND DRAINAGE), CHAPTER 12.03 (SEWER CONNECTION CHARGES AND USE RATES), SECTION 12.03.020 (SCHEDULE OF RATES) BY INCREASING ALL RATES 9.10 PERCENT, AND AMENDING SECTION 12.03.025 (CALCULATION AND REVIEW RATES) BY DELETING "ADMINISTRATIVE SERVICES", ADDING "FINANCE", DELETING "BY JUNE", ADDING "WITH THE ANNUAL BUDGET, BUT NO LATER THAN APRIL", AND AMENDING SECTION 12.03.030 (SCHEDULE OF SEWER CONNECTION AND HOOK UP CHARGES) BY DELETING "TWO THOUSAND TWO HUNDRED TWENTY-SIX DOLLARS (\$2,226.00)", ADDING "FIVE THOUSAND SEVEN HUNDRED SEVENTY-SEVEN DOLLARS (\$5,777.00), FOR EVERY CONNECTION MADE AFTER JUNE

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 11

1, 2003", AND DELETING 1.B. CONNECTION FEE AUDIT REQUIREMENTS AND 2 CONNECTIONS MADE PRIOR TO DECEMBER 31, 1988, AND OTHER MATTERS PROPERLY RELATED THERETO and that the fiscal impact will incur an increase after the second reading. Supervisor Livermore seconded the motion. Motion carried 5-0.

11. DEVELOPMENT SERVICES - City Engineer Larry Werner - ACTION TO APPROVE A COOPERATIVE AGREEMENT BETWEEN THE STATE OF NEVADA, ACTING BY AND THROUGH ITS DEPARTMENT OF TRANSPORTATION, AND CARSON CITY REGARDING THE CONSTRUCTION OF PHASE 1B OF THE CARSON CITY FREEWAY (1-1990) - Mr. Werner explained the need to add the College Parkway signal to Page 3 in Section 9. Discussion indicated that the correct exhibits named 7A were included in the Board's packets. Discussion corrected Page 4 in Section 11 at Line 4 to indicate that it is Paragraph 14 and not Paragraph 11. Justification for leaving Paragraph 12 on Page 4 as written was discussed. No changes were made to it. Supervisor Aldean suggested that Thomas Stephens' name be changed to Jeff Fontaine on Page 5, Section 3. Mayor Masayko indicated that the signature page is correct with Mr. Fontaine's name. Mayor Masayko indicated that the corrections do not change the intent of the agreement. Public comments were solicited but none were given. Supervisor Aldean moved to approve a cooperative agreement between the State of Nevada, acting by and through its Department of Transportation, and Carson City regarding the construction of Phase 1B of the Carson City Freeway subject to the following changes: On Page 3 of said document under Section 9, College Parkway should be added as a possible signal location; on Page 4, Section 11, on the fourth line Paragraph 11 should read Paragraph 14; on Page 5, Article III under the "mutually agreed section" the listing of contact for the Department of Transportation should read Jeff Fontaine, P. E., Director as opposed to Deputy Director. Supervisor Williamson seconded the motion. Motion carried 5-0. Mayor Masayko thanked NDOT Project Manager Jim Gallegos for attending the meeting. Mr. Gallegos indicated that "everything is going as planned". Side bar discussion between Mayor Masayko and Supervisor Staub indicated that there are two "Section 14's" in Article I. Mayor Masayko felt that the agreement was understandable as written.

