

CARSON CITY BOARD OF SUPERVISORS
Minutes of the July 5, 2007, Meeting
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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, July 5, 2007, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

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| PRESENT: | Marv Teixeira | Mayor |
| | Richard S. Staub | Supervisor, Ward 4 |
| | Shelly Aldean | Supervisor, Ward 2 |
| | Pete Livermore | Supervisor, Ward 3 |
| STAFF PRESENT: | Linda Ritter | City Manager |
| | Neil Rombardo | District Attorney |
| | Ken Furlong | Sheriff |
| | Al Kramer | Treasurer |
| | Walter Sullivan | Community Development Director |
| | Larry Werner | Development Services Director/City Engineer |
| | Stacy Giomi | Fire Chief |
| | Andrew Burnham | Public Works Director |
| | Steve Albertsen | Undersheriff |
| | Katherine McLaughlin | Recording Secretary |
| | Sandy Scott | Contracts Coordinator |

(BOS 7/5/07 Recording 8:30:20)

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

CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE, AND INVOCATION - Mayor Teixeira convened the meeting at 8:30 a.m. Roll call was taken. A quorum was present although Supervisor Williamson was absent. District Attorney Neil Rombardo led the Pledge of Allegiance. Rev. Louie Locke of the Fountainhead Foursquare Church gave the Invocation.

PUBLIC COMMENTS AND DISCUSSION (8:31:58) - Sam Dehne welcomed District Attorney Rombardo. He advised that the Reno City Council is having its meeting today and that he will be leaving shortly to attend it. He then explained a hot dog eating contest that had been aired on television yesterday. He suggested that such activities used to attract more public attendance at the Board's meetings. He then explained a proposal he had allegedly made in 2000 about converting C-130s to fight fires. His proposal would have stationed an aircraft at Reno, Carson City, and Minden airports and kept them on 15 minute stand-by. If this had occurred, he believed that the South Lake Tahoe fire would not have been so destructive. He also felt that Governor Gibbons was plagiarizing this proposal as his own. No formal action was required or taken.

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1. ACTION ON APPROVAL OF MINUTES - JUNE 7, 2007, REGULAR SESSION AND THE MAY 21, 2007, SPECIAL BUDGET SESSION (8:36:40) - Supervisor Aldean moved to approve the Minutes from the budget meeting for the Carson City Board of Supervisors dated May 21, 2007, and the Minutes of the regular meeting of the Board of Supervisors dated June 7, 2007, as presented. Supervisor Livermore seconded the motion. Motion carried 4-0.

2. CHANGES TO THE AGENDA (8:37:16) - None.

3. SPECIAL PRESENTATION - PRESENTATION OF A CERTIFICATE OF RECOGNITION TO ADAM HOUGHTON FOR HIS HEROIC LIFESAVING ACTIONS PERFORMED ON JUNE 7, 2007 - Mayor Teixeira invited Adam Houghton and his family to the podium. He explained the Certificate of Recognition and read it into the record. Mr. Houghton briefly described his lifesaving actions. Mayor Teixeira and Mr. Houghton discussed the fact that Mayor Teixeira had at one time been the baseball coach for Mr. Houghton's father. Discussion also indicated that Mr. Houghton plans to attend UNR and, as his high school senior project, had painted the "C" and smiley face on "C" Hill. Mayor Teixeira also acknowledged the presence of Mr. Houghton's grandfather. No formal action was required or taken.

4. LIQUOR AND ENTERTAINMENT BOARD (8:42:47) - Mayor Teixeira then recessed the Board of Supervisors session and convened the Liquor and Entertainment Board. For Minutes of the Liquor and Entertainment Board, see its folder for this date.

BOARD OF SUPERVISORS (8:50:10) - Following adjournment of the Liquor and Entertainment Board, Mayor Teixeira reconvened the Board of Supervisors session. A quorum of the Board was present although Supervisor Williamson was absent.

