

***BOARD OF SUPERVISORS "DRAFT" MINUTES
FOR THE FOLLOWING DATES ARE INCLUDED
IN THIS SECTION:***

December 6, 2007 - Regular Session

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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, December 6, 2007, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

PRESENT:	Marv Teixeira	Mayor
	Richard S. Staub	Supervisor, Ward 4
	Robin Williamson	Supervisor, Ward 1
	Shelly Aldean	Supervisor, Ward 2
	Pete Livermore	Supervisor, Ward 3
STAFF PRESENT:	Linda Ritter	City Manager
	Sue Johnson	City Auditor
	Larry Werner	Development Services Director
	Walter Sullivan	Community Development Director
	Kevin Gattis	Chief Building Official
	Melanie Bruketta	Chief Deputy District Attorney
	Nick Providenti	Senior Accounting Manager
	Cheryl Adams	Purchasing and Contracts Manager
	Juan Guzman	Open Space Manager
	Steve Schutte	Chief Deputy Sheriff
	Katherine McLaughlin	Recording Secretary
	(BOS 12/6/07 Recording 8:33:31)	

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 8:33 a.m. Roll call was taken. The entire Board was present, constituting a quorum. Chief Deputy District Attorney Melanie Bruketta lead the Pledge of Allegiance. Rev. Ken Haskins of the First Christian Church gave the Invocation.

PUBLIC COMMENTS AND DISCUSSION (8:35:36) - Sam Dehne noted Rev. Haskins personal knowledge of many rock and roll singers. He, however, was not familiar with Mr. Dehne and his band. Mr. Dehne advised that he had introduced himself and given him a copy of his CD. Mr. Dehne also noted the media's report that Dayton is wanting to be its own community. He opposed it based on the fact that he attempts to cover all of the surrounding jurisdictions' meetings and may not be able to do so in Dayton. He acknowledged that he has not attended the TRPA meetings. He also advised that he will not be able to attend the Capitol and City's tree lighting ceremonies commencing at 5:30 p.m. He urged the public to attend. Mr. Dehne wished everyone Happy Holidays. Clarification reminded Mr. Dehne that the Board

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will conduct one more meeting this month. Additional comments were solicited but none were given.

1. **ACTION ON APPROVAL OF MINUTES (8:39:05) - None.**

2. **CHANGES TO THE AGENDA (8:39:10) - None.**

3. **SPECIAL PRESENTATION - PRESENTATION OF A PROCLAMATION TO SUPPORT THE EFFORTS OF THE NEVADA CHAPTER OF OPERATION FIRST RESPONSE ACTIVITIES AND EVENTS PLANNED FOR "CARSON CITY SUPPORT OUR TROOPS DAY" TO BE HELD ON MAY 17, 2008, AS A DAY TO REMEMBER AND HONOR OUR TROOPS AND SUPPORT WOUNDED WARRIORS AND THEIR FAMILIES (8:39:15)** - Supervisor Aldean read the proclamation into the record. Chapter Representative Carol Howell described the activities which have occurred. They have met with every City Department regarding the proposed events. She felt that things were moving well even though there have been a couple of "hiccups" which they have gotten over. She thanked the Board for the proclamation. No formal action was 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 - Following adjournment of the Liquor and Entertainment Board, Mayor Teixeira reconvened the Board of Supervisors session. The entire Board was present, constituting a quorum.

5. **CONSENT AGENDA (8:56:51)**

5-1. **PARKS - ACTION TO APPROVE A REQUEST FROM THE CARSON CITY SHADE TREE COUNCIL TO ALLOW THE COUNCIL TO SUBMIT AN APPLICATION FOR RECERTIFICATION TO THE NATIONAL ARBOR DAY FOUNDATION ON THE CITY'S BEHALF FOR "TREE CITY USA" DESIGNATION**

5-2. **CITY MANAGER**

A. **ACTION TO APPOINT LACY SHEAK TO THE CARSON RIVER ADVISORY COMMITTEE, TERM TO EXPIRE JANUARY 2011**

B. **ACTION TO APPOINT LEE-ANN KEEVER, GIANNA MARIE SHIRK AND CAROL ROBERTS TO THE SHADE TREE COUNCIL, TERMS TO EXPIRE JANUARY 1, 2010**

5-3. **PURCHASING AND CONTRACTS - ACTION TO RESCIND CONTRACT NO. 2007-050 ROBERT'S HOUSE CARRIAGE HOUSE WITH J. P. COPOULOS** - Sam Dehne pulled Item 5-1 for discussion. Supervisor Livermore moved to approve the Consent Agenda consisting of the remaining three items, 5-2 City Manager, Item 5-2A with recognition to Lacy Sheak for the Carson River Advisory Committee, Item 5-2B with recognition to Lee-Ann Keever, Gianna Marie Shirk, and Carol Roberts for their reappointments to the Shade Tree Council, and Item 5-3, the one item from Purchasing and Contracts as presented. Supervisor Staub seconded the motion. Supervisor Williamson disclosed her

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presentation to outgoing Carson River Advisory Committee President Chuck Zimmerman. Lacy Shirk is his replacement. She explained Mr. Zimmerman's ten year tenure on the Committee. She complimented him on his volunteering and hard work. The motion to approve the three Consent Agenda items as listed was voted and carried 5-0.

5-1. (8:58:29) - Parks and Recreation Director Roger Moellendorf - Mr. Dehne advised that his reason for wanting the Item to be discussed was based on the desire to educate the public on the Council and its work. A description of the "Tree City America" Award and the Shade Tree Council's activities was provided. Supervisor Livermore explained his participation in the Council's Arbor Day activities.