12. COMMUNITY DEVELOPMENT - Director Walter Sullivan

A. ACTION REGARDING A REQUEST FROM BLAINE HANSEN, ET. AL, FOR ABANDONMENT OF AN ALLEY (APPROXIMATELY 10 FEET WIDE) RUNNING NORTH/SOUTH FROM WEST SEVENTH STREET TO WEST EIGHTH STREET, BOUNDED BY SOUTH NEVADA STREET AND SOUTH CURRY STREET, ON PROPERTY ZONED DOWNTOWN COMMERCIAL (DC), APN 003-095-01, 003-095-02, 003-095-03, 003-095-05 (AB-02/03-2) (1-2205) - Mayor Masayko indicated for the record the need to delineate whether the abandonment is within the original townsite. Mr. Sullivan indicated that this site is within the original townsite. Mayor Masayko then reiterated for the record that the site is part of the original townsite which has been the subject of some dispute regarding the ownership of the streets. This action will be subject to the knowledge that the matter has yet to be fully resolved regarding the City's ability to charge for the abandonment. It is part of the 320 acres of the original townsite Mr. Sullivan agreed. Mayor Masayko also indicated that the Board could make a finding that it does not wish to charge as it is in the public's interest. He reiterated his request that the record show that this matter is in some manner of litigation and there is an opportunity to make the charge or not to wish to make the charge. He asked that a finding be made on the record so that it will not come back as a result of the prevailing party in the legal issue. He suggested that the finding, as the

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 12

property is in the original townsite, be that it is in the public's interest to abandon the property at no cost. He also noted the amount of work performed to locate the alleys. He suggested, as the subdivisions had been platted and recorded during development, that when abandonments are requested they be handled by reference to the lots and blocks rather than having to have the surveys conducted. The City would not make any representation for where the property is located on the ground. This approach will be more user friendly than the present program. Mr. Sullivan explained that the survey is required for accuracy. Without the survey it is difficult to determine that there are encumbrances into the streets and alleyways. Mayor Masayko acknowledged that this could have a bearing on some occasions and not on others. If a check of the site determines that there is nothing located in the vicinity, then the lots and blocks should be allowed and the expensive surveying process would not be needed. The City would not make any representation that the land is located beyond that indicated by the surveyor. The City is only abandoning whatever rights it has to the property. An example of another location where an abandonment request had been made was cited to illustrate his point. Mr. Sullivan agreed to discuss the matter with Mayor Masayko at another time. Mayor Masayko also felt that the property should be abandoned to the abutting property owners even if they are not interested in it. His reasons for making the changes to the process were noted. Public comments were solicited but none were given. Discussion between Supervisor Staub and Mr. Sullivan indicated for the record that the adjacent property owners had joined the applicant in the abandonment request. Supervisor Staub moved that the Board of Supervisors approve AB-02/03-2, a request from Blaine Hansen, et al., meaning that the adjacent property owners had joined in this application, for an abandonment of an alley of approximately ten feet wide running north by south from West Seventh Street to West Eighth Street, bounded by South Nevada Street and South Curry Street, on property zoned Downtown Commercial (DC), APNs 003-095-01, 003-095-02, 003-095-03, 003-095-04 and 003-095-05 with the note that this property is part of the original Carson City townsite and it is in the public interest that it be granted back to these adjacent landowners at no charge. Supervisor Williamson seconded the motion. Motion carried 5-0.

B. ACTION TO ADOPT BILL NO. 108 ON SECOND READING, AN ORDINANCE TO CHANGE THE ZONING FROM SINGLE FAMILY 12,000-PLANNED UNIT DEVELOPMENT (SF12-P) TO NEIGHBORHOOD BUSINESS-PLANNED UNIT DEVELOPMENT (NB-P), ON A 3.03 ACRE PARCEL LOCATED ON THE SOUTHWEST CORNER OF WEST COLLEGE PARKWAY AND OAK RIDGE DRIVE, APN 008-061-77, AND OTHER MATTERS PROPERLY RELATED THERETO (1-2438) - Boys and Girls Club Representative Jim Cavilla - Mr. Sullivan's introduction included an explanation of a Mr. Kennedy's telephone call regarding the process for handling an ordinance by the Planning Commission and Board. Mayor Masayko indicated for the record that the only contact he had was an email with a resident of Silver Oak dealing with the process and that the land will no longer be represented as public land or part of the school and park sites. It will be designated as a neighborhood business site on the records. Supervisor Livermore disclosed that Mr. Kennedy had also contacted him. The discussion had not presented any new information or any benefit to the discussion. His view was that the item should be returned to the Planning Commission. This was the only discussion he had with anyone regarding the ordinance. Mayor Masayko disclosed that he had also had a similar discussion with Mr. Kennedy immediately after the last meeting. He had forgotten about it until now. He discussed the same issue as Supervisor Livermore had indicated. Supervisor Aldean disclosed that she had corresponded via emails with Meritt Dunlap and had spoken to Carl Hasty and Kent Lauer and their primary concerns were with enforcement of the restrictions which the Boys and Girls Club have voluntarily agreed to impose on the property as well as other concerns. Supervisor Williamson disclosed that she had also received a telephone call from Mr.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 13

