A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, March 20, 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
STAFF PRESENT:	Andrew Burnham	Acting City Manager
	Alan Glover	Clerk-Recorder
	Steve Kastens	Parks and Recreation Director
	Joe McCarthy	Redevelopment/Economic Development Mgr.
	Mark Forsberg	Chief Deputy District Attorney
	Steve Mihelic	Assistant Fire Chief
	Cheryl Adams	Deputy Purchasing Director
	Larry Werner	City Engineer
	John Sims	Service Program Coordinator
	Jay Ahrens	Senior Project Manager
	Lee Plemel	Senior Planner
	Katherine McLaughlin	Recording Secretary
	Justine Chambers	Contracts Coordinator
	(B.O.S. 3/20/03 Tape 1-0091)	

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Board Action Request and/or supporting documentation. Staff members present for each Department 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 8:30 a.m. Roll call was taken. The entire Board was present, constituting a quorum. Rev. Patrick Propster of the Carson City Christian Fellowship gave the Invocation. Mayor Masayko led the Pledge of Allegiance.

CITIZEN COMMENTS (1-0155) - None.

1. APPROVAL OF MINUTES - 11/21, 12/5, AND 12/19/02 (1-0165) - Mayor Masayko noted the corrected rata sheets which had been placed on the dais before the meeting. Supervisor Williamson moved to approve the November 21, 2002, Minutes, the December 5, 2002, Minutes as corrected on Pages 8 and 9, and the December 19, 2002, Minutes as corrected on Pages 2 and 18. Supervisor Livermore seconded the motion. Motion carried 4-0-1 with Supervisor Aldean abstaining.

2. AGENDA MODIFICATIONS (1-0212) - None.

3. SPECIAL PRESENTATIONS - Parks and Recreation Director Steve Kastens

A. PRESENTATION OF APPRECIATION PIN TO LOU CABRERA FOR HIS VOLUNTEER SERVICE AS PARKS AND RECREATION COMMISSION MEMBER (1-0224) - Mayor Masayko explained Mr. Cabrera's resignation, his tenure on the Commission, and thanked him for his service. He displayed the pin and presented it to Mr. Cabrera. He indicated that his name plate would also be given to him.

B. PRESENTATION OF APPRECIATION PIN TO JOHN SIMMS FOR HIS VOLUNTEER SERVICE AS PARKS AND RECREATION COMMISSION MEMBER (1-0295) - Mayor Masayko explained his resignation, his tenure on the Commission, thanked him for his service, and presented the pin and his name plate to him. He displayed the pin and his name plate.

Mayor Masayko complimented Mr. Kastens on the pins and encouraged other Committees/Commissions to provide similar mementos.

4. CONSENT AGENDA (1-0350)

4-1. ASSESSOR - ACTION TO APPROVE A PARTIAL REFUND OF TAXES FOR APN 2-661-02 FROM THE 2000/01, 2001/02, AND THE 2002/03 TAX ROLL PER NRS 361.765

4-2. DEVELOPMENT SERVICES - ENGINEERING

A. ACTION TO APPROVE AN AGREEMENT 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 1B LOCATED ON THE LOMPA RANCH NORTH OF EAST FIFTH STREET

B. ACTION TO APPROVE AN AGREEMENT 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 1B FROM HIGHWAY 50 EAST TO NORTHRIDGE DRIVE

4-3. DEVELOPMENT SERVICES - CONTRACTS

A. ACTION TO APPROVE STAFF'S RECOMMENDATION ON THE FREEWAY RELOCATION PROJECT - PHASE 1B PROJECT, CONTRACT NO. 9900-172 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE CLAIM FORMS TO PBS&J, 5310 KIETZKE LANE, SUITE 101, RENO, NV 89511, FOR AMENDMENT NO. 7 COST OF $7,500 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF $25,000

B. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION AND AWARD THE MURPHY DRIVE AND VAN PATTEN AVENUE IMPROVEMENTS PROJECT, CONTRACT NO. 2002-087 TO (BIDDER #2) CANYON CREEK CONSTRUCTION, P. O. BOX 21270, CARSON CITY, NV 89721-1270 AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO THE REQUIREMENTS OF NRS CHAPTER 332, 338, 339, AND 624 FOR A CONTRACT AMOUNT OF $297,339.98 AND A CONTINGENCY AMOUNT OF $15,000

C. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON ENGINEERING SERVICES FOR SANITARY SEWER IMPROVEMENTS, CONTRACT NO. 2001-146 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO LUMOS AND ASSOCIATES, 800 EAST COLLEGE PARKWAY, CARSON CITY, NEVADA 89706, FOR AN AMENDMENT NO. 1 AMOUNT OF $14,000

4-4. PURCHASING AND CONTRACTS - ACTION TO APPROVE THE AWARD OF CONTRACT NO. 0203-094 PARKS DEPARTMENT FERTILIZER TO UNITED HORTICULTURAL SUPPLY AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO NRS CHAPTER 332 THROUGH MARCH 19, 2004, WITH THE OPTION TO RENEW FOR FOUR ADDITIONAL YEARS SUBJECT TO NEGOTIATION AND TO AUTHORIZE ITS USAGE BY ALL DEPARTMENTS PROVIDING THAT CARSON CITY'S APPROVED FUNDING AND PURCHASING PROCEDURES ARE FOLLOWED

4-5. FINANCE - ACTION TO RATIFY THE EXPENDITURE APPROVAL LISTING FOR THE MONTH OF FEBRUARY 2003

4-6. ECONOMIC DEVELOPMENT/REDEVELOPMENT MANAGER - ACTION TO APPROVE CONTRACT NO. 0203-119, A REQUEST FOR PROFESSIONAL SERVICES TO BE PROVIDED BY CHARLES A. LONG ASSOCIATES FOR ECONOMIC DEVELOPMENT AND ECONOMIC VITALITY PLAN IMPLEMENTATION THROUGH DECEMBER 31, 2003, FOR A NOT TO EXCEED COST OF $98,500

4-7. COMMUNITY DEVELOPMENT - ACTION TO APPROVE A REQUEST FOR A ONE-YEAR EXTENSION OF A TENTATIVE MAP FOR THE SILVER OAK PLANNED UNIT DEVELOPMENT, P-93/94-1, TO EXTEND FROM MARCH 9, 2003, AND EXPIRE ON MARCH 9, 2004

4-8. AIRPORT AUTHORITY - ACTION TO APPROVE THE AMENDMENT OF THE 1999-2000 FEDERAL AVIATION ADMINISTRATION AIRPORT IMPROVEMENT GRANT PROJECT NO. 3-32-0004-10 REDUCING THE GRANT AMOUNT FOR 1999-2000 FROM $3,046,450 TO $422,300 AND AUTHORIZE CITY PERSONNEL TO EXECUTE THE APPROPRIATE DOCUMENTS - Acting City Manager Andrew Burnham pulled Items 4-2A and B. Supervisor Livermore pulled Item 4-6. Supervisor Livermore moved to approve the Consent Agenda's remaining eight items which are: 4-1 - one item from the Assessor; 4-3 - three items from Development Services; 4-4 - one item from Purchasing and Contracts, 4-5 - one item from Finance; 4-7 - one item from Community Development, and 4-8 - one item from the Airport Authority, as presented. Supervisor Williamson seconded the motion. Motion carried 5-0.

4-2A. (1-0459) Senior Project Manager Jay Ahrens reviewed the changes which had been made to the agreement. Supervisor Aldean moved to approve the revised agreement related to the action to approve an agreement 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 1B from Highway 50 East to Northridge Drive; the change occurs in Paragraph 3 with respect to the limits of liability. Following discussion of which item was being considered, Supervisor Aldean amended her motion to approve the revision to Paragraph 3 in the agreement between the Nevada Department of Transportation, NDOT, and Carson City for the adjustment of utility facilities of a portion of the Carson City Freeway Project Phase 1B located on the Lompa Ranch north of East Fifth Street and the changes relate to the limits of liability. Supervisor Williamson seconded the motion. Motion carried 5-0.