5. CONSENT AGENDA (8:50:18)

5-1. ASSESSOR - ACTION TO APPROVE THE REMOVAL AND REFUND OF A PORTION OF THE TAXES FROM THE 2006/07 PERSONAL PROPERTY TAX ROLL FOR ACCOUNT NUMBERS ST. 000012 AND ST. 000014 PER NRS 361.055 IN THE AMOUNT OF \$416.23

5-2. FINANCE - ACTION TO ADOPT A RESOLUTION TO LEVY THE CARSON CITY FISCAL YEAR 2007-08 AD VALOREM TAX RATE SUBJECT TO CERTIFICATION BY THE NEVADA TAX COMMISSION

5-3. FIRE

A. ACTION TO APPROVE AN AGREEMENT TO ALLOW THE STATE OF NEVADA TO KEEP THE U.S. DEPT. OF HOMELAND SECURITY, HOMELAND SECURITY GRANT PROGRAM FUNDS WHICH WILL BE USED TO ACHIEVE COMMUNICATIONS INTEROPERABILITY WITHIN THE STATE OF NEVADA

B. ACTION TO APPROVE THE "RESOLUTION ADOPTING AND APPROVING COOPERATIVE AGREEMENT FOR AUTOMATIC AND MUTUAL AID BETWEEN CARSON CITY, CITY OF RENO AND TRUCKEE MEADOWS FIRE

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PROTECTION DISTRICT"

5-4. PUBLIC WORKS - TRANSPORTATION/CAPITAL PROJECTS - ACTION TO APPROVE AN ADDENDUM TO AGREEMENT NO. P420-06-030 BETWEEN THE NEVADA DEPARTMENT OF TRANSPORTATION (NDOT) AND CARSON CITY FOR THE ADJUSTMENT OF UTILITY FACILITIES FOR A PORTION OF THE CARSON CITY FREEWAY PROJECT, PHASE 2A FROM COLORADO ST. TO THE LINEAR PARK DITCH TO EXTEND THE REQUIRED COMPLETION DATE FROM APRIL 1 TO JUNE 15, 2007

5-5. PUBLIC WORKS - CONTRACTS - ACTION TO ACCEPT PUBLIC WORKS RECOMMENDATION ON THE EMERGENCY REDRILLING OF WELL NO. 24 PROJECT, CONTRACT NO. 2006-091 AND AUTHORIZE PUBLIC WORKS TO ISSUE PAYMENTS TO AQUA HYDROGEOLOGIC CONSULTING FOR AN AMENDMENT NO. 1 AMOUNT OF \$12,648 FROM THE PRODUCTION WELLS CONSTRUCTION ACCOUNT AS PROVIDED FOR IN 2006/2007

5-6. PUBLIC WORKS - ACTION TO APPROVE A GRANT OF RIGHT OF ENTRY TO REAL PROPERTY AND FORESTRY WORK PROJECT AGREEMENT BETWEEN THE STATE OF NEVADA, DIVISION OF FORESTRY AND THE CONSOLIDATED MUNICIPALITY OF CARSON CITY FOR A COST OF \$52,500 WITH FUNDING FROM THE LANDFILL FUND

5-7. DEVELOPMENT SERVICES - ENGINEERING

A. ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN AN AGREEMENT FOR ACQUISITION OF RIGHT-OF-WAY BETWEEN FAIRVIEW C.C., LLC, A NEVADA LIMITED LIABILITY COMPANY (FAIRVIEW C.C., LLC) AND CARSON CITY WHEREBY FAIRVIEW C.C., LLC AGREE(S) TO SELL AND CONVEY A PORTION OF THAT CERTAIN REAL PROPERTY DESCRIBED AS ASSESSOR'S PARCEL NUMBER 010-061-02, FOR THE APPRAISED VALUE OF \$20,000

B. ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN AN AGREEMENT BETWEEN LINKSIDE PLACE LLC AND CARSON CITY WHEREBY LINK-SIDE PLACE LLC AGREE(S) TO SELL AND CONVEY A PORTION OF THAT CERTAIN REAL PROPERTY DESCRIBED AS ASSESSOR'S PARCEL NUMBER 009-551-30 FOR THE APPRAISED VALUE OF \$24,500 AND TO CONVEY A TEMPORARY CONSTRUCTION EASEMENT OVER A PORTION OF THAT CERTAIN REAL PROPERTY DESCRIBED AS ASSESSOR'S PARCEL NUMBER 009-551-30 FOR THE APPRAISED VALUE OF \$4,000, FOR A TOTAL AMOUNT OF \$28,500