Kennedy and that he thought that the issue should be returned to the Planning Commission for more restrictions on the use of the property. Carl Hasty had also discussed the same issue with her before this morning's meeting. She had also received an email from Betty Krupp concerning her disappointment with her. Supervisor Staub explained his discussion with Mr. Kennedy following the RTC meeting. He had received the same type of comments as had been expressed by the other Board members. Additional public comments were solicited but none were given. Supervisor Livermore moved to adopt on second reading Bill No. 108, Ordinance No. 2003-9, AN ORDINANCE TO CHANGE THE ZONING FROM SINGLE FAMILY 12,000-PLANNED UNIT DEVELOPMENT (SF12-P) TO NEIGHBORHOOD BUSINESS-PLANNED UNIT DEVELOPMENT (NB-P), ON A 3.03 ACRE PARCEL LOCATED ON THE SOUTHWEST CORNER OF WEST COLLEGE PARKWAY AND OAK RIDGE DRIVE, APN 008-061-77, AND OTHER MATTERS PROPERLY RELATED THERETO. Supervisor Williamson seconded the motion. Mayor Masayko noted that he had voted against the ordinance on first reading. He still felt that the item should be returned to the Planning Commission and that its process could provide a better outcome. His concerns still remain. He indicated that he would vote against the motion for the same reasons. Supervisor Aldean reiterated the comments she had made at the last meeting and her hope and concern that the Club's commitments will be lived up to and that they will engage the Silver Oak residents in the discussions. She felt that the residents' concerns were resolvable. Both Supervisors Staub and Williamson supported her comments. Supervisor Williamson also noted the concern that it appeared as if it was a "done deal" from the beginning. She indicated that this is not the case. She had been aware of the proposed plan for the property even before she was elected to office. It has been an evolutionary process that has taken time to reach this point. She was unable to understand why the residents felt that they did not know about it based on the magnitude of meetings that have been held on the proposal. The motion to adopt Ordinance No. 2003-9 was voted and carried 4-1 with Mayor Masayko voting Naye.

Mr. Cavilla thanked the Board for its action. Mayor Masayko explained that the City could not require the restrictions and that they were personal commitments. Mr. Cavilla indicated that the Club will live up to its commitments regarding the restrictions. Correspondence will be delivered to the Silver Oak residents as they want additional input on the restrictions which should be made. It will also provide an opportunity for the Club to advise the residents about the restrictions it has already considered. He also indicated that a survey would be taken before the deed restriction is recorded. The property owners in the vicinity and the homeowners' association can enforce these deed restrictions.

BREAK: A recess was declared at 11:05 a.m. The entire Board was present when Mayor Masayko reconvened the meeting at 11:15 a.m.

13. CITY MANAGER - Acting City Manager Andrew Burnham

A. ACTION TO RECESS INTO CLOSED SESSION PURSUANT TO THE NEVADA OPEN MEETING LAW, NRS 241.015(B)(2), FOR THE PURPOSE OF RECEIVING INFORMATION REGARDING POTENTIAL OR EXISTING LITIGATION FROM AN ATTORNEY EMPLOYED OR RETAINED BY THE CITY AND/OR DELIBERATING TOWARD A DECISION (1-2695) - Supervisor Williamson moved to recess into Closed Session. Mayor Masayko indicated that the motion was to recess into Closed Session under the agenda item. Supervisor Aldean seconded the motion. Motion carried 5-0. Mayor

CARSON CITY BOARD OF SUPERVISORS
Minutes of the April 17, 2003, Meeting
Page 14

Masayko recessed the Open Session at 11:16 a.m.