4-2B. (1-0608) Senior Project Manager Jay Ahrens reviewed the changes which had been made to the agreement. He also explained that the State is liable for the cost of utility relocation conducted within Carson City's right-of-way. The City pays for relocations using State owned and permitted right-of-way. The City is also responsible for oversizing which is done to accommodate future needs. The revised City cost is $2,674,288. The State will reimburse the City approximately $1,510,294. Mayor Masayko noted that the freeway's expedited commitment may necessitate correcting/fine tuning additional contracts. Mr. Ahrens indicated that in the future additional changes will be coming to the Board. Mayor Masayko reiterated that he is sympathetic to these changes, understood their reasons, and that the changes to this contract were to the liability issues and utility reimbursements. Supervisor Aldean moved to approve the revised agreement related to the action to approve the agreement between the Nevada Department of Transportation, NDOT, and Carson City for the adjustment of the Utility Facilities for a portion of the Carson City Freeway Project Phase 1B from Highway 50 East to Northridge Drive modifications pertaining to Section 3 as it relates to limits of liability and to the provision that requires the reimbursement of certain expenses related to utility relocation. Supervisor Williamson seconded the motion. Motion carried 5-0.

4-6. (1-0818) Mr. Burnham had been excused from the meeting to attend the welcoming of the State Association of Assessors as the Mayor's representative. Supervisor Livermore questioned the need for Mr. Long's services during a period when tight fiscal management is required. He suggested that the contract be delayed until the qualifications of the new City Manager are known. He also felt that with the three individuals who are already working to provide these services, the new City Manager may not need a consultant. He acknowledged that Mr. Long's current contract has expired. He suggested that the term of the contract be to the date that the new City Manager is on board.

Redevelopment/Economic Development Manager Joe McCarthy read a prepared statement into the record stressing the importance of having Mr. Long as a consultant due to his expertise. His duties were limned. Discussion between Mr. McCarthy and Supervisor Livermore indicated that the grant, which will be used to pay for Mr. Long's services, does not include the name of the individual who will perform the work. Mr. Long's contract can be terminated if the implementation of the plan is completed before December 31, 2003. There are two CDBG grants which will be used to pay for his services. One is for $54,200. The other is for $25,000. These grants have already been approved by the Board. The remaining $19,300 is to be paid by Development Services Professional Services account. The $54,200 grant requires a 50/50 match which could be in-kind support. The other grant requires a match of only $2,500. A significant portion of the in-lieu of services for the larger grant has already been met. Supervisor Livermore reiterated his hope that the new City Manager will have a strong emphasis on economic development. He also felt that if the consultant does not have the correct chemistry balance with the new City Manager, he should be terminated. He had no doubt about the economic opportunities that are facing the community. This includes the auto mall. He agreed that it may not be wise for the community to "change jockeys in the middle of the stream" but he was unsure whether WNCC needs consultant work. He acknowledged Mr. McCarthy's economic abilities. He also explained his concern about the cost of the contract.

Supervisor Staub noted that Mr. Long is presently under contract at a price which he felt was similar to the contract under discussion. He also felt that $98,000 for an 80-day contract was high particularly during a period of fiscal prudence. Discussion explained that there had been two subcontractors working with Mr. Long since he originally came to the City. Mr. McCarthy explained that Mr. Long is dedicated and puts in a significant amount of time over and beyond that indicated in the contract. Mr. Long and his subcontractors are developing the Redevelopment plan and establishing potential Redevelopment areas. This work includes developing a list of APNs. Supervisor Staub pointed out that the auto mall will be the third strike for the City. An auto mall is important to the City due to the sales tax base it will provide. The contract may be an investment that the City should make. He indicated that he would support the contract, however, acknowledged that it is a substantial sum of money for 80 days of work.

Supervisor Aldean pointed out that it is sometimes necessary to spend money in order to make money. The auto mall is important to the community. Her involvement with the economic development committees and her support for them was noted. Tom Keeton had also participated with these committees. Mr. Long is a dedicated individual. They had critiqued Mr. Long's work. He had been a guiding force for the committees. She was certain that he will continue to commit more time than that indicated within the contract so that a viable project is produced in ten months.

Supervisor Williamson felt that without Mr. Long's guidance the economic development committee may have floundered. Her support for Mr. Long was indicated. She also pointed out that if the new City Manager determines after reviewing Mr. Long's work that he is no longer needed, the contract can be terminated. The contract is financed by grants. In order to use the CDBG grants, the City will have to retain either Mr. Long or another consultant. She supported the contract.

Mayor Masayko also expressed concerns about having a $1,000 a day consultant. He knew what Mr. Long has done and can do. He was also concerned about the need for $20,000 in matching funds. The scope of work is slightly ahead of its "interference". His last briefing on the corridor plan indicated that there were to be public/private partnerships. This program appears to have been abandoned without the Board's input as Redevelopment is now being pursued. He explained to Mr. McCarthy the need for a presentation by the committees and Mr. McCarthy and for "getting the process off cruise control". He agreed that the auto mall is important but it should not be a take it or leave it proposal. Some of the projects have a lower priority than others but the cost is the same. The contract should be extended for 30 to 60 days with tight top to bottom review of the mission, the tasks, and what is being paid for those tasks regardless of the funding source.

Supervisor Livermore explained his intent to support the contract on a limited basis and stressed the importance of the auto mall. He endorsed Mr. Long's work on the auto mall. It could pay for the entire contract. He could support the contract only on a limited basis so that when the new City Manager is on board, a meeting will be held concerning the contract and a decision made on whether to continue it.

Supervisor Aldean explained that the Chamber of Commerce had reviewed the contract and had indicated that there are a lot of items included within it that Mr. Long should not be preoccupied with as there are two other individuals working on those items. The Chamber felt that working on the alternative energy programs, the auto mall, and the corridor efforts should be continued. She pointed out that Redevelopment does not preclude public/private partnerships. It provides incentives for such partnerships. Mr. Long's duties should be reduced to the three items as indicated by the Chamber. Mr. McCarthy concurred. Her direction to Mr. McCarthy and Mr. Long was for Mr. Long to focus on 3.1.2.2 which provides principle staff for alternative energy, the corridor work group, and developing the auto mall. He should not focus on less important items.

Mayor Masayko pointed out that it is a good business process to identify the tasks which are to be performed. He reiterated his unwillingness to support a nine-month contract even if it contains a 30-day termination clause. More urgency for the completion of the project occurs when it mandates periodic renewal. He recommended that the renewal of the contract occur slightly after the new City Manager is on board. He also urged staff to review the terms of the contract including its tasks and the $1,000 a day cost plus consultants plus expenses. Supervisor Livermore committed as Economic Development Chairperson to bring the contract back 30 days after the new City Manager is on board for discussion on whether to continue it or not. Supervisor Williamson requested monthly reports regarding what has been accomplished and where Mr. Long is going. Mayor Masayko indicated that this would allow the Board to determine his priorities. He also indicated a willingness, based on Supervisor Livermore's commitment, to support extending the contract. This will provide additional scrutiny. Supervisors Livermore and Staub agreed. Mayor Masayko indicated that this will remove the auto pilot. It is significant dollars with significant accomplishments. Public comments were solicited.

Tom Keeton felt that the committees are in the process of making presentations. One will be made to the Board. He did not feel that the contract was a "take it or leave it" proposal. The Board could pick and choose what it wants. Discussion between Mayor Masayko and Mr. Keeton indicated that, for the Board to pick and chose its priorities, additional negotiations on the terms would be required. Too much selection/reduction in the contract may make it impossible for Mr. Long to want to do the work. Mr. Keeton supported Supervisor Aldean's comments as Mr. Long had been the best facilitator and prodder for the committees. He has the ability to develop the best plan for the community. The committee members show up and participate with enthusiasm. He provides what is needed but not an excessive amount. Although he does not normally support consultant fees, he supported Mr. Long and his contract.