C. ACTION TO APPROVE THE GRANT OF A PERMANENT EASEMENT, TEMPORARY CONSTRUCTION EASEMENT AND STAGING AREA EASEMENT TO PAI-UTE PIPELINE COMPANY FOR THE INSTALLATION AND MAINTENANCE OF A NATURAL GAS PIPELINE ON PROPERTIES OWNED BY CARSON CITY

5-8. CITY MANAGER

A. ACTION TO APPOINT DAN GREYTAK TO THE CARSON RIVER ADVISORY COMMITTEE TO FILL THE "WILDLIFE ISSUES" POSITION FOR A THREE-YEAR TERM ENDING JULY 2010

B. ACTION TO APPOINT DAVID FRIEDRICH TO THE CONVENTION

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AND VISITORS' BUREAU TO FILL THE "HOTEL/MOTEL" POSITION FOR A TWO-YEAR TERM ENDING JULY 2009

C. ACTION TO APPOINT JACK "WES" CLYDE TO THE ADVISORY BOARD TO MANAGE WILDLIFE FOR A THREE-YEAR TERM ENDING JULY 2010 - Supervisor Aldean pulled Item 5-7A so that the motion could be amended to match action previously taken by the Regional Transportation Commission. Supervisor Livermore moved to approve the Consent Agenda consisting of one item from the Assessor; one item from Finance - 5-2, including Resolution No. 2007-R-15; two items from the Fire Department, including Item 5-2B which is Resolution No. 2007-R-16; one item - 5-4 - Public Works - Transportation/Capital Projects; one item - 5-5 - from Public Works - Contracts; one item from Public Works - 5-6; two remaining items from Development Services - Engineering; and three items from the City Manager with special recognition of the appointment of Dan Greytek to the Carson River Advisory Committee, David Friedrich to the Convention and Visitors Bureau, and Jack "Wes" Clyde to the Advisory Board to Manage Wildlife; for a total of 12 items as on today's agenda. Supervisor Staub seconded the motion. Motion carried 4-0.

5-7A. (8:51:50) Supervisor Aldean reiterated her reason for pulling the item. She amended the Agenda Report to include Robin and Jeffery Hicks as well as Fairview, LLC, as property owners. Supervisor Aldean then moved to approve and authorize the Mayor to sign an agreement for acquisition of right-of-way between Robin and Jeffery Hicks, a married man, as his sole and separate property, and Fairview C.C., LLC, a Nevada Limited Liability Company, Fairview C.C., LLC, and Carson City whereby Robin and Jeffery Hicks, a married man, and Fairview C.C., LLC, agree to sell and convey a portion of that certain real property described as Assessor's Parcel Number 010-061-02 for the appraised value of \$20,000; fiscal impact is \$20,000; and the funding source is the RTC - Fairview Drive. Supervisor Staub seconded the motion. City Engineer Larry Werner thanked the Board for the action. The motion was voted and carried 4-0.

6. TREASURER - Al Kramer -ACTION TO ACCEPT THE AMENDED INVESTMENT POLICY AS SUBMITTED BY THE TREASURER (8:53:05) - Discussion indicated that Carson City will be the first to try the new investment program. It provides more flexibility in investments and may increase the revenue for the City. Mr. Kramer had championed the change through the Legislature. The original program allowed only those communities with a population of more than 60,000 to participate. The potential revenue source was limned. Mayor Teixeira congratulated Mr. Kramer on his successful lobbying efforts. Mr. Kramer also advised that the Board's revised water collection policy is saving the City money as it eliminates turnoffs. Board approval is needed to assure the State Board of Finance that the City supports entering the program. Supervisor Livermore moved to accept the amended City Investment Policy as submitted by the Treasurer. Supervisor Staub seconded the motion. Motion carried 4-0.

7. PUBLIC WORKS - Director Andrew Burnham -ACTION TO ACCEPT PUBLIC WORKS RECOMMENDATION TO AWARD THE CONTRACT FOR CONTRACT ADMINISTRATION, CONSTRUCTION INSPECTION AND MATERIALS TESTING SERVICES FOR THE CARSON CITY BYPASS, PHASE 2A UTILITY RELOCATION, EAST FIFTH STREET TO