Carson City was one of the first communities in Nevada to receive the Award. The Council's Chair and Members were complimented for their efforts to provide information and education regarding the benefits of having trees in the community. Supervisor Livermore moved to approve a request from the Carson City Shade Tree Council to allow the Council to submit an application for recertification to the National Arbor Day Foundation on the City's behalf for a "Tree City USA" designation. Supervisor Aldean seconded the motion. Motion carried 5-0.

6. DEVELOPMENT SERVICES - PLANNING AND ZONING - Director Walter Sullivan

A. ACTION TO ADOPT BILL NO. 139 ON SECOND READING, AN ORDINANCE TO CHANGE THE ZONING OF APN 003-283-05 FROM DOWNTOWN MIXED USE (DT-MU) TO PUBLIC (P) LOCATED ON NORTH CARSON STREET, NORTH OF WEST ROBINSON STREET AND EAST OF NORTH CURRY STREET AND WEST OF NORTH CARSON STREET (FILE ZMA 07-141) - (9:02:45) Staff had not received any comments regarding the ordinance since the first reading. Comments were solicited but none were given. Supervisor Williamson moved to adopt Bill No. 139 on second reading, Ordinance No. 2007-40, AN ORDINANCE TO CHANGE THE ZONING OF APN 003-283-05 FROM DOWNTOWN MIXED USE (DT-MU) TO PUBLIC (P) LOCATED ON NORTH CARSON STREET, NORTH OF WEST ROBINSON STREET AND EAST OF NORTH CURRY STREET AND WEST OF NORTH CARSON STREET based on the findings contained in the report with no fiscal impact. Supervisor Aldean seconded the motion. Motion carried 5-0.

B. ACTION TO ADOPT BILL NO. 140 ON SECOND READING, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 18 ZONING, CHAPTER 18.02, ADMINISTRATIVE PROVISIONS, SECTION 18.02.035, COMMISSIONS AND BOARD APPLICATIONS, MODIFYING THE APPLICATION SUBMITTAL DEADLINE DATE FOR PLANNING COMMISSION APPLICATIONS, AND MODIFYING THE TIME LIMITS FOR OBTAINING A COMPLETE APPLICATION FOR PLANNING COMMISSION REVIEW, AND OTHER MATTERS PROPERLY RELATED THERETO (FILE ZCA-07-159) (9:03:52) - Staff had not received any comments regarding the ordinance since the first reading. Comments were solicited but none were given. Supervisor Aldean moved to adopt Bill No. 140 on second reading, Ordinance No. 2007-41, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 18 ZONING, CHAPTER 18.02, ADMINISTRATIVE PROVISIONS, SECTION 18.02.035, COMMISSIONS AND BOARD APPLICATIONS, MODIFYING THE APPLICATION SUBMITTAL DEADLINE DATE FOR

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PLANNING COMMISSION APPLICATIONS, AND MODIFYING THE TIME LIMITS FOR OBTAINING A COMPLETE APPLICATION FOR PLANNING COMMISSION REVIEW, AND OTHER MATTERS PROPERLY RELATED THERETO. Supervisors Williamson and Livermore seconded the motion. Motion carried 5-0.

7. PARKS AND RECREATION - Open Space Manager Juan Guzman - ACTION TO AUTHORIZE THE MAYOR TO ENDORSE THE CARSON RANGE MULTI-JURISDICTIONAL FUEL REDUCTION AND WILDFIRE PREVENTION STRATEGY 10 YEAR PLAN (9:04:55) - Forest Service Representatives Chris French and Mandy Bernhard, Fire Chief Stacy Giomi - The plan will be used to obtain funding from the Southern Nevada Public Land Management Act Program (SNPLMAP) for fuel reduction. SNPLMAP will not provide funding to handle all of the suggested methods of fuel reduction. Mr. French explained the need for the plan and summarized it including the establishment of the boundary, the agencies who had cooperated on it, and its purpose. Forty percent of the City's watershed is contained within the plan. It has been the subject of horrific fires over the years. The process used to determine the risk created by a fire was limned. Criteria used to determine the type of treatment that should be used for the different risks were explained. The cost estimates for the treatments were limned. It was felt that it would take at least \$3 million for just the City's portion. The entire area could cost between \$89,000,000 and \$150,000,000. The estimate was less than estimated for Lake Tahoe. The reason for the difference is due to the need to estimate the amount of biomass found at the Lake. Supervisor Aldean explained the Northern Nevada Correctional Center's need for biomass. Mr. French explained that the lead agency will determine where the biomass is to be sent. Mr. French also advised that the final report will include additional facilities. Discussion pointed out the cost to ship the biomass which justifies keeping it local. Discussion reiterated that the SNPLMAP does not have enough funds to fund 100% of the plan. Local funding may be required. There are grant funds and other potential funding sources which may be tapped. Mr. Guzman indicated that the Open Space fund could be used to match some of the projects. The Board will determine which projects should be done and the funding for them. The Plan establishes projects and tells how to do them. The City and the Forest Service should coordinate the projects to avoid working against one another.

Supervisor Williamson complimented them on the Plan. It shows the need for more local control over the urban interface area and provides a good regional plan. She urged staff to use it when applying for grants. She also pointed out that the Fire Safe Councils have fuel management programs. The Plan was the first step.