Supervisor Livermore moved to approve Contract No. 0203-119, a request for professional services to be provided by Charles A. Long Associates for the Economic Development and Economic Vitality Plan Implementation through December 31, 2003, for a not to exceed cost of $98,500 with the caveat that the contract will be reviewed within 30 days after the seating of the new City Manager. Supervisor Williamson seconded the motion. Mayor Masayko indicated that he would support the motion based on the caveat. Supervisor Livermore continued his motion to include the fiscal impact of $98,500 and a funding source of $98,500 budgeted in the Fiscal Year 0203 CDBG Business Development and Activity Account 101-0620-465. Mayor Masayko also noted for the record that the funding source also falls short of being 100 percent CDBG as there is $19,000 of Community Development/taxpayer monies in it. The motion was voted and carried 5-0.

5. BOARD OF SUPERVISORS

A. DISCUSSION AND POSSIBLE ACTION ON LEGISLATIVE MATTERS (1-1545) - Discussion by Supervisors Livermore and Williamson explained a Saturday meeting with eight members of the Assembly Committee of Government Affairs and an educational tour of Carson City and Douglas County in an attempt to show the challenges and needs of the Counties. Supervisor Staub suggested that the next session include a discussion on the in-lieu of taxes and the services provided by local governments. He also expressed concern about SB 308 and indicated that Ms. Walker needs to be informed about it. Mayor Masayko supported his comments and pointed out that both the State and local governments are chasing the same tax generators. If the base is broadened for the State, the same should be allowed for local governments. Governor Guinn had purportedly supported this program. Discussion ensued on the impact of the proposed business tax on employees and its impact on businesses. Supervisor Williamson also explained that the tri-county legislative committee had met on Friday and reviewed the status of local legislation. This discussion had included Douglas County's bill on the super majority for planning decisions, which was killed. The City's charter amendment and the Redevelopment revision are still pending. The NACO bills were felt to be under attack. Several Redevelopment proposals have been submitted. Washoe County School District's Redevelopment proposal is still being revised. Monitoring efforts by City staff and Ms. Walker are continuing. No formal action was required or taken.

B. DISCUSSION AND POSSIBLE ACTION ON THE SELECTION OF A NEW CITY MANAGER (1-1675) - Human Resources Director Ann Beck - Discussion indicated that seven applicants have been selected for interviews on March 29. Board direction on whether seven, nine or another number should be interviewed or whether specific applicants should be added to the listing was requested. Supervisor Aldean suggested that Thomas Morrison be added to the list of applicants. Supervisor Livermore indicated that he was happy with the selection of applicants and the number seven. Mayor Masayko felt that seven was the correct number. Supervisor Williamson indicated that four of the seven selected applicants had been her top candidates. Ms. Beck indicated that the background investigations will be conducted when the finalists are given to the Board. Information sought during the background investigation was limned. Supervisor Staub felt that seven was an appropriate number for the panels to interview. Supervisor Aldean reiterated her desire to have Thomas Morrison added to the interviews. **Supervisor Aldean moved that Mr. Thomas J. Morrison, III, who is an applicant for the City Manager's position, be advanced to the list of semifinalists for the position of City Manager. Supervisor Livermore seconded the motion**. He indicated that he had seconded the motion as it is a matter of personal choice. The Board consists of a diverse group of individuals. He was pleased that his one or two candidates were in the top seven. Otherwise, he would have made a similar motion. **The motion was voted and carried 3-2 with Mayor Masayko and Supervisor Staub voting Naye.** Mayor Masayko indicated that there were eight candidates to be interviewed. He directed Ms. Beck to call each of the candidates to ensure that they will attend the interviews.

Mayor Masayko encouraged the panel to recommend three or four applicants. This will assist the Board in its selection process. Ms. Beck indicated that she will provide the panels' recommendations to the Board. The Board interviews will be on April 3. The names of the candidates for the panel interviews will be released to the media. The rating material, however, is confidential. Supervisor Livermore noted that if the list is culled to three or four, his candidates may not make the cut. Discussion ensued on how the Board wished to conduct its interviews. Mayor Masayko indicated that the interviews for a Supervisor was unique. The City Manager should be interviewed without the other candidates being present. It is necessary that the selection process be defendable. Supervisor Williamson suggested a reception be held prior to conducting the interviews. This will allow the Board to evaluate the candidates' "meet and greet" abilities. Board comments support this concept. Discussion also indicated that CATF is to film and air the panel interviews. Mr. Burnham explained the City tours which staff proposed to take the candidates on when they come for their interviews with the panels. Ms. Beck complimented the individuals who had reduced the list of candidates to eight. She indicated that she would prepare a letter to each for the Mayor's signature. There had been only one panel member who was unable to complete the training and application review process. A list of 10 to 15 questions is being developed. It is hoped that there will not be any difficulties encountered in attempting to get the candidates to Carson City for the interviews. Board comments acknowledged the unknowns involved with air travel at this time. Mayor Masayko directed Ms. Beck to include flexibility in the scheduling to address this if a problem is encountered. Ms. Beck felt that all of the candidates were aware of the fact that the interviews will be conducted on 3/29. She committed to doing whatever she could to ensure that the candidates will be present for their interviews. Discussion indicated that the Board's interviews will be on 4/3.

RECESS: A recess was declared at 9:57 a.m. The entire Board was present when Mayor Masayko reconvened the meeting at 10:10 a.m., constituting a quorum.

C. NON-ACTION ITEMS - INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS INCLUDING STAFF REPORTS AND COMMENTS (2-0945) - None.

6. FINANCE - Director David Heath **- ACTION TO ADOPT A RESOLUTION INDICATING INTENT TO ISSUE ECONOMIC DEVELOPMENT REVENUE BONDS TO FINANCE A PROJECT FOR THE CONSTRUCTION AND EQUIPMENT OF HEALTH AND CARE FACILITIES BY CARSON-TAHOE HOSPITAL; FIXING THE TIME AND PLACE OF A HEARING CONCERNING SUCH BONDS; PROVIDING FOR THE PUBLICATION OF A NOTICE CONCERNING SUCH HEARING; AND PRESCRIBING OTHER DETAILS IN CONNECTION THEREWITH (1-2255) -** Acting City Manager Andrew Burnham, Bond Counsel Jennifer Stern - Discussion between Mr. Heath and the Board indicated that the City serves as the conduit for the Hospital bonds. The lender does not have any legal recourse against the City, but the City's name is on the bonds. If the Hospital does not pay off, it will impact the City's credit rating. The Hospital can either use the City as a conduit or seek bonds under its own rating. Staff had retained a consultant to conduct a due diligence review. The report will be available to the Board when it is issued. The regional hospital will cost approximately $84 million to construct. Ms. Stern explained the April 17 Board action which includes a determination as to the actual amount of the bonds that will be issued. An insurance company will be asked to guarantee the bonds. This will allow the City to make a determination that the Hospital has adequate ability to meet the bond obligations. If an insurance policy is not possible, then the bond must be submitted to the State Board of Finance who will determine if the Hospital has the ability to meet the obligations. A financial consultant had been retained to conduct the due diligence necessary to determine if the Hospital does in fact have the ability to meet the financial obligations for the bonds and to continue the operating the Hospital. If the insurer does not insure the Hospital or insures only a portion of the bonds, it will create a bonding problem. The cost of the financial adviser is to be paid by the Hospital in accordance with Federal tax laws. Clarification by Ms. Stern also indicated that all of the obligations and costs are the Hospital's responsibility as indicated in Agreement No. 1 between the Hospital and City. The bond costs will be paid at the time of closing. This includes Ms. Stern's bill for her services and for the bond advertisements. Discussion also indicated the need to authorize the Acting City Manager to sign the agreement. The resolution includes the authorization for him to sign on Page 5 in Sections 6 and 7. The Board could authorize the Mayor to sign the documents as an alternative. Mayor Masayko noted for the record that Hospital Attorney Pavlakis and Hospital Chief Financial Officer Blair were present. They did not wish to make a statement. Public comments were solicited but none were given. Supervisor Livermore disclosed that he is a member of the Hospital Board of Trustees and that he receives a small stipend. His term expires in two years and ten months. Supervisor Staub disclosed that he is a newly appointed member to the Hospital's Board of Finance and does not receive any money for this service. He also indicated that he does not have a financial interest in the

Hospital nor will he receive any financial gain as a result of the Board's action. Supervisor Staub moved to adopt Resolution No. 2003-R-11, A RESOLUTION INDICATING INTENT OF CARSON CITY, NEVADA, TO ISSUE ECONOMIC DEVELOPMENT REVENUE BONDS TO FINANCE A PROJECT FOR THE CONSTRUCTION AND EQUIPMENT OF HEALTH AND CARE FACILITIES BY CARSON-TAHOE HOSPITAL; FIXING THE TIME AND PLACE OF A HEARING CONCERNING SUCH BONDS; PROVIDING FOR THE PUBLICATION OF A NOTICE CONCERNING SUCH HEARING; AND PRESCRIBING OTHER DETAILS IN CONNECTION THEREWITH and more specifically authorizing the Mayor to enter into the agreement that is described in the attachment to the Board Action Request known as Exhibit 1 to the agreement. Supervisor Livermore seconded the motion. Motion carried 5-0.