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BUTTI WAY PROJECT, CONTRACT NO. 2006-199, AND AUTHORIZE PUBLIC WORKS TO ISSUE PAYMENTS TO STANTEC CONSULTING, INC., 6980 SIERRA CENTER PARKWAY, SUITE 100, RENO, NV 89511, FOR A CONTRACT AMOUNT OF \$554,964 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$55,500, FROM THE WATER AND SEWER NDOT BY-PASS FUNDS AS PROVIDED IN 2006/2007 (8:59:50) - Estimated completion date for the project is January 2008. The contract is for professional services and was negotiated. The State agreement regarding these services was approved by the Board several months ago. Supervisor Aldean moved to accept Public Works recommendation to award the contract for Contract Administration, Construction Inspection and Materials Testing Services for the Carson City Bypass, Phase 2A Utility Relocation, East Fifth Street to Butti Way Project, Contract No. 2006-199, and authorize Public Works to issue payments to Stantec Consulting, Inc., 6980 Sierra Center Parkway, Suite 100, Reno, NV 89511, for a contract amount of \$554,964 and authorize the Contracts Division to issue amendments for a not to exceed amount of \$55,500 from the Water and Sewer NDOT Bypass Funds as provided in the year 2006-2007. Supervisor Livermore seconded the motion. Motion carried 4-0.

8. PARKS AND RECREATION - Director Roger Moellendorf - ACTION TO ADOPT ON SECOND READING, BILL NO. 109, AN ORDINANCE AMENDING THE CARSON CITY MUNICIPAL CODE TITLE 17, ESTABLISHING CHAPTER 17.18 LANDSCAPE MAINTENANCE DISTRICTS. SECTION 17.18.010, ESTABLISHES THE PURPOSE; SECTION 17.18.020, ESTABLISHES AUTHORITY; SECTION 17.18.030, ESTABLISHES DEFINITIONS; SECTION 17.18.040, ESTABLISHES PARKS DIRECTOR'S RESPONSIBILITIES; SECTION 17.18.050, ESTABLISHES PROCEDURES FOR APPLYING TO CREATE A MAINTENANCE DISTRICT; SECTION 17.18.060, ESTABLISHES PROCEDURES FOR REVIEW OF MAINTENANCE DISTRICT PETITIONS; SECTION 17.18.070, ESTABLISHES PROCEDURES FOR ESTABLISHMENT OF THE BOARD APPROVED MAINTENANCE DISTRICT; SECTION 17.18.080, ESTABLISHES DETERMINATION OF BENEFIT AND COST ALLOCATIONS BETWEEN ASSESSED PROPERTY AND CITY; SECTION 17.18.090, ESTABLISHES ASSESSMENTS; SECTION 17.18.110, ESTABLISHES ALLOCATION OF PUBLIC MONEY TO PAY THE COSTS INCURRED BY CARSON CITY IN ASSUMING MAINTENANCE; SECTION 17.18.111, ESTABLISHES REVIEW AND DISSOLUTION OF MAINTENANCE DISTRICT; AND SECTION 17.18.112, ESTABLISHES APPEAL PROCEDURES (9:02:05) - Deputy District Attorney Joel Benton; Lennar Communities Attorney Noel Waters - Mr. Moellendorf's introduction included a review of the Board directed changes made at the last meeting on this ordinance. Mr. Benton justified not making the Board's requested "and" change. Discussion between Mr. Benton and Supervisor Aldean amended Page 8, 2a. regarding signatures to be: "...in writing notifying home owners and home buyers in writing of the possible creation of a maintenance agreement....." The district does not exist at this time as a petition must be filed to create one. Mr. Benton felt that the original concept implied that a maintenance district does not exist, therefore, a petition to create one is required. Supervisor Aldean felt that clarity will avoid any misunderstandings regarding the intent. Mr. Moellendorf then referenced a letter from Mr. Waters requesting a change that would approve the petition within 20 days if the Director fails to act upon it during that timeframe. (A copy of the letter is in the file.)

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Mr. Waters explained the reasons for requesting the revision and belief that the petition will have adequate review. Any deficiencies should become apparent during these reviews. He expressed a willingness to accept the ordinance as written at this time and to bring a revision to the Board in a year, if necessary, to amend the ordinance to deem the petition to be approved if not acted upon by the Director in 20-days. Mayor Teixeira reminded him that this issue had been discussed by the Board and the Board had requested the revision to deny the petition if not acted upon by the Director within the 20-day timeframe. He expressed appreciation for Lennar's participation in drafting the ordinance. He agreed to consider the ordinance revision in the future if it is needed.