Fire Chief Giomi complimented the team and its participants on their efforts. It is a good starting point. It covers a limited amount of the urban interface area. They are attempting to find funding for a community-wide program. He explained that the area's connection to Lake Tahoe had allowed it to have access to the SNPLMAP funds. Additional comments were solicited but none were given.

Supervisor Williamson moved to authorize the Mayor to endorse the Carson Range Multi-Jurisdictional Fuel Reduction and Wildfire Prevention Strategy Ten Year Plan. Supervisor Livermore seconded the motion. Motion carried 5-0.

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8. **DEVELOPMENT SERVICES - BUILDING DIVISION -** Chief Building Official Keven Gattis - **ACTION TO INTRODUCE ON FIRST READING, AN ORDINANCE AMENDING THE CARSON CITY MUNICIPAL CODE TITLE 15, BUILDINGS AND CONSTRUCTION, CHAPTER 15.05, BUILDING CODE, BY REPEALING SECTION 15.05.010, ADOPTION OF INTER-NATIONAL BUILDING CODE, APPENDICES AND AMENDMENTS, AND ADDING SECTION 15.05.020, ADOPTION AND ADMINISTRATION OF BUILDING AND CONSTRUCTION CODES, WHICH ADOPTS THE 2006 EDITION OF THE INTERNATIONAL BUILDING CODE, UNIFORM PLUMBING CODE, INTERNATIONAL RESIDENTIAL CODE, UNIFORM MECHANICAL CODE, INTERNATIONAL ENERGY CONSERVATION CODE, INTERNATIONAL PROPERTY MAINTENANCE CODE AND INTERNATIONAL EXISTING BUILDING CODE, THE 2005 VERSION OF THE NATIONAL ELECTRIC CODE AND THE 2007 NORTHERN NEVADA AMENDMENTS, AND ADDS VARIOUS PROVISIONS FOR THE ADMINISTRATION OF THE ADOPTED CODES AND REPEALING CHAPTER 15.06, RESIDENTIAL CODE, CHAPTER 15.07, EXISTING BUILDING CODE, CHAPTER 15.09, PLUMBING CODE, CHAPTER 15.13, NATIONAL ELECTRICAL CODE, CHAPTER 15.14, INTERNATIONAL CODE COUNCIL ELECTRICAL CODE, CHAPTER 15.16, MECHANICAL CODE, AND CHAPTER 15.30 APPEALS, AND OTHER MATTERS PROPERTY RELATED THERETO (9:26:05)** - Builders Association of Western Nevada Chief Executive Officer Rick De Mar - Discussion indicated that a team had worked on the ordinance which included members from the industry. The Codes in Northern Nevada, specifically Washoe County and Reno, are similar. Douglas County had not participated in drafting the ordinance. A typographical error on Page 16 under the Concrete Masonry Section was pointed out—absence was misspelled. Justification for revising the section was provided. Mr. De Mar read his letter into the record. (A copy is in the file.) He thanked the Department for allowing their participation and supported adoption of the ordinance. The establishment of regional codes simplifies the process for them. He was uncertain why Douglas County had not participated. A test with a nanometer is conducted by Washoe County and the City of Fernley due to certification requirements. It eliminates the need for the gas company to be involved when the homeowner changes the furnace and/or water heater. Mr. Gattis was certain this testing method will spread to other communities soon and their staffs are certified. Supervisor Aldean also indicated that there are other typos which need to be corrected in the ordinance and gave him a list. Additional comments were solicited but none were given. Supervisor Aldean moved to introduce on first reading Bill No. 141, **AN ORDINANCE AMENDING THE CARSON CITY MUNICIPAL CODE TITLE 15, BUILDINGS AND CONSTRUCTION, CHAPTER 15.05, BUILDING CODE, BY REPEALING SECTION 15.05.010, ADOPTION OF INTERNATIONAL BUILDING CODE, APPENDICES AND AMENDMENTS, AND ADDING SECTION 15.05.020, ADOPTION AND ADMINISTRATION OF BUILDING AND CONSTRUCTION CODES, WHICH ADOPTS THE 2006 EDITION OF THE INTERNATIONAL BUILDING CODE, UNIFORM PLUMBING CODE, INTERNATIONAL RESIDENTIAL CODE, UNIFORM MECHANICAL CODE, INTERNATIONAL ENERGY CONSERVATION CODE, INTERNATIONAL PROPERTY MAINTENANCE CODE AND INTERNATIONAL EXISTING BUILDING CODE, THE 2005 VERSION OF THE NATIONAL ELECTRIC CODE AND THE 2007 NORTHERN NEVADA AMENDMENTS, AND ADDS VARIOUS PROVISIONS FOR THE ADMINISTRATION OF THE ADOPTED CODES AND REPEALING CHAPTER 15.06, RESIDENTIAL CODE, CHAPTER 15.07, EXISTING BUILDING**

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CODE, CHAPTER 15.09, PLUMBING CODE, CHAPTER 15.13, NATIONAL ELECTRICAL CODE, CHAPTER 15.14, INTERNATIONAL CODE COUNCIL ELECTRICAL CODE, CHAPTER 15.16, MECHANICAL CODE, AND CHAPTER 15.30 APPEALS, AND OTHER MATTERS PROPERTY RELATED THERETO. Supervisor Williamson seconded the motion. Motion carried 5-0.