7. COMMUNITY DEVELOPMENT - Senior Planner Lee Plemel - **ACTION TO ADOPT BILL NO. 106, AN ORDINANCE EFFECTING A CHANGE OF LAND USE FROM CONSERVATION RESERVE (CR) AND SINGLE FAMILY ONE ACRE (SF1A) TO RETAIL COMMERCIAL (RC) ON PROPERTY LOCATED AT EAGLE VALLEY RANCH ROAD, APNS 007-511-01, 007-511-02, 008-054-15, 008-054-16, AND 008-055-03, AND OTHER MATTERS PROPERLY RELATED THERETO (1-2664) -** Mayor Masayko directed that Supervisors Livermore and Staub's disclosures for the previous item also relate to this item as it deals with Hospital property. Mayor Masayko indicated for the record that he had not received any comments either pro or con on the ordinance since the first reading. The retail commercial zoning is the most intense use that the property could be put to which is the purpose of the change in the land use request. The parcel contains approximately 50 acres. Supervisor Livermore moved to adopt Ordinance No. 2003-7, AN ORDINANCE EFFECTING A CHANGE OF LAND USE FROM CONSERVATION RESERVE (CR) AND SINGLE FAMILY ONE ACRE (SF1A) TO RETAIL COMMERCIAL (RC) ON PROPERTY LOCATED AT EAGLE VALLEY RANCH ROAD, APNS 007-511-01, 007-511-02, 008-054-15, 008-054-16, AND 008-055-03, AND OTHER MATTERS PROPERLY RELATED THERETO based on the findings in the staff report, File No. Z-02/03-2. Supervisor Williamson seconded the motion. Mayor Masayko noted that there is no fiscal impact. Motion carried 5-0.

8. DEVELOPMENT SERVICES - STREETS - Street Operations Manager John Flansberg

A. PRESENTATION AND STATUS REPORT BY NEVADA DEPARTMENT OF TRANS-PORTATION (NDOT) ON THE CARSON CITY FREEWAY (1-2755) - NDOT Project Manager Jim Gallegos noted that the project is a team effort and thanked City staff for its participation. Mayor Masayko complimented NDOT staff members on their cooperation and support. The design and plans for Phase 1B are completed. Reproduction of those documents will take between three and four weeks. The majority of the right-of-way has been obtained. They are close to obtaining the remaining parcels. They must have either a court order or ownership of the property before construction can commence on those parcels. He hoped to have acquired the missing rights-of-way before June 1. Utility agreements with all of the utility companies must be obtained. They should all be obtained by May 1. The developer agreements are being worked on and should be completed by May 1. The City has already approved one interlocal agreement. There is a second one which will be coming to the Board on April 17. The resolution of support for Phase 1B will be presented to the Board on April 17. It needs to be signed by the State Transportation Board. The City's drainage project is moving forward. It needs to be completed prior to starting construction on Phase 1B. The environmental assessment has been completed. The

City's wetland project allowed the environmental assessment to be done. Advertising is scheduled for the first part of June. Construction is to start in the fall. Phase 1B has a 2 to 2-1/2 year construction period. The progress on Phase 2 was limned. Surveying and mapping are being done. The traffic counts and traffic model have been completed. They will be used to determine if the final design will improve traffic. Geothermal and geotechnical analysis as well as utility and groundwater investigations are being conducted. A study of the previous design is being done to ensure that it is valid. They are establishing stakeholders and working groups who will provide input from the local community as the design is developed. Design alternatives at the south end of the project need to be studied and developed. This is for the area between Fairview and Carson Street. They plan to develop aesthetic landscaping concepts while the design is being developed rather than after the design is completed. It will comply with the Statewide master plan for landscaping. It has a budget and community involvement is encouraged so that the finished project will be nice looking. Thirty percent of the design, including the staging and "packing" plan for the phases, is to be completed by the end of 2003. The design for the alternative study of the Carson to Fairview should be completed this summer. It is not necessary to have Phase 1 completed before work commences on Phase 2. There is some overlap in the Lompa Ranch area but the majority of the projects can be constructed separately. The alternative study for the southern phases is critical to the final project. Some minor right-of-way remains to be acquired for Phase 2. Their acquisition will be critical to the schedule. The Highway 50 to Fairview portion may be phased. There will be impacts to Fairview Drive. The Highway 50 bridge and drainage improvements could be constructed as the first phase. They own 75 to 80 percent of the corridor which would allow construction of the bridges at Fairview, Koontz, and Fifth Street, the drainage work, and perhaps some of the other structures. It depends on the financing and progress on the scheduling. Supervisor Aldean explained the need for the freeway to extend to Fairview for economic reasons. Mr. Gallegos indicated that the City will control its extension. Mayor Masayko disclosed that he had discussed this with NDOT and indicated that NDOT understands the need to continue the project past Fairview. The City will watch it and make sure that the project is completed. Discussion indicated that Fairview's improvements may be Carson City's responsibility. The impacts remain to be analyzed. Supervisor Staub indicated that this is RTC's number one project for fiscal year 0405. Construction of the expanded intersection of Fairview and Carson and widening to four lanes to the freeway, which will be just east of Saliman, should be completed by FY 0506. Mayor Masayko pointed out that the cash flow will determine when this construction occurs. It may be that construction will no occur until FY 0607. There is a lot of work for the City to perform. The City is working closely with the NDOT. If show stoppers occur, Governor Guinn has committed to assisting. Neither Mr. Gallegos nor Acting City Manager Burnham saw any show stoppers at this time. Supervisor Livermore complimented Mayor Masayko, Governor Guinn, and NDOT on its efforts. He was satisfied with the statements that had been made and hoped to be able to drive on the completed project some day. Mr. Gallegos indicated that he was looking forward to the groundbreaking ceremony. Supervisor Williamson thanked Mr. Gallegos and NDOT for their efforts including the inclusion of the multi-use plan and landscaping in Phase 1B. Mayor Masayko noted Governor Guinn's leadership and dedication to completing the project. It had gotten the project moving. Mr. Gallegos indicated that the continual pressure exerted by the Board of Supervisors had help assure its movement. Comments indicated that two-thirds of Phase 1 should be completed by 2006. Mayor Masayko thanked Mr. Gallegos for his report. No formal action was required or taken.

B. ACTION TO APPROVE AMENDMENT NO. 1 TO HIGHWAY AGREEMENT NO. NM462-01-015, A COOPERATIVE AGREEMENT WITH THE STATE OF NEVADA THROUGH ITS DEPARTMENT OF TRANSPORTATION REGARDING A MULTI-USE PATH, WETLAND

MITIGATION, AND LANDSCAPING PLANS FOR PHASE 1 OF THE CARSON CITY FREEWAY (1-3350) - Mr. Flansberg explained the changes which had been made to the exhibits for the multi-use path from Broadway to U.S. Highway 50. Mr. Burnham explained that one small portion of the path will not be constructed by NDOT due to the City's inability to obtain the right-of-way. Mayor Masayko complimented staff for bringing the item forward at this time and not letting this small area stop the freeway's progress. Mr. Flansberg indicated that this portion of the path is between Emerson and Hot Springs. The City had previously agreed not to open this segment of the path for safety reasons until after a signal is installed at Hot Springs and College Parkway. The plan takes the path from Emerson to College Parkway and then along it. Exhibit C is the wetlands. They had increased its size by four acres. A previous agreement had committed the City to doing the wetlands. The wetlands are located at the Silver Saddle Ranch. Mayor Masayko indicated that the City has already built the wetlands to the size that was lost plus a small additional amount that could be used to mitigate any potential area not found before this time. The replacement requirement is at a one to one ratio. Supervisor Livermore encouraged the Board/public to visit the replacement site and complimented City staff on its efforts. Mayor Masayko felt that the staff had taken the initiative and completed the project before being faced with a deadline. Mr. Flansberg then explained that the final exhibit included the Carson City Street Maintenance portion of the agreement and the limits for the agreement. The agreement includes language related to the cost of the landscaping which is now included in the NDOT project. Mr. Burnham explained that the landscaping costs are now NDOT's responsibility rather than the 50 percent share as had been previously agreed. This is for the capital costs only. The City is still responsible for the maintenance costs. A clause was also added mandating that Carson Street be rehabilitated within two years of the State's relinquishment to Carson City. Mayor Masayko disclosed his discussions with Ms. Martinovich regarding Carson Street which indicated that this is a reasonable requirement. He felt that this had always been Carson City's view of the agreement regarding Carson Street. It will be a significant financial burden.