Supervisor Livermore moved to adopt on second reading Bill No. 109, Ordinance No. 2007-17, AMENDING THE CARSON CITY MUNICIPAL CODE TITLE 17, ESTABLISHING CHAPTER 17.18 LANDSCAPE MAINTENANCE DISTRICTS SECTION 17.18.010, ESTABLISHES THE PURPOSE; SECTION 17.18.020, ESTABLISHES AUTHORITY; SECTION 17.18.030, ESTABLISHES DEFINITIONS; SECTION 17.18.040, ESTABLISHES PARKS DIRECTOR'S RESPONSIBILITIES; SECTION 17.18.050, ESTABLISHES PROCEDURES FOR APPLYING TO CREATE A MAINTENANCE DISTRICT; SECTION 17.18.060, ESTABLISHES PROCESSES FOR REVIEW OF DISTRICT PETITIONS; SECTION 17.18.070, ESTABLISHES PROCEDURES FOR ESTABLISHMENT OF THE BOARD APPROVED MAINTENANCE DISTRICT; SECTION 17.18.080, ESTABLISHES DETERMINATION OF BENEFIT AND COST ALLOCATIONS BETWEEN ASSESSED PROPERTY AND CITY; SECTION 17.18.090, ESTABLISHES ASSESSMENTS; SECTION 17.18.110, ESTABLISHES ALLOCATION OF PUBLIC MONEY TO PAY THE COSTS INCURRED BY CARSON CITY IN ASSUMING MAINTENANCE; SECTION 17.18.111, ESTABLISHES REVIEW AND DISSOLUTION OF MAINTENANCE DISTRICT; AND SECTION 17.18.112, ESTABLISHES APPEAL PROCESS. Following a request for an amendment Supervisor Livermore amended the motion to include "with the noted changes that were submitted in the testimony. Supervisor Aldean seconded the motion. Motion carried 4-0. Clarification indicated that the changes did not include Mr. Waters' request for the petition to be approved if the Director does not act upon it in 20 days.

9. CITY MANAGER - Linda Ritter

A. ACTION ON A MOTION FINDING THAT THE PROPOSED ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 4 LICENSES AND BUSINESS REGULATIONS, CHAPTER 4.04 BUSINESS LICENSES, DELETING SECTION 4.04.081 SOUTHWEST GAS CORPORATION LICENSING FEE, AMENDING SECTION 4.04.107 PUBLIC UTILITIES BY INCREASING BUSINESS LICENSE FEES ON ELECTRIC AND NATURAL GAS SERVICES DOES IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN ON A BUSINESS OR DIRECTLY RESTRICT FORMATION, OPERATIONS 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 (9:15:20) - Input had been received from the Chamber of Commerce, Builders Association of Western Nevada, and as a result of

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the media's news coverage. Sierra Pacific had allegedly indicated that it did not have a problem with the revision. Supervisor Aldean moved to find that the proposed ordinance amending Carson City Municipal Code Title 4 Licenses and Business Regulations, Chapter 4.04 Business Licenses, deleting Section 4.04.081 Southwest Gas Corporation Licensing Fee, amending Section 4.04.107 Public Utilities by increasing business license fees on electric and natural gas services does impose a direct and significant economic burden on a business or directly restrict formation, operations 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. Supervisor Staub seconded the motion. Motion carried 4-0.

B. ACTION TO INTRODUCE ON FIRST READING, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 4 LICENSES AND BUSINESS REGULATIONS, CHAPTER 4.04 BUSINESS LICENSES, DELETING SECTION 4.04.081 SOUTHWEST GAS CORPORATION LICENSING FEE, AMENDING SECTION 4.04.107 PUBLIC UTILITIES BY INCREASING BUSINESS LICENSE FEES ON ELECTRIC AND NATURAL GAS SERVICES AND OTHER MATTERS PROPERLY RELATED THERETO (9:16:54) - Ms. Ritter's introduction included an indication that the terms "business license fees" and "franchise fees" are used interchangeably. An additional fee increase will not be allowed for two years. The proposal increases the fee for gas to four cents and power to 4.5 cents. The revision in Section 1 should have been made when the last ordinance revision was made. Mayor Teixeira explained how the fee increase had been used to balance the budget and address the meth and gang problems facing the community. This proactive response was felt to be the correct thing to do. Revenue used to balance the budget should, if at all possible in the future, be removed from the General Fund and used for additional proactive services, issues and new projects. This challenge was given to the Board. Additional comments were solicited but none were given. Supervisor Aldean moved to introduce on first reading Bill No. 117, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 4 LICENSES AND BUSINESS REGULATIONS, CHAPTER 4.04 BUSINESS LICENSES, DELETING SECTION 4.04.081 SOUTHWEST GAS CORPORATION LICENSING FEE, AMENDING SECTION 4.04.107 PUBLIC UTILITIES BY INCREASING BUSINESS LICENSE FEES ON ELECTRIC AND NATURAL GAS SERVICES AND OTHER MATTERS PROPERLY RELATED THERETO; fiscal impact is \$1,000,000 in revenue to the General Fund. Supervisor Staub seconded the motion. Following a request for an amendment Supervisor Aldean amended her motion to include Bill No. 117. Supervisor Staub concurred with the amendment. The motion was voted and carried 4-0.