9. **FIRE - Chief Stacy Giomi - ACTION TO INTRODUCE ON FIRST READING AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 14 FIRE, CHAPTER 14.01 GENERAL PROVISIONS BY AMENDING SECTION 14.01.025 FALSE ALARMS TO INCREASE THE SERVICE CHARGE FOR FALSE ALARMS FROM \$150 PER OCCURRENCE AFTER THE FIRST OCCURRENCE TO \$300 PER OCCURRENCE AFTER THE THIRD OCCURRENCE, DELETING SECTION 14.01.030 HAZARD ABATEMENT AND ADDING IT INTO THE NEW CHAPTER 14.05, AMENDING CHAPTER 14.02 INTERNATIONAL FIRE CODE BY ADOPTING THE 2006 INTERNATIONAL FIRE CODE AND MAKING VARIOUS AMENDMENTS TO THE CODE, AMENDING CHAPTER 14.04 WILDLAND INTERFACE, BY CHANGING THE DEFINITION OF WILDLAND URBAN INTERFACE AND AMENDING THE PROVISIONS REGARDING WATER SUPPLY AND FIRE SPRINKLER SYSTEMS, ADDING CHAPTER 14.05 HAZARD ABATEMENT BY PLACING RESPONSIBILITY FOR HAZARD ABATEMENT ON THE PROPERTY OWNER AND OUTLINING THE PROCEDURE TO BE FOLLOWED FOR HAZARD ABATEMENT AND OTHER MATTERS PROPERLY RELATED THERETO (9:37:15) - Chief Deputy District Attorney Melanie Bruketta - The ordinance will not be uniform throughout the area even though all the Fire Chiefs had worked with Carson City on the proposed ordinance, including Douglas County. The increase in the fine for the third false alarm was noted. The first and second false alarms do not include a penalty. In 2007 only 17 firms were billed for the third false alarm. The fine is not suggested as a source of revenue but rather as a deterrent. The Board could reduce the fine, if desired. The desire is to work with the building's owner and address the problem. Justification for not having done a business impact statement was provided. Chief Giomi also indicated that the majority of the false alarms are at State buildings. Supervisor Livermore advised that he had attempted to talk to the Chamber of Commerce and City Manager regarding the proposed ordinance. He felt that an impact statement is needed and the businesses should be notified. Ms. Bruketta explained that the Statutes do not require an impact statement for the ordinance as more than just small businesses will be impacted. If the Board wished, Chief Giomi could be directed to do an impact statement. Comments were solicited but none were given. Supervisor Staub moved to introduce on first reading Bill No. 142, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 14 FIRE, CHAPTER 14.01 GENERAL PROVISIONS BY AMENDING SECTION 14.01.025 FIRE (FALSE) ALARMS TO INCREASE THE SERVICE CHARGE FOR FALSE ALARMS FROM \$150 PER OCCURRENCE AFTER THE FIRST OCCURRENCE TO \$300 PER OCCURRENCE AFTER THE THIRD OCCURRENCE, DELETING SECTION 14.01.030 HAZARD ABATEMENT AND ADDING IT INTO THE NEW CHAPTER 14.05, AMENDING CHAPTER 14.02 INTERNATIONAL FIRE CODE BY ADOPTING THE 2006 INTERNATIONAL FIRE CODE AND MAKING VARIOUS AMENDMENTS TO THE CODE, AMENDING CHAPTER 14.04 WILDLAND INTERFACE, BY CHANGING THE DEFINITION OF WILDLAND URBAN INTERFACE AND AMENDING THE PROVISIONS REGARDING WATER SUPPLY AND FIRE SPRINKLER SYSTEMS, ADDING CHAPTER 14.05**

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HAZARD ABATEMENT BY PLACING RESPONSIBILITY FOR HAZARD ABATEMENT ON THE PROPERTY OWNER AND OUTLINING THE PROCEDURE TO BE FOLLOWED FOR HAZARD ABATEMENT AND OTHER MATTERS PROPERLY RELATED THERETO. Supervisor Williamson seconded the motion. Supervisor Livermore advised that the Sheriff has talked about false alarms with local businesses. He went through the process of notifying the business about the proposed change. Supervisor Livermore felt that his change will be the next one considered by the Board. It is a fairness issue which should be addressed. The motion to introduce Bill No. 142 was voted and carried 5-0.

RECESS: A recess was declared at 9:44 a.m. The entire Board was present when Mayor Teixeira reconvened the meeting at 9:54 a.m., constituting a quorum.

10. REDEVELOPMENT AUTHORITY (9:53:15) - Mayor Teixeira 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 (11:33:06) - Following adjournment of the Redevelopment Authority, Chairperson Williamson returned the gavel to Mayor Teixeira who reconvened the Board of Supervisors session. The entire Board was present, constituting a quorum.

11. OFFICE OF BUSINESS DEVELOPMENT - Manager Joe McCarthy - ACTION TO ACCEPT THE REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE'S RECOMMENDATION TO AWARD \$100,000 OF INCENTIVE FUNDING THAT COMPLIES WITH THE PROVISIONS OF THE REDEVELOPMENT INCENTIVE PROGRAM TO LOPICCOLO INVESTMENTS TO HELP UNDERWRITE THE \$1,200,000 FIRST PHASE, IN PROGRESS, OF THE RESTORATION AND RENOVATION OF THE SAINT CHARLES HOTEL, 310 SOUTH CARSON STREET - Supervisor Williamson moved to accept the Redevelopment Authority Citizens Committee's recommendation to award incentive funding that complies with the provisions of the Redevelopment Incentive Program to Lopiccolo Investments to help underwrite the \$1,200,000 first phase, in progress, of the restoration and renovation of the Saint Charles Hotel, 310 South Carson Street. Supervisor Livermore seconded the motion. Motion carried 5-0.