Supervisor Aldean pointed out the need for corrections on Page 2 under "THE CITY AGREES", in Section 5 on the second line the word "DEPART" should be "DEPARTMENT", and on Page 3 under "IT IS MUTUALLY AGREED" in Section 3, at the end of the second line to add the word "if" between "....only, however," and "it appears that....." Discussion indicated that if should not be added as it (the referenced item) had already been contemplated and is needed. Supervisor Aldean then corrected Section 5 to change "have been completed" to be "has been completed". Supervisor Staub corrected Page 1 in Line 1 of the Amendment to be "2003" rather than "2002". Discussion also indicated that Mr. Burnham's name should remain in the agreement as he is the Acting City Manager at this time. Notifications are to be given to the City Manager. Discussion indicated that Supervisor Aldean's corrections were to the redlined copy of the original agreement and could not be corrected at this time. The date on the first page of Agreement NM462-01-015 is to be changed. The amendment "stands on its own". Supervisor Williamson moved to approve Amendment No. 1 to the Highway Agreement No. NM462-01-015, a Cooperative Agreement with the State of Nevada through its Department of Transportation regarding a multi-use path, wetland mitigation, and landscaping plans for Phase 1 of the Carson City Freeway with an unknown fiscal impact and a myriad of funding sources. Supervisor Livermore seconded the motion. Comments indicated that there is a fiscal impact and funding sources. Supervisor Williamson amended her motion to correct the date on Page 1, Line 1, of Amendment No. 1 to reflect the current year. Supervisor Livermore concurred with the amendment. Motion was voted and carried 5-0.

9. FIRE

A. ACTION TO ACCEPT FOUR (4) FEDERAL GRANTS TOTALING $240,780 FROM THE STATE OF NEVADA DIVISION OF FORESTRY DURING FISCAL YEAR 2003 THROUGH 2004 WITH THE UNDERSTANDING THAT CARSON CITY IS TO PROVIDE A 50 PERCENT MATCH OF THE $240,780 AND OTHER MATTERS PROPERLY RELATED THERETO (2-0122) - Assistant Fire Chief Steve Mihelic **-** A slide presentation was given illustrating the defensible space work that had been accomplished by previous grants and the revegetation efforts as well as maps where the work had been done and the locations that need to be done. Dust is controlled through the use of retardant grasses that keeps cheat grass from taking over the area. The project is supported by the property owner. The brush is recycled as mulch. It also helps hold down the dust and feeds nature. Assistant Fire Chief Mihelic acknowl-edged that mulching will spread seeds in spite of the efforts to prevent their spread. Prison inmate crews are performing the work. Controlled burns are used when the mechanical efforts/brush hog cannot be used. The prison crew workers are summertime firefighters. Future plans including the grants were described. The $240,000 is the amount that Assistant Fire Chief Mihelic felt is needed to complete the next phase of the project. It was hoped that when these projects are completed there will be a fire line between Silver Oak and Spooner Junction. Lakeview's fire line will be 60 to 70 percent completed. Clear Creek's fire line will be 50 to 60 percent completed. He hoped to be able to continue the program in Pinion Hills and eventually along the north side of the community. He had submitted additional grant applications for the remaining work. The grants require a 50/50 match. It can be provided as a mix of both in-kind services, such as staff's time, and State funding. Supervisor Williamson congratulated him on obtaining the grants and the program. The Forest Service is attempting to do a fuels management program. It requires an environmental impact statement. The property owners should maintain the area once the break is constructed. It provides a safer way to live near the wildlife. Assistant Fire Chief Mihelic indicated that there had been other staff members who had helped him develop the program. Mayor Masayko pointed out that the key to the program has been the Federal Dept. of Agriculture grants. He encouraged the public to advise Senator Ensign and the Congressional representatives about the program and/or to tour the area and to learn more about it. Assistant Fire Chief Mihelic indicated that Senator Ensign had toured the project. Public comments were solicited but none were given. Supervisor Livermore moved to accept four Federal grants totaling $240,780 from the State of Nevada Division of Forestry during fiscal year 2003 through 2004 with the understanding that Carson City is to provide a 50 percent match of the $240,780 and other matters properly related thereto; funding source is the U.S. Dept. of Agriculture through the Nevada Division of Forestry. Supervisor Williamson seconded the motion. Clarification indicated that the grants are for the second round. Applications have already been submitted for the third round of grants. Motion carried 5-0.

B. ACTION TO ACCEPT THE DEPARTMENT OF JUSTICE GRANT AWARD FOR FISCAL YEAR 00/01 IN THE AMOUNT OF $198,757 FROM THE STATE OF NEVADA DIVISION OF EMERGENCY MANAGEMENT TO THE CARSON CITY LOCAL EMERGENCY PLANNING COMMITTEE (2-0478) - Fire Chief Louis Buckley, Acting City Manager Andrew Burnham - Mr. Burnham congratulated Chief Buckley on the grant. Chief Buckley explained the reasons for needing the equipment and the benefits of the equipment the following grant item will provide. Discussion explained the reasons Carson City had sought the grant for the Hazmat Team. Counties who are members of the Hazmat Team were limned. All of the Counties have submitted requests for additional grants. It is hoped that the funds will provide needed equipment. The calibration costs will be included in Carson City's Fire Dept. budget. Mayor Masayko complimented Battalion Chief Dan Shirey on finding the grant. Supervisor Aldean moved to accept the Department of Justice Grant Award for fiscal year 00/01 in the amount of $198,757 from the State of Nevada Division of Emergency Management to the Carson City Local Emergency Planning Committee; fiscal impact is revenue to be received that totals $198,757; however, there will be an ongoing maintenance agreement cost of $7,300 and a one-time cost of $25,000 for training to be supplied by Tiburon. Supervisor Williamson seconded the motion. Motion carried 5-0.

C. ACTION TO ACCEPT THE DEPARTMENT OF JUSTICE GRANT AWARD FOR FISCAL YEAR 2002 IN THE AMOUNT OF $216,215 FROM THE STATE OF NEVADA DIVISION OF EMERGENCY MANAGEMENT TO THE CARSON CITY LOCAL EMERGENCY PLANNING COMMITTEE - Fire Chief Louis Buckley - Risk analysis indicates that the most likely targets for a terrorist attack are the State Capitol, Legislative, and Supreme Court buildings. The equipment has the ability to transmit a distance of two miles. Contaminants that the equipment can detect were limned. The sensors are the same as those in the mobile units. Justification for buying eight monitors at one time was provided. Bat-talion Chief Shirey had stressed the importance of the equipment during the Assembly's Committee on Governmental Affairs tour and the point that the Carson City Fire Department and Sheriff's Office with support from the surrounding counties provides for the Legislatures safety without any direct payment from the State. Each unit costs approximately $9,000. The area that a unit covers was described. The maintenance agreement cost has been accepted by the State. A formal written agreement accepting responsibility and indi-cating that the State will pay the maintenance cost has not been completed. The City cannot afford the cost. Board direction indicated that a written agreement should be obtained. Supervisor Aldean pointed out the liability that could be created if the equipment is installed and not maintained. Mayor Masayko and Chief Buckley committed to attempting to obtain a written agreement. Fire Chief Buckley explained the liability concerns if the equipment is not obtained as his Hazmat team would be entering a building without knowledge regarding the contaminates that may have been placed there. Supervisor Staub pointed out that there are three different State governmental branches involved and that it may take time for him to obtain the agreements. Fire Chief Buckley explained that State Building and Grounds has agreed to the program. Mayor Masayko directed that a written agreement be obtained before the equipment is installed. Supervisor Williamson moved to accept the Department of Justice Grant Award for Fiscal Year 02 in the amount of $216,215 from the State of Nevada Division of Emergency Management to the Carson City Local Emergency Planning Committee; fiscal impact is revenue to be received totals $216,215 and the funding source is the Department of Justice through the Nevada Division of Emergency Management. Supervisor Staub seconded the motion. Motion carried 5-0.