B. OPEN SESSION (1-02728) - The Open Session was reconvened at 11:51. The entire Board was present, constituting a quorum. Mayor Masayko immediately recessed the session for lunch with the City Manager candidates.

14. INFORMAL LUNCHEON WITH THE THREE CANDIDATES AND THEIR SPOUSES AT THE COMMUNITY CENTER GYMNASIUM - The luncheon was not taped. The entire Board was present. Other individuals present were: Chamber of Commerce Chief Executive Officer Larry Osborne; Chamber of Commerce Directors Stephen Lincoln, Bonnie Harnaman, Mark Beauchamp, Steve Reynolds, and Richard Linkul; Chamber of Commerce Secretary Leana Bomar; Tom Keeton; Acting City Manager Andrew Burnham; Human Resources Director Ann Beck; Deputy District Attorney Melanie Bruketta, Personnel Analyst Trainee Mary McAlister; and Recording Secretary Katherine McLaughlin. The applicants and their wives/husbands were: David and Anna Fraser; James and Suzanne Palenick; and Linda and Skip Ritter.

Mayor Masayko welcomed all to the luncheon and thanked the Chamber for hosting it. He introduced the candidates and their wives/husbands. He noted that only one of the three candidates would be selected as the City Manager. Mr. Osborne introduced the Chamber Directors and welcomed all to the luncheon. He noted the working relationship enjoyed between the City and the Chamber. He expressed the hope that the candidates will enjoy their visit to the community. Mayor Masayko then introduced the City staff and Tom Keeton. The candidates each gave a brief introductory statement about their backgrounds/families. Mayor Masayko thanked the Chamber for hosting the luncheon. The Board Members then mingled in groups of one or two with the candidates and others who were present. Discussion occurred during lunch and was considered small talk regarding families, their trips, small town experiences, etc. At 1:18 p.m. the Board did not have a quorum and was considered recessed. No formal action was taken.

RECESS: A recess occurred by mutual consent and the loss of a quorum at 1:18 p.m. Mayor Masayko reconvened the meeting at 1:35 p.m. The entire Board was present, constituting a quorum.

4. HUMAN RESOURCES - Director Ann Beck

A. ACTION TO INTERVIEW THREE CANDIDATES AND SELECT A NEW CITY MANAGER (1-2757) - Mayor Masayko limned the protocol to be followed during the interview and discussion. He asked that the Board determine after the interviews have been conducted whether the three applicants had complied with the criteria for a candidate. If found to comply, a selection process will be undertaken. If not, then the application process would commence again. All of the candidates had been informed that there could be a discussion about the job, salary, and job acceptance and that this discussion will occur in an open meeting. He also indicated that, if an agreement regarding the salary, reporting date, and other core requirements cannot be reached this afternoon, the meeting will be recessed and reconvened at 9 a.m. tomorrow morning. The candidates could stay for the other interviews once their's is completed or leave if they desire. Supervisor Livermore requested a copy of the job description and hoped that a copy of the goals established during the November workshop were also available. He suggested that another goal setting workshop be held shortly after the individual is on the job. Ms.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 15

Beck indicated that the applicants had been given a copy of the job description and a copy was to be given to the Board. Mayor Masayko indicated that the salary indicated on the description included the bonus. The process undertaken by the Board should begin with a salary point that the Board is satisfied with, determine the probationary period, and then the bonus issue. The Board then conducted interviews of: (1-3000) David Fraser; (2-0629) James Palenick; and (2-1683) Linda Ritter. The Board thanked each applicant for applying. Each candidate thanked the Board for having the opportunity to discuss their applications and summarized their qualifications. Mayor Masayko encouraged the candidates to remain in the vicinity and invited them to listen to the other interviews and the selection process if desired.

RECESS: A recess was declared at 3:28 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 3:36 p.m., constituting a quorum.