12. CITY AUDITOR -Sue Johnson - ACTION TO AUTHORIZE PAYMENT, IN THE AMOUNT OF \$92,584.64, DUE PERS FOR THE AUDIT PERIOD JUNE 2003 THROUGH NOVEMBER 2006 (11:33:49) - City Manager Linda Ritter - Discussion between Ms. Johnson and the Board indicated that the payment will satisfy the holiday pay issue and that the system has been corrected. The City should be in full compliance in the future. PERS conducts audits every three years as part of its "check and balance" program. The audit discovered the error. The funds were taken from the Contingency Account. There will be approximately \$400,000 left in it. Supervisor Livermore moved to approve payment in the amount of \$92,584.64 to the Public Employee's Retirement System for additional contributions due for Holiday Pay for the period June 2003 through November 2006; and the fiscal impact is an unbudgeted expense for fiscal year 2007-2008 in the amount so stated. Supervisor Williamson seconded the motion. Motion carried 5-0.

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13. SUPERVISOR ALDEAN - ACTION TO DETERMINE THAT A 360 DEGREE WEB BASED PERFORMANCE EVALUATION METHOD SHOULD BE USED IN EVALUATING THE PERFORMANCE OF THE CITY MANAGER DURING CALENDAR YEAR 2007 AND TO DIRECT THE HUMAN RESOURCES DEPARTMENT TO BRING A PROPOSAL FOR THIS SERVICE BACK TO THE BOARD FOR REVIEW AND POSSIBLE APPROVAL (11:38:57) -

Human Resource Director Ann Silver, City Manager Linda Ritter - Supervisor Aldean disclosed her involvement with 360 Degree Web Based Performance Evaluations. Her reasons for recommending the process were noted. Ms. Silver disclosed her personal involvement with the program. She felt that it provides a very comprehensive evaluation, however, a citizen who has not attended a Board or Committee meeting may be unable to provide a response regarding questions relating to how a meeting is conducted. The evaluation is more of a tool for developing the individual's work plan. She did not object to its use due to its comprehensive nature. Supervisor Aldean expressed concern that an employee/individual may not respond in a candid fashion due to fear of retribution when asked personally by a Board Member. She felt that its ability to obtain candid and truthful responses from unidentified individuals is the biggest benefit to the web based program. Ms. Silver agreed that confidentiality provides better feedback and candor. The recipient, however, does not know where the comments come from or who the individual is that made the comments. She acknowledged that there are pros and cons regarding the program. Supervisor Aldean described the processes she had seen. It had identified through colored boxes the group of the respondents who were represented. She believed that it would be a useful tool for both the City Manager and the Board Members. She suggested that she and Supervisor Staub continue to work with Human Resource Director Silver to look at the various programs available with this type of an evaluation.

The "Committee" would also select the questions and individuals who would be asked to participate in the evaluation. Efforts would be taken to keep their names confidential. Safeguards will be built into the process to maintain confidentiality. Discussion indicated that it may take more than two weeks to complete this process. Ms. Silver suggested that three to five programs be evaluated with the best possible program being selected. The individuals/categories of individuals to receive the evaluation will need some training and a statement of confidentiality. The replies would be due back in a short period of time. The company will compute them and deliver the report to the Board. Supervisor Livermore disclosed his personal involvement with the process. There are a lot of models available. He was uncertain whether the public will understand the process. He also pointed out that not everyone has a computer or access to the website. Supervisor Aldean disclosed the interview process used by TRPA to illustrate how the process can work. Ms. Silver suggested that programs used by the public sector be evaluated in order to retain the public participation process. Mayor Teixeira explained his understanding of the TRPA process and its failure to make a decision regarding its Executive Director's job performance. He believed that the usual process provides the same purpose, is straight forward, and allows public participation. He opposed using a program that would not allow the individual to be identified. He questioned the need to change the current process. Ms. Ritter explained that her process has the Department Heads do a self-evaluation and conducts surveys of his/her employees. She felt that the program would provide a tool for her to improve her performance. It was not an attempt to justify an increase in compensation. The Board's comments should be kept separate from the 360 Degree Evaluation. Mayor Teixeira pointed out that the Board Members are the ones with whom she works. Supervisor Aldean pointed out that the material indicates that the employee does a self-evaluation. Both she and Ms. Ritter were interested in the process. It is important

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to see how others perceive Ms. Ritter as City Manager. She acknowledged that it is a "crap shoot" as indicated by the responses received by TRPA on its Executive Director. The process will tell Ms. Ritter how the employees and others perceive her. Supervisor Aldean then moved to determine that a 360 Degree Performance Evaluation method specifically for public employees should be used in evaluating the performance of the City Manager during Calendar Year 2007 and to direct the Human Resources Department to bring a proposal for this service back to the Board for review and possible approval with the involvement of two members of this Board. Supervisor Williamson seconded the motion. Motion was voted by roll call with the following result: Supervisor Livermore - No; Supervisor Staub - No; Supervisor Williamson - Yes; Supervisor Aldean - Yes; and Mayor Teixeira - No. Motion failed on a 2-3 vote.

OTHER MATTERS (11:56:02) - Mayor Teixeira disclosed that he had "scheduled" Mary Walker to be present during the afternoon session regarding the budget and its shortfall.

RECESS: A recess was declared at 11:57 a.m. Mayor Teixeira reconvened the meeting at 1:36 p.m. A quorum was present although Supervisor Staub did not arrive until 1:40 p.m. - during Mr. Des Jardins' interview.