D. ACTION TO INTRODUCE ON FIRST READING AN ORDINANCE AMENDING CHAPTER 5.18 (AMBULANCE SERVICES), SECTION 5.18.040 (FEES AND RATES.) BY INCREASING THE FEE AND RATE SCHEDULE 7.5% FOR EXISTING SERVICES AND OTHER MATTERS PROPERLY RELATED THERETO - EMS Battalion Chief Vince Pirozzi - Supervisor Williamson moved to introduce on first reading Bill No. 107, AN ORDINANCE AMENDING CHAPTER 5.18 (AMBULANCE SERVICES), SECTION 5.18.040 (FEES AND RATES.) BY INCREASING THE FEE AND RATE SCHEDULE 7.5% FOR EXISTING SERVICES AND OTHER MATTERS PROPERLY RELATED THERETO; fiscal impact is an increase in revenues by approximately $35,500; and the funding source is from the payers. Supervisor Livermore seconded the motion. Motion carried 5-0.

RECESS: A recess was declared at 11:50 a.m. Mayor Masayko reconvened the meeting at 1:30 p.m. The entire Board was present, constituting a quorum.

10. BOARD OF SUPERVISORS - REPORT, DISCUSSION AND POSSIBLE ACTION REGARDING THE LAKE TAHOE ENVIRONMENTAL IMPROVEMENT PROGRAM OF WORK AND POTENTIAL FUTURE FUNDING MECHANISMS (2-0960) - Supervisor Aldean introduced TRPA Information Officer Pam Drum and explained TRPA Executive Director Juan Palma's absence. Ms. Drum distributed a packet to the Board and Clerk. (A copy of it is in the file.) She then showed computerized slides regarding the program. (The packet contains copies of the slides and her statement.) She explained that the presentation is informational only and had or would be presented to the other County Commissioners who are members of TRPA. The purpose of the meeting and the program were limned. She felt that there had been positive and constructive feedback on the proposal to assess a federal gas tax for the basin. Support from the local governments is needed before the proposal is submitted to the Congressional delegates. An effort is being made to provide the necessary education to obtain support for the program. The importance of protecting and preserving the basin was stressed. Mayor Masayko disclosed that he had received a telephone message from Mr. Palma and that he and former Supervisor Plank had received and discussed a large binder regarding the program. They had also been given a presentation by TRPA staff on the program in October. Carson City is required to do some storm drainage cleanup and has been struggling to find funding sources for it. They had recognized that there is a common problem for local governments who share the Tahoe connection. They wished to make sure that the projects accomplish the objectives. A share-and-share alike approach does not seem to fit although all of the involved governmental entities recognize the need to protect the clarity and resources provided by the Lake. He felt that Carson City was willing to listen and may participate if a common path can be found. Senator Gibbon's comments indicate that there may be other alternatives. It is also important that the studying stop and public participation be provided. Funding and capital improvements must occur. The project is similar to the MPO requirements which may provide enhanced transit funding. Carson City is not interested in a new transit program for Lake Tahoe as it does not have a defined need for it. We are one of the five Counties sharing the Lake and, therefore, we need to be involved. A funding source must be found unless Congress provides one. It should be a fair and reasonable program. Discussions/education need to occur. A one cent Federal gas tax needs to be considered. It could be a ten-year jewel or a can of spinach for preserving Lake Tahoe. It is time to move beyond studying the problem. A solution must be found. Ms. Drum thanked him for his comments. Mayor Masayko explained that he wanted his comments to be made part of the record in memory of former Supervisor Plank and as an indication that time and study had occurred on the topic.

Discussion indicated that additional presentations will be made as there are new County Commissioners. South Lake Tahoe had considered the resolution on Tuesday. They need additional information. Since then, Senator Gibbon's comments were made. Supervisor Aldean suggested that the gas tax, if implemented, include a trigger that would restrict implementation of the one or two-cent gas tax if the gas price dropped below a certain level. She supported Mayor Masayko's comments regarding the need to participate. Comments also indicated that Supervisor Aldean is the Board's TRPA representative and that the City wants to participate. Another discussion on the program will be held in the future. Public comments were then solicited.

(2-1593) John Wagner, representing the Bird Consortium of Carson City, explained his support for Senator Gibbons and the Nevada Appeal's comments against the proposed gas tax. He acknowledged that the proposed one cent is not a lot of money, however, Carson City needs its support. He alleged that there is a bill before the Legislature which will remove Carson City from TRPA. If it is approved, it will make the gas tax a mute point. He urged the

Board to vote against the proposal. Mayor Masayko responded by explaining that the issue is one of transportation, which is a local government issue. The City constructs facilities and must maintain them.

Tom Keeton indicated that he was not opposed to helping Lake Tahoe but was against the concept of using gas tax monies for any purpose other than roads. The proposal was seen as opening the door which will allow other things to occur. He suggested that the environmental taxes be increased as an alternative. Mayor Masayko responded by explaining that gas taxes are used to maintain water quality basins. He felt that more discussions will occur on this topic in the future. He thanked Ms. Drum for her presentation. No formal action was required or taken.

11. HUMAN RESOURCES - Director Ann Beck

A. ACTION TO APPOINT ONE MEMBER TO THE BOARD OF APPEALS WITH TERM EXPIRING MAY 2004 (2-1665) - Tom Young was the only applicant. He could not attend the Board meeting. Mayor Masayko disclosed his personal knowledge of Mr. Young, who is an employee of Lumos and Associates. The Board thanked him for his application. Public comments were solicited but none were given. Supervisor Williamson moved to appoint Tom Young as the Civil/Structural member of the Board of Appeals with his term expiring in May 2004. Supervisor Livermore seconded the motion. Motion carried 5-0.

B. ACTION TO APPOINT ONE MEMBER TO THE REGIONAL TRANSPORTATION COMMISSION WITH TERM EXPIRING DECEMBER 2003 (1-1705) - Discussion indicated that in December Michael Zola, Charles Des Jardins, and Ronald Kendall and other candidates had been interviewed. Each applicant gave a statement regarding his background and reasons for applying. Limited interviews were conducted of (2-1756) Charles Des Jardins; (2-2086) Roland Kendall, and (2-2215) Michael Zola. Mayor Masayko thanked each for applying. Mayor Masayko again noted that Howard Tooley had been interviewed in December when there was a vacancy on the Commission. The Board was then polled. Board comments indicated that all of the candidates would be a great Commissioner, which made it a difficult to select only one. The applicants who were not selected were encouraged to remain active in the community. Mr. Des Jardins had applied on three separate occasions. It was felt that it may take several tries before a spot can be found for the other applicants. They were again thanked for applying. Supervisor Staub moved to appoint Charles Des Jardins as the Citizen-at-Large member of the Regional Transportation Commission with a term expiring in December 2003. Supervisor Livermore seconded the motion. Motion carried 5-0.