Board comments noted the quality of the applicants and indicated the feeling that any one of the three would make a good City Manager. This made it difficult to select one individual for the position. Mayor Masayko commended Ms. Beck and her staff on their recruitment efforts. He also thanked the community for its role in the selection process. Each Board Member then gave his reasons for and ranking of the candidates. (3-0038) Supervisor Livermore then moved that the Board of Supervisors offer the position of City Manager to Linda Ritter and negotiate a contract similar to the job description before the Board within the indicated salary ranges. Supervisor Williamson seconded the motion. Comments suggested that Mr. Fraser should apply for the Elko City Manager's position. Motion carried 5-0.

(3-0060) Supervisor Livermore then moved that the ranking for City Manager be: 1. Linda Ritter; 2. David Fraser; and 3. James Palenick. Supervisor Williamson seconded the motion. Mayor Masayko indicated that his ranking had Mr. Palenick second, however, it was a very close ranking. Supervisor Staub indicated that if it would assist Mr. Fraser in obtaining the Elko position, he would support his ranking as number 2. The motion was voted and carried 5-0.

RECESS: A recess was declared at 4:47 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 5:15 p.m., constituting a quorum.

B. DISCUSSION AND POSSIBLE ACTION TO NEGOTIATE A CONTRACT WITH THE SELECTED CANDIDATE FOR CITY MANAGER (1-0095) - Mayor Masayko explained the Board's selection, congratulated her on her selection, and offered Linda Ritter the position. Ms. Ritter indicated that she was interested in negotiating the terms of the contract at this time. Although she had never had a contract before, she felt that she should have one now. Reasons for having one were limned. She also indicated that she had discussed her candidacy with the Elko Board and that she would be available to commence work on June 15. She did not believe that Elko would respond by creating a bidding war for her services. Mayor Masayko explained his contact with Elko's Mayor and his advice to him to make an offer as Carson City was serious about its interest in Ms. Ritter. Mayor Masayko then explained the salary range and bonus program. He offered her a 120 to 180 day probationary period which would allow the contract to be terminated without harm or "foul" and for the contract to include a similar clause for termination. He then offered a six-month probationary salary of \$90,000.00 with a \$3,000 car allowance, that at the end of a successful probationary period to give her a five percent merit bonus and proceed with

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 16

the 20 percent pay for performance bonus for the coming year. The base salary could be adjusted when and if Ms. Ritter brings the issue to the Board and obtains approval. Ms. Ritter explained that Mr. Berkich's salary had used a mid point of a range which was created by comparing other similar communities. She was not prepared to discuss the communities used for this process at this time. She was, however, prepared to accept the mid point range process. She felt that they should agree on a percentage range and pay for performance program that is adjusted over time based on performance. Mayor Masayko explained that the program has established the pay for performance process and that they could not go below the City Manager's level to make a comparison with the rest of the unclassified employees. The situation is that a competent manager should be in the \$99,000 range with a total package of \$115,000 to \$116,000, which is ten percent above the highest paid person. The pay for performance plan allows the individual to be paid at a lower than cost and the mid point rate which provides an incentive to earn the bonus and makes the total compensation package at a level above the mid point. The philosophy of the pay for performance plan was based on this program. It could be changed over time. Discussion indicated that Mayor Masayko and Supervisors Williamson and Livermore were on the Board when Larry Beller and Mr. Berkich had presented this concept. He offered her a salary that would be five percent below Mr. Berkich's \$99,000 base salary and that if she successfully completes the 180-day probationary period, the salary will be raised to \$99,000. Ms. Ritter repeated the offer as being no harm, no foul, 180 day probationary period, and if the Board decides not to keep her, she is to go away without a severance package. Mayor Masayko indicated that this is his objection to having a contract. He responded by indicating that it would depend on the "no harm, no foul" decision and that the relocation expenses will not be reimbursed during the probationary period if the Board elects to terminate the relationship. If Ms. Ritter elects to terminate the relationship, the Board will not hold her to "the fire". Ms. Ritter reiterated her reasons for wanting a contract. She acknowledged the need to trust each other that the relationship will be long lasting. She also explained that the standard contract includes a six-month severance clause. Mayor Masayko explained that it could be possible that the Board decides to make a change in its direction and if severance is included in the contract, it would be there. The Board has gone back and forth on its inclusion. Mr. Berkich had sold the Board on the idea that he had earned it and that it should be included.