15. CITY MANAGER - Linda Ritter

A. ACTION TO APPOINT TWO MEMBERS TO THE REGIONAL TRANSPORTATION COMMISSION TO FILL TWO YEAR TERMS TO EXPIRE DECEMBER 31, 2009 (1:36:05) - The Board interviewed Charles Des Jardins, (1:46:10) Russell Carpenter, and (1:57:10) Dr. Sean Lehmann. The Applicants were thanked for applying. Comments noted that there were three applicants but only two positions. Supervisor Aldean hoped that Dr. Lehmann will reapply in the future. The value of institutional knowledge was stressed. She also felt that both Messrs. Des Jardins and Carpenter are valuable participants on the Commission. Supervisor Aldean moved to reappoint Charles Des Jardins and Russell Carpenter to the Regional Transportation Commission for two year terms ending December 31, 2009. Supervisor Staub seconded the motion. Motion was voted by roll call with the following result: Supervisors Aldean, Staub, Williamson, Livermore, and Mayor Teixeira - Aye. Nays - None. Motion carried 5-0.

C. ACTION TO DIRECT STAFF TO DEVELOP A FINANCIAL STRATEGY TO ADDRESS PROJECTED SHORTFALLS IN REVENUE (2:07:30) - City Auditor Sue Johnson, Mary Walker - Copies of the slides Ms. Ritter used to illustrate the status of the budget, the revenue shortfalls, budget and service reductions that were made in fiscal years 2006-07 and 2007-08, and suggested methods whereby the shortfalls may be addressed. Mayor Teixeira thanked the Department Heads and Elected Officials for their cooperation in making these cuts. The 2006-07 reductions had been made without impacting service levels. Two million dollars had been cut from the 2006-07 budget. Ms. Ritter emphasized the need to educate the public on the need to reduce service levels during the 2007-08 and 2008-09 fiscal years. There is a need to reduce the 2007-08 budget by an additional \$2 million based on the current estimated revenue from sales taxes. This does not include an amount for the reduction in the real estate transfer tax. Roll up costs were included in the budget. They averaged between \$2 and \$3

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million. Negotiations are ongoing with the Sheriff's Office and CCEA. Mayor Teixeira pointed out that the roll up costs created an additional shortfall in the budget. This creates a significant number for which funds must be found. The City must continue to manage its budget and spend conservatively.

Supervisor Staub pointed out that the State had raised its shortfall projections from 5% to 8%. Ms. Ritter felt that the City did not need to do the same as it had cut ongoing costs last year. If these cuts had not been made, the City would need to find an additional \$1.5 million in cuts or revenue. The purpose, expenditure criteria, and funds in the stabilization account were noted. The contingency fund and vacancy savings which occur annually are used for capital items. Economic cycles occur periodically. Supervisor Staub pointed out that the stabilization fund already has a \$100,000 encumbrance and there are still outstanding settlements which may further encumber it. Ms. Ritter explained that the same is true of the contingency account. Staff has been asked to look at three year revenue projections and identify any gaps which should not depend on the contingency account. Staff should phase such projects. No area should be responsible for making all of the cuts or reaping all of the benefits of other Departments' reductions. She asked for 30 days in which to develop a strategy which may include service reductions.

Supervisor Livermore explained that he is a proponent of knowing the roll up costs including those included in the labor contracts. He asked City Auditor Sue Johnson their totals. Ms. Johnson advised that the operating expenses are 23% of the City's general fund budget. This includes services and supplies. Personnel costs are comprised of: 24% for benefits and 53% for salaries for a total of 77%. The 07-08 budget is \$57.6 million. Elimination of transfers in and out and debt service leaves a total of \$55.2 million. Seventy-seven percent of that figure totals \$42.5 million from the general fund for employee costs. She acknowledged that the Firefighters' roll up costs in their contract is 6%, however, recommended averaging the roll up costs for employees at 3% with a 4.8% cost-of-living. The roll up cost is estimated to be \$3.3 to \$3.4 million. In order for the City to absorb this amount, the revenue base needs to increase by 6% over the estimate for this year. Trends do not at this time indicate that this will occur. She recommended development of a revenue forecast for the next two to three years which will allow staff to establish an expense expenditure to deliver the services to the citizens.

Supervisor Williamson questioned how the revenue sources will be identified and codified. This number is also needed. Ms. Johnson explained her background with five year business plans. An expense cannot be identified without revenue resources. The property tax cap and the economic downturn have created uncharted waters for communities both locally and nationwide. Staff must utilize what is known today to estimate the future needs. The management team had worked hard to decrease the expenditures without impacting the service levels. It will not be possible to continue cutting \$2 to \$3 million from the budget annually without impacting the service levels. Supervisor Williamson agreed that this is the challenge that is facing the City. The former Mayor had wanted five year projection plans. It had been based on a growing economy. Ms. Johnson explained that the economic indicators must be used to understand what the roll up costs will be. It is the key to estimating revenue.

Discussion among Supervisor Aldean, Ms. Johnson and Ms. Ritter indicated that the City is a service oriented business. It takes people to provide a service. The ratio of funding for personnel is not out of

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sync with other similar organizations. Economic downturns require a reduction in staffing/services as funding for supplies and operations do not always meet the shortage. A contingency plan needs to be developed for downward spirals. The public needs to be kept informed about the economic status. Expenditures during upward spirals need to include a stabilization plan and fund which would be capped at its statutory limit of 10%. A slow down can be predicted, however, it is more difficult to estimate it beyond an annual cycle.