12. CITY MANAGER - Acting City Manager Andrew Burnham

A. DISCUSSION AND POSSIBLE ACTION TO APPROVE SHERIFF'S APPOINTMENT OF ADMINISTRATIVE OFFICER POSITION IN LIEU OF SUPERVISORY DEPUTY SHERIFF POSITION (2-2735) - Sheriff Ken Furlong read a prepared statement into the record explaining his ability to appoint five supervisory deputy sheriff positions. He indicated that he understood the City's budget constraints. The budget includes funding for the position and will not necessitate an increase. He requested authority to appoint a non-sworn Administrative Officer in lieu of one supervisory deputy sheriff. The duties for this position were limned and did not include a requirement that the individual be POST certified. Justification for the position was provided. He had presented the concept to and had been supported by the electorate. Mayor Masayko felt that Sheriff Furlong needed to have flexibility in the process with which he operated the Department and the ability to determine the positions his administration needed. The Board should not meddle in the administration of his Department as his duties are assigned by the electorate. Mr. Burnham explained that the Charter allows Sheriff Furlong to have five supervisory positions. It does not address a warrants officer position. The proposal is to trade a sworn position for a non-sworn position.

Chief Deputy District Attorney Mark Forsberg explained his opinion of the term "deputy sheriff" indicated that the position requires the individual to be sworn and POST certified. Therefore, the individual Sheriff Furlong wanted to place in the position could not be appointed as he is not POST certified. He suggested as an option that the Board indicate in the motion whether the position is to become permanent or if the appointment expires when Sheriff Furlong leaves office. The appointed individual will then understand the terms of his/her employment. As a supervisory position, it would have the same benefits as other City unclassified employees have.

Sheriff Furlong explained that there had been unsworn unclassified individuals serving as a warrants officer previously. This is the first time that a definition had been applied to the term "deputy sheriff". The Charter does not imply that a deputy sheriff is POST certified. Mr. Forsberg indicated his disagreement with Sheriff Furlong's statement. Mayor Masayko felt that the position should be tied to Sheriff Furlong's term of office. The position is not to become part of a collective bargaining agreement. Sheriff Furlong indicated that this is the same as previously implemented under other former Sheriffs. Mayor Masayko indicated that the position may have been there before which set a precedence for having it. He did not wish for it to become a Charter issue. He also pointed out that the five administrative positions serve at the Sheriff's will. They also terminate when the individual serving as Sheriff changes. Sheriff Furlong indicated that he has the authority to appoint five individuals. He has made four appointments. The Administrative Officer position will be his fifth appointment. When he leaves office, the five individuals he has appointed will be terminated. He also agreed that the Administrative Officer will not be a sworn peace officer. The position will not be there. He will not be able to return and obtain another supervisory deputy sheriff position. The next Sheriff will determine what his administration needs in the way of supervisors. If it is less than five, he/she could make a pitch for having another Administrative Officer if deemed appropriate. The Administrative Officer position will be an unclassified and unsworn position. The previous Sheriff had not had a warrants officer position. Discussion indicated that in the past there have been a warrants officer, however, the position had been unfilled for several years. Deputies seeking promotions within the Department do not consider the warrants officer position. It had always been an unclassified appointed position. Supervisor Aldean explained her reasons for supporting Sheriff Furlong's request. Public comments were solicited but none were given. Following discussion on how to amend staff's recommended motion, Supervisor Staub moved to approve the Sheriff's appointment of unsworn Administrative Officer position in lieu of a sworn Supervisory Deputy Sheriff position and for it to remain in effect so long as Sheriff Ken Furlong is the Sheriff. Supervisor Williamson seconded the motion. Motion carried 5-0.

RECESS: A recess was declared t 3:15 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 3:30 p.m., constituting a quorum.

B. DISCUSSION AND POSSIBLE ACTION PROVIDING DIRECTION TO STAFF FOR THE 2003-04 BUDGET PREPARATION (3-0085) - Finance Director David Heath - Mayor Masayko indicated for the record that the latest projections estimate a shortfall of $2.231 million for the fiscal year 0304. The budget requirement includes a presupposition that there will be no increases in this year's base. This means that there will not be any new personnel. He found the $2.231 million figure to be daunting. He complimented Mr. Burnham, the Finance Department, and the Internal Finance Committee on the work that had been done looking for ways to reduce the budget by three percent overall. He also noted for the record that staff discussions had recommended cuts resulting in a $526,000 reduction to the budget. This included some minor reductions in labor. The Library had indicated a desire to "defend itself". He had not seen anything that indicated a requirement to reduce the service levels. The $526,000 is not three percent. There is also a $215,000 reduction created by reallocation of funds. Refinancing of bonds will save approximately $907,000. This totals approximately two percent. Discussion indicated that staff's recommendation to increase the ad valorem rate by 11.7 cents included the funding required for the Silver Springs Youth Facility. This increases the average home owner's rate by $63.00 a year or approximately $5.50 a month. Mayor Masayko voiced his objection to this increase due to his belief that there are other options that should be pursued first. He noted that the Chamber of Commerce had offered to assist in the search for methods to reduce the budget. He then noted that there is $2 million in reserves. The budget had not included using any of these funds. They are in addition to the 8.4 percent financial stabilization fund, which was also not factored into the equation. Five nights had been set aside for the Board's review of the budget. Mr. Burnham felt that three nights should be adequate. None of the suggested budget cuts had reduced service levels. Board direction was solicited if service levels are to be cut. If service levels are to be reduced, staff recommended that it be allowed through the Internal Finance Committee process to make recommendations on where those cuts should occur. Priorities for these cuts were also requested. Mayor Masayko felt that it would be useful to know where the budget cuts had been made to make the recommended $910,000, which he felt was approximately two percent. Discussion pointed out that larger Departments may have more latitude in where to make budget adjustments than the smaller Departments.

Clarification explained that Page 2 Recommendations 3 and 4 related to the funding for the Capital Improvement Program. This program runs one year behind the funding. The recommendation to fund it at $1.7 million is consistent with prior year spending and annual savings. Recommendation 3 includes items which are needed and is funded at $1.42 million level. All of the items in Recommendation 3 had been carried forward into Recommendation 4 which is funded at the $1.7 million level. Supervisor Staub suggested that the number of Sheriff's vehicles be reduced, if possible. Reasons for including the vehicle replacement program were noted. It was felt that some vehicle replacement should occur, however, it should not be at the previous level. It was felt that all of the Justice Dept. audit items had been mitigated. Several of the projects are still being worked on. There should not be any compliance issues outstanding. Mr. Heath felt that these projects should be completed in the next year or two. The software and mobile data terminals were discussed. It was felt that, as the CQI funds had been eliminated, it will be necessary to provide funding for replacing these items in the future. To balance the General Fund budget an ad valorem rate increase of 4.7 cents was needed. This included 3.7 cents for the Silver Springs facility. Clarification explained the recommendation that property taxes pick up a larger share of the General Fund budget, the proposed operating rate, the City's indigent care rate, the need to continue assessing the maximum rate allowed for indigent care, and the recommendation to assess the Silver Springs ad valorem tax rate. Supervisor Williamson explained her support for the recommendation to assess the Silver Springs ad valorem rate. Supervisor Livermore suggested that the insurance funds be used to replace the Sheriff's vehicle which had been demolished rather than General Fund monies. He also supported keeping the vehicles in the fleet longer. Discussion explained that the $270,000 for annual debt service was for a bond issued before Mr. Heath joined the City. It was always repaid with monies from the Capital