Supervisor Williamson expressed her desire to see Ms. Ritter succeed. She suggested a three-month severance allowance and to have additional negotiations on it when the contract starts. Mayor Masayko indicated a willingness to accept this compromise if there is a six-month probationary period. Supervisor Livermore suggested that the severance package include a potential that would after a two-year period add a month for each year to a maximum of one year. Mayor Masayko indicated that this is the process that had been used with Mr. Berkich. Ms. Ritter explained her desire to have some "wiggle room" which would be provided in a contract. Mayor Masayko responded that they did not want that much "wiggle room" as they desire to keep the City Manager. Ms. Beck then indicated that five percent from the base of \$99,000 was \$94,050. Board comments indicated that there should be a \$3,000 car allowance. Mayor Masayko also indicated that there would be a five percent salary increase at the end of the probationary period which would make the salary \$99,000 at the end of 180 days. Pay for performance would be on top of this salary. Ms. Beck indicated that the Board had already established policies and procedures for relocation, house hunting, and temporary living quarters. Ms. Ritter indicated that she had seen these documents and had no problem with them. Mayor Masayko reiterated the offer and Ms. Ritter agreed to it. Discussion pointed out the need for her to reside in Carson City, to which she indicated that she agreed with this policy. The relocation costs will be paid by the City and that residency in the City is required to be eligible for this reimbursement. Comments also indicated that the Chamber of Commerce Chairperson insisted that she reside at the Plaza Hotel and

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 17, 2003, Meeting

Page 17

noted that a number of the Legislators are presently in residence there. Ms. Ritter indicated that she was happy with the basic terms. She reiterated the need to provide 60 days notice to Elko and would want to provide the same to the City. Board comments indicated that she will receive the standard benefit package provided to other City employees. Ms. Ritter then explained her need for annual leave in July. Mayor Masayko explained that the Internal Auditor had been allowed to borrow leave time for a similar purpose and that she should receive the same accommodation.

Mayor Masayko then passed the gavel to Mayor Pro Tem Livermore and moved that the Carson City Board of Supervisors as per the agreement with Linda Ritter offer her the City Manager position under the following terms and conditions: The anticipated start date is June 15, 2003; the offer of employment is at the City Manager's pay for performance rate beginning at \$94,050.00 on the date of employment; (they) agree that there is a 180-day probationary period; successful completion of the probationary period will result in a five percent increase in the salary bringing the salary to \$99,000.00 base and that a 20 percent pay for performance bonus will also be eligible; during the time from June 15 forward Ms. Ritter will be eligible for a \$3,000.00 a year car allowance and all City benefits including vacation brought forward; that the Board also understands that she wishes to memorialize (the agreement) through the use of a contract (to which the Board) agrees to that, and that they agree that any time going forward from June 15 if for no cause Ms. Ritter decides to leave the City 60 days notice is required to keep the benefits of any severance pay; and that there is three months severance in the first six months; and the severance pay at the end of the six month probationary period will be in a future contract. Supervisor Staub seconded the motion. Supervisor Aldean indicated for clarification that the three months severance applies only if the Board elects to terminate her and not if she elects to leave. The motion was voted and carried 5-0.

Mayor Pro Tem Livermore returned the gavel to Mayor Masayko. Mayor Masayko congratulated her and looked forward to a long and successful relationship. Ms. Ritter thanked the Board for the vote of confidence. She planned to commence studying the City and hoped to hit the ground running.

Mayor Masayko then cancelled the meeting scheduled for tomorrow. There being no other matters for consideration, Supervisor Livermore moved to adjourn. Supervisor Williamson seconded the motion. Motion carried 5-0. Mayor Masayko adjourned the meeting at 5:40 p.m.

The Minutes of the April 17, 2003, Carson City Board of Supervisors meeting

ARE SO APPROVED ON July 17, 2003.

/s/
Ray Masayko, Mayor

ATTEST:

CARSON CITY BOARD OF SUPERVISORS
Minutes of the April 17, 2003, Meeting
Page 18

/s/

Alan Glover, Clerk-Recorder