RECESS: A recess was declared at 9:23 a.m. A quorum of the Board was present when Mayor Teixeira reconvened the meeting at 9:33 a.m. Supervisor Williamson was absent as previously indicated.

D. ACTION TO APPOINT TWO MEMBERS TO THE PLANNING COMMISSION FOR FOUR YEAR TERMS ENDING JUNE 2011 (9:32:50) - There were five applicants but only two vacancies. The Board interviewed Stacey Woodbury; (9:41:15) Joe Eiben; (9:53:21) George Wendell; (10:11:15) Jed Block, and (10:20:00) Craig Mullet. Each applicant was thanked for applying.

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Roy Semmens explained that he was a former Planning Commissioner. He was present to support Craig Mullet. Reasons Mr. Semmens was not reapplying were limned. He thanked the Board for appointing him to the Commission. He had enjoyed his five years as a Commissioner. There had been some difficult decisions and conflicts with his own personal views. The Board thanked him for his service.

Board comments noted the quality of the applicants and thanked the individuals for applying. It was felt that all five individuals were well qualified. The Board was polled to determine who was to be nominated to serve on the Commission. Supervisor Staub moved to reappoint Craig Mullet as his first choice and then explained his second choice. Supervisor Staub then amended his motion to include the appointment of George Wendell as his second choice. The Board continued its polling to determine who should be nominated to serve on the Commission. A second was not made to Supervisor Staub's motion. It died for a lack of a second.

Supervisor Livermore then moved to appoint Craig Mullet and George Wendell to the Carson City Planning Commission for a four-year term ending June 2011. Supervisor Staub seconded the motion. Comments were solicited but none were given. Motion carried 4-0. Board comments again complimented the applicants for applying.

Mr. Mullet thanked the Board for its vote of confidence. He then explained his wife's absence and announced that Larry Burton had died on Friday. A public ceremony will be held on July 18. Mayor Teixeira asked to be notified when it occurs. No formal action was required or taken.

RECESS: A recess was declared at 10:43 a.m. A quorum of the Board was present when Mayor Teixeira reconvened the meeting at 10:50 a.m. Supervisor Williamson was absent as indicated.

C. UPDATE ON IMPLEMENTATION OF THE HUMAN RESOURCE INFORMATION SYSTEM PURCHASED FROM HIGH LINE CORPORATION IN APRIL, 2005 (10:49:44) - Human Resource Director Ann Silver, Joe Eiben - Mayor Teixeira advised that he had agonized the item. Ms. Ritter's introduction included a summary of the system's acquisitions, a listing of the programs that have been acquired, their costs, the personnel program(s) that has been implemented, the problems that have been encountered, and staff's recommended actions. Discussion indicated that the fatal flaw is a software/technology issue that is not due to the City's system. Justification for returning to the HTE system and implementing its upgrades included the reduced cost of the system. A proposal to outsource the payroll and time management programs is also being explored. The variances in payroll requirements were noted. The initial estimate for outsourcing the payroll is \$250,000, which equals approximately seven or eight employees. It will reduce the number of City employees by 14. The Health Department has been selected as a test of their ability to provide the services required for the City. The lessons learned from the experience were then limned. Discussion ensued on the reasons the High Line system was selected. Comments also indicated that the individuals whose positions are eliminated by outsourcing will be transferred to other functions/positions. Human Resources could also be used as a test site. The HTE system could be resurrected although the present system does not provide all of the desired functions. It had been used to develop the PERS report

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which PERS is now auditing. The team needs to evaluate the functions included in the upgrades. Before implementing the upgrades, outsourcing will be analyzed.