Supervisor Livermore advised that during the Parks and Recreation Commission meeting Parks and Recreation Director Moellendorf had given a doomsday scenario indicating cuts that could be made within the Department. His graphs should be used to illustrate the impact. The City cannot operate in a deficit. Employee salaries and benefits may have to be cut. Comments indicated that this may require a 35-hour work week.

Supervisor Staub felt that the presentation had provided an opportunity for a comprehensive analysis of the budget situation. A hiring freeze is obvious. Last night he had felt that he would be fighting over critical positions today. He felt that the economy will not be getting better quickly. The downturn may last 18 months or longer. He commended everyone on the effort that had been made. When 78% of a budget is allocated for salaries and benefits, it must be considered during such economic times. Staffing should be a part of the plan. Layoffs should be avoided if at all possible. This is the purpose of the hiring freeze. If it is not avoidable, then layoffs must be considered. He expressed a desire to see a contingency plan within 30 days that included layoffs and the impact on services.

Ms. Ritter explained that this is the reason she had been using attrition to make staffing reductions. She agreed to share information with the Board regarding how this process had reduced staffing. Supervisor Staub felt that the contingency plan should include layoffs, freezes, firing, etc., procedures to reduce staffing. (Discussion on the following Item then occurred. No formal action was taken on this Item.)

14. MAYOR TEIXEIRA - ACTION TO CONTRACT WITH AN INDEPENDENT THIRD PARTY TO PREPARE A CONSOLIDATED TAX REVENUE PROJECTION IN AN AMOUNT NOT TO EXCEED \$1,000 (2:38:20) - Mary Walker, Chief Deputy District Attorney Melanie Bruketta, City Engineer/Development Services Director Larry Werner - Mayor Teixeira espoused his belief that he had been correct in requesting a 120 day hiring freeze. His request had been based on discussions with Department Heads and others in the community. He described a model Mary Walker had used to guide the City for eight years. He believed that the Board/City should have a third party look at the consolidated tax revenue projections for the next two years. Discussion indicated that the study could be for two or three years. Ms. Walker indicated that she had been the City's Finance Director for 12 years.

Ms. Walker then described her model which had not been updated for some time. She felt that the country was in the worst economic condition she had ever seen in the 24 years she had been working for and with the City. She was certain the downturn will last more than a year. Most governmental entities are looking at a two-year decline in consolidated taxes. She urged the Board to take a multi-year look at it. She offered her assistance to Ms. Ritter, her staff and the Board. Mayor Teixeira asked her how long it would

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take to do an analysis. Ms. Ritter suggested that her analysis be a review of City staff's calculations. Ms. Walker agreed that it would be possible to provide this analysis. Mayor Teixeira explained that his recommendation is to use \$1,000 from the Board's funds and, if the contract is more than that amount, Ms. Ritter should find the balance. He also advised that Item 15B would be deferred. Its items that were bonded could not be cut. Discussion ensued between them regarding the amount of time it will take to complete the analysis. Ms. Ritter suggested that it should be combined with the comprehensive contingency plan previously discussed and be submitted to the Board for consideration in 30 days. Mayor Teixeira explained that this was the reason he had agendized the Capital Improvement Program as the package should include options. He also wanted to have options regarding one time cuts to travel, a reduction to \$1 million in the Capital Improvement Program, and to establish a priority listing for it. Ms. Ritter explained that the downturn in the economy removed the City's ability to fund capital improvements in future years unless a method of allocating funds for it is found. Mayor Teixeira described the conditions under which the City had been operating when he was first elected. Ms. Walker had established programs which eliminated this practice. He did not wish to return to those days. "Deferred maintenance comes back and bites you every time." We cannot afford ourselves at this time. That first year was the first time he ever funded a negative budget. He did not want to do it again. He hoped that they do not have to do so.

Supervisor Staub explained his request for a program with a five percent reduction in revenue. Ms. Walker explained that the model would take the revenue and build the budget to it.

Mayor Teixeira suggested that a motion be made to hire Ms. Walker at an amount not to exceed \$5,000 and for her to work with the City Manager to give the Board a three-year projection on revenue, expenses, and options to fund the deficit. Ms. Bruketta explained that City staff has the ability to issue contracts that are less than \$50,000. Mayor Teixeira stated that Ms. Ritter had her direction. Ms. Ritter indicated a need to discuss the contract's scope with Ms. Walker.

Mayor Teixeira apologized to the audience for deferring action on Item 15D. He felt that the Board was not ready to fund anything without more data and a plan.

Supervisor Williamson stated that the City is not the only governmental entity in financial straits. The Legislature had put all of the City's economic eggs into one basket when it capped the property taxes. She believed that the employees love the community and will step up to the plate, as they have in the past, recognize the funding restrictions, and help make it work. Without the employees' support, the plan will not work. She looked forward to working with them on it.

Supervisor Aldean questioned whether a 30-day delay of the Capital Improvement Program will impact any federally mandated programs or incur a fine for failure to act. Ms. Ritter felt that the review of the program had not indicated that any of the items were of an emergency nature or could not be delayed for 30 days. She asked if there was time to acquire the fingerprint scanner which was a federal mandate. The response indicated they have until 7/1. She also explained her desire to delay the Capital Improvement

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Program until after the budget is adopted. This would allow them time to know the budget status before the funds are spent.

Supervisor Livermore reiterated Supervisor Williamson's comments regarding the Legislature's decision to cap property taxes and use sales taxes to provide funding for governmental entities. There are many other jurisdictions facing the same problem the City is as there are many unfunded mandates which must be funded without a funding source. He wanted to see the plan as requested.