Ms. Silver deferred to Information Technology Director Haggerty and Finance Director Johnson to comment on the technical aspects of the program. She was concerned about the lack of a check and balance for payroll between Human Resources and Finance. She did not believe that Human Resources should oversee payroll. She was uncertain how the modules address training, development, planning, recruitment, etc., without having an individual to oversee the programs. She was never comfortable with the system from the Human Resource angle. She then explained that there was a lack of processes for requisitioning a position, determining performance management, etc. The processes have now been developed. She was uncertain whether anything beyond HTE's system for data entry is needed. She then limned her reasons for recommending outsourcing to ADP. She also indicated that HTE is acceptable from the Human Resource standpoint. Issues which need to be evaluated regarding ADP were listed. Discussion explored the rationale behind having nine/11 different types of time sheets. There is now only one time sheet being used. She was unsure why/how the problem arose with PERS.

Mayor Teixeira summarized the recommendations regarding the High Line system as being to "cut and run and try to stop the bleeding". This would stop spending money on a system that does not work. It has already cost the City approximately \$396,000. It may be possible to get some of these funds back. The options are to start over with another system or return to HTE.

Supervisor Aldean expressed her belief that the package had been sold to staff on the belief that it would provide certain functions. If it had, it would have been a real asset. She felt that it should be possible to test such programs to determine whether they will actually work as promised. The Tiburon and NOMAD systems were cited as illustrations of impact programming can create. She felt that this had been a valuable lesson. Ms. Ritter concurred.

Discussion between Ms. Ritter and Mayor Teixeira indicated that staff had known about the problems since December 2006. Mayor Teixeira felt that the Board should have been told about the problems before or during the budget process. Funds should have been budgeted to address the problem. Ms. Ritter explained that the thought was that they would be able to address the problem through a reduction in staffing. A solution was being sought before informing the Board. The costs have still not been determined. Discussion indicated that payroll now takes more time than it had originally taken. Mayor Teixeira directed a report be provided of the actual costs when a complete analysis has been done. Additional comments were solicited.

Mr. Eiben indicated that the Board is aware of his background. He then indicated that he had been in computers since 1960. A description of his last job with a library was provided. His work had eliminated the position. He felt that it had been very successful as it trained the replacement librarian. He then explained that the Board/staff is not in an unique position. Their frustration is normal. People do not understand computers. Sales pitches are great and make you believe in the product. The Board/staff must start over. Technology can do what is desired. Each Department needs to spell out

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what is needed, how to do it, and what is desired in the future. Right now the need is to maintain the status quo and then identify what is needed. The vendors should be used as consultants and made to answer the points. He felt that everyone always put the cart before the horse, as had happened in this case. The Board and staff should remember the lessons, forget the mistakes, and move on. If the process is developed first, technology will be there. He also urged the Board/staff to look at many vendors, listen to them all, and mix it together. No formal action was required or taken.

E. ACTION TO RECESS INTO CLOSED SESSION PURSUANT TO NRS 288.220 TO MEET WITH MANAGEMENT REPRESENTATIVES REGARDING LABOR NEGOTIATIONS (11:20:46) - Supervisor Aldean moved to go into Closed Session. Supervisor Staub seconded the motion. Motion carried 4-0. Mayor Teixeira recessed the Open Meeting at 11:22 a.m.

Mayor Teixeira reconvened the Open Session at 11:27 a.m. Supervisor Aldean again moved to go into Closed Session pursuant to NRS 288.220 to meet with management representatives regarding labor negotiations. Supervisor Staub seconded the motion. Motion carried 4-0. Mayor Teixeira again closed the meeting.

10. BOARD OF SUPERVISORS - NON-ACTION ITEMS:

- A. INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS - None.**
- B. STAFF COMMENTS AND STATUS REPORT - None.**

11. ACTION TO ADJOURN - The meeting was adjourned by mutual consent following the Closed Session. No formal action was taken.

The Minutes of the July 5, 2007, Carson City Board of Supervisors meeting

ARE SO APPROVED ON September 20, 2007.

/s/
Marv Teixeira, Mayor

ATTEST:

/s/
Alan Glover, Clerk-Recorder