Supervisor Staub also asked that the employees/Department Heads present tell the other employees that the Board appreciates their cooperative efforts. The Board does not like the option it is facing any better than the employees do. It is a very painful position for the Board to be in. He also explained that the Board had repeatedly not increased the property taxes when there had been opportunities to do so. The City has one of the lowest ad valorem rates in the State. When the cap was implemented, the City's ad valorem rate became the lowest in the State. It created the perfect fiscal storm when a downturn in sales taxes occurred. The Board had done what was fiscally prudent in keeping the taxes low, however, that does not make it perfect today. He repeated that he did not like the present situation any better than the staff does.

Mayor Teixeira indicated that direction has been given to Ms. Ritter. He also noted that a majority of the jurisdictions/governmental entities have made across the board cuts. He preferred not to have to do that. He hoped that the program can be ready in 30 days. (2:55:58) Until that time the freeze stands.

Mr. Werner felt that the City had faced this same problem 30 years ago. He reminded the Board that during such economical times a shift from the General Fund to Special Funds could occur. He recommended that consideration of such a shift be considered. Ms. Ritter indicated that cost recoveries could be considered. Mayor Teixeira felt that this program merely shifted the costs to others. Some of these individuals cannot afford the services. The City should mirror their pain even though his suggestion is an option.

Ms. Walker agreed that they should look at the revenue sources. She also explained that her discussion with four County Managers indicates that the number one priority for the next Legislative session will be revenue. She also disclosed that she has been contacted by the Legislature regarding the need for a four-percent increase for juvenile services. There is a feeling that there is a need for more home rule. She believed that the next session may provide it. Mayor Teixeira advised that he had had a hearing on long-term care. Discussion indicated that the time to start to work on these issues is now. Mayor Teixeira also indicated that there will not be a Board goal setting session in January as the current goal is to get through the next 18 months.

Supervisor Staub felt that the Board needed to act to authorize a contract with Mary Walker. Ms. Ritter reminded him that she has authority to authorize the contract. Mayor Teixeira indicated that he had agendaized the Item. Ms. Walker indicated that she is comfortable with the direction that has been given.

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Discussion between Supervisor Aldean and Ms. Walker indicated that the City is better off than some jurisdictions as it has been proactive and had already made some cuts. There are larger cuts now being mandated by the decreasing revenue streaming. If cuts are not made now, the deficit will compound and force even larger cuts in the end. Supervisor Aldean felt that a tribute for the reductions was due to staff's efforts. Mayor Teixeira felt that some of the cuts had been forced upon the City in an effort to balance the budget.

Supervisor Staub stated that the maximum amount for Ms. Walker's contract was limited to \$5,000. Ms. Ritter indicated that she heard and had some discretion and a budget for it.

15. CITY MANAGER - Linda Ritter

A. ACTION TO APPOINT TWO MEMBERS TO THE REGIONAL TRANSPORTATION COMMISSION TO FILL TWO YEAR TERMS TO EXPIRE DECEMBER 31, 2009 - See Page 9.

B. DISCUSSION REGARDING THE RECENTLY ENACTED HIRING FREEZE AND POSSIBLE DIRECTION TO STAFF REGARDING ITS IMPLEMENTATION (2:55:58) - This Item was to have been deferred, however, comments were requested. (3:03:40) Ms. Ritter explained that the Library Board had made a recommendation regarding its positions. She had discussed with Director Sara Jones delaying the hiring. Ms. Jones indicated that the Library and the Library Board wish to be part of the solution. There are two positions vacant at this time. It is "pinching", however, she believed that they could be frozen for 30 days. She hoped that there will be a solution as part of the bigger package. Mayor Teixeira reminded her that she is in a vulnerable area.

Ms. Ritter advised that the Courts were excluded from the freeze. Mayor Teixeira responded that there are a few positions out there that are being considered. He felt that the Board is going to have to learn to answer with a no right now.

C. ACTION TO DIRECT STAFF TO DEVELOP A FINANCIAL STRATEGY TO ADDRESS PROJECTED SHORTFALLS IN REVENUE - See Page 9.

D. ACTION TO APPROVE THE CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEAR 2007/2008 (2:44:07) (2:48:53) - Deferred.

16. BOARD OF SUPERVISORS - NON-ACTION ITEMS:

A. INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS; CORRESPONDENCE TO THE BOARD OF SUPERVISORS; AND STATUS REPORTS AND COMMENTS FROM THE MEMBERS OF THE BOARD (3:02:43) - Supervisor Williamson announced that the State Christmas Tree Lighting Ceremony had been moved from in front of the Capitol to the State Library and Archives Building. It begins at 5:30 p.m. The City's Tree Lighting Ceremony at

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Nevada and Musser was cancelled. The City Hall Reception will begin immediately after the State ceremony. She invited the public to come to the City Hall and see the presentation of the Coloring Contest and enjoy the cookies and singing. Discussion indicated that it is still raining. No formal action was required or taken.

B. STAFF COMMENTS AND STATUS REPORT - None.

17. ACTION TO ADJOURN (3:05:21) - Supervisor Aldean moved to adjourn. Supervisor Williamson seconded the motion. Motion carried 5-0. Mayor Teixeira adjourned the meeting at 3:06 p.m.

The Minutes of the December 6, 2008, Carson City Board of Supervisors meeting

ARE SO APPROVED ON _____, 2008.

Marv Teixeira, Mayor

ATTEST:

Alan Glover, Clerk-Recorder