Improvement Program. Supervisor Livermore suggested that the reserved funds for debt service be used to pay down the debts. He also felt that charging for General Fund staff time on enterprise projects was a "shell game" and questioned whether it should continue to happen. A revenue stream must be generated from somewhere to pay for the services. He also complimented staff for its recommendations. Mr. Burnham indicated that there are other options which had been discussed by staff but would need Board direction before implementation. Discussion then indicated that the reallocation of costs to the enterprise funds could be absorbed by the enterprise funds. An explanation of the charges was described to illustrate the process. The pros and cons of this process were discussed including the hope that the staffing requirements for the freeway will terminate in a few years. Services and supplies had been cut by three percent. Salaries and benefits had not been touched. It was felt that the Sheriff may be the only Department that can reduce salaries. This had been done by reassignment of shifts for holidays. This program decreased the overtime requirement for holidays. Professional fees includes consultant fees. It was reduced by three percent although a lot of consultant work is within the Streets and Utilities budgets which are not part of the General Fund. The Property Management Committee will be bringing a recommendation to the Board to sell several small parcels which the City will not need in the future. Supervisor Aldean asked for a definition of services and supplies. Supervisor Livermore encouraged staff to pursue the ideas which had been developed by staff including the charging for drug tests, increase probation and community service supervision fees, revise traffic fines, charge for detention meals, work program fee increases, etc. Supervisor Aldean pointed out that the suggestions indicate that there is a change in the mind set which will result in a change of operations from what has been done in the past. She supported having a critical analysis of the ideas and possible implementation. Supervisor Staub supported implementing the reduction items and questioned the reasons the miscellaneous items were not being considered. This included foregoing raises/longevity and reduce the work week to 38/39 hours. He noted the suggestion to combine Animal Services and the Capital City Humane Society has political overtones involved. Mayor Masayko reiterated that it is important that everyone understand that the City cannot continue to do business as it has in the past. It will take time to recover from the economic dip. The budget must be balanced without a 12-cent ad valorem rate increase. Discussion pointed out that the Legislature may also impose an increase in the ad valorem rate which will further impact the property owners. Mr. Burnham pointed out that the Capital Improvement Program could be pushed out a year or two if necessary, however, the items must be replaced at some point. Mayor Masayko indicated that he was not comfortable with its total elimination, however, $500,000 may be a more justifiable figure. One shot funds should be used for this purpose. Discussion noted that both a fire and a library tax override question had been defeated by the electorate. Comments expressed the feeling that the City was a "fat cat" and did not need the funds particularly in view of the fact that sales tax revenues were growing. The voters had also made a decision when they rejected selling the Fairgrounds. It could have generated additional sales tax revenue. Supervisor Livermore indicated for the record that the City is going through some tough times. The Board gets to determine the services which will be provided. This will be a "hard call for the Board". He also indicated for the record that the graphs clearly indicate that the City had the lowest ad valorem tax rate. Sales and gas taxes are dropping. A $25,000 reduction in the funds for the library will impact the books that are available for the users. His door is always open to discuss the service levels and needs of the community. Mayor Masayko explained that the fire tax override was to have provided manning for the two in-two out State mandated program and the library tax override was to expand the library hours. The library continues to be open the same number of hours, however, the new book acquisitions have been reduced. He felt that the "fat cat" attitude was not appropriate. He also felt that the Board is doing what all business people must do. The Board had never cut the service levels. They had always gone up. There is a lot of technology and self-imposed duties which should be looked at and wherever possible efficiencies improved.

Unless the Board forces this to happen, he did not believe that it would ever occur. Public comments were solicited.

Chamber of Commerce Chief Executive Officer Larry Osborne complimented staff on its efforts to reduce the budget. The Chamber offered to help and asked for a copy of the draft budget when it is prepared. Recommendations will be made. He felt that the Board/City knew it is in a period of economic reversal, however, failed to share the pain experienced by the homeowners and taxpayers. He felt that the Chamber would not support an increase in traffic ticket fees. He supported consolidating staff and reducing the supervisory positions. Unfilled positions should be eliminated. Small Departments should be combined. Both property taxes and fee increases must be made. He agreed that the Legislative impacts are uncertain at this time. He offered to work with the City on the budget and asked that the number of meetings be reduced to three and the starting date for the hearings be set to commence on April 7 or 8. Mayor Masayko felt that Board comments had or will direct staff to delay the process and reduce the number of meetings. Additional public comments were solicited but none were given.

Mayor Masayko thanked staff for its efforts. He felt that the Board/City should try to balance the budget without impacting the service levels currently provided to the community. He also explained that he had taken heat on the three percent cut. Supervisor Aldean expressed her desire to have additional information. She was unsure whether she could support the increases to the property tax and other revenue sources without that information. The process is healthy and provides information justifying any decision which increases taxes. There are a lot of ideas on the table that should be pursued. They provide both long and short term relief. Mayor Masayko felt that staff should tell the Board what cuts should and could be made as well as where the savings are. He did not wish to fight with the Library over their proposal to close on Saturdays. The Board had not told them to do it. Other methods of finding/creating a savings should be sought that do not impact the service level. Supervisor Livermore felt that staff should seriously consider the proposal to combine Animal Services with the Humane Society. This would eliminate the need for the Society to construct a building while providing volunteers to staff the shelter. He also suggested that reserve firefighters be used to reduce the overtime and that they be paid for their services. Mayor Masayko pointed out that is may require renegotiating the contract. Supervisor Livermore also supported analyzing the committees and commissions to determine if there is an overlap in services. CQI funds are eliminated. Plan checks should be outsourced if a savings is provided. Mayor Masayko encouraged staff to look at the suggestions and develop quantifiable recommendations showing both the plus and minuses that will be created. Although he did not relish the thought of having to do so, Departments should be made to justify their budgets. Supervisor Staub felt that user fees will have to be considered to ensure that the benefit being provided is supported by the fees assessed particularly in the probation and community service areas. He felt that the Collection Division was to have provided support for the Justice Court. The fees should be reasonable. The ambulance service was noted as another area which should be considered. Services can only be cut so much before it impacts the receivers. Labor costs must be reduced. It currently takes 78 percent of the revenue generated. Unfilled positions should be eliminated and more line staff should be used to handle supervisory positions. This mandates efficiency reorganization. He acknowledged that it may be difficult to apply finite dollars and cents to this process but this information is needed to justify the results. He also felt that property taxes should be considered as an option as we will still be one of the lowest in the State. He will be very prudent about any rate increase. Mayor Masayko indicated that he will be too and that a 12-cent rate is not acceptable. Supervisor Williamson felt that a new City Manager will not be able to analyze the Departments and reduce staff in the short period left before submittal of the budget is required. The largest savings can only be found in the biggest budgets, e.g., Sheriff, Fire and Development Services. Information Services provided $60,000 in reductions. The Fire Department provided only $32,000. Fire must reconsider its budget. The Assessor should raise the assessment values. Smaller Departments with elected officials have more latitude. The Board cannot mandate that they made the reductions. They have been cooperating. The decision to increase the property taxes and user fees should include within the equation discussion on the $2 million in reserves. Perhaps as much as $500,000 of the reserves could be used to help balance the budget. Mayor Masayko directed staff to rework the budget. Labor savings is not off the table. The list of six suggestions should be analyzed from both the doable and dollar angles. Manpower savings must be included in the process. Service levels are not to be cut to the point where the customers scream. Mr. Burnham felt that the process will develop a listing of reductions from which the Board will be able to select the ones to implement. It will include projected savings. Mayor Masayko agreed and indicated that the Board will discuss with the Departments what these reductions mean. The service and supplies cuts are to remain in place. He also felt that three nights should be allocated for presentation of the impact the cuts will create. The budget sessions should start on April 2 and continue on April 7 and 8. More dates can be added after that if needed.

Supervisor Livermore encouraged staff to consider privatization of Animal Services if it can provide a substantial savings. Mayor Masayko pointed to the Landfill operation to show how this could be done. Discussion between Mr. Burnham and Mayor Masayko indicated that the $200,000 that had been previously allocated to Community Support Services from one shot funds should be "on the table". Mayor Masayko also directed that a three percent cut be provided by these agencies the same as staff had done. Supervisor Aldean suggested that these organizations become more aggressive in their grant seeking activities. Supervisor Williamson explained that she had been contacted by Community Support Services that utilize City owned buildings and asked that the Board remember they are impacted by the power utilities. They had asked that, if at all possible, assistance be provided with the utility bills.

Mr. Burnham asked the Board to be as flexible as possible when contacted about the budget schedule. If a Board member is unable to attend a meeting, he/she was asked to let staff know as early as possible. The tentative budget must be submitted on April 15. It will without a doubt be changed substantially when the final budget is submitted. Formal action was not taken.

C. CLOSED SESSION - ACTION TO RECESS INTO CLOSED SESSION PURSUANT TO NRS 288.220 TO MEET WITH MANAGEMENT REPRESENTATIVES (3-1441) - Supervisor Aldean moved that the Board recess into Closed Session pursuant to NRS 288.220 to meet with management representatives regarding various labor management strategy issues. Supervisors Williamson and Livermore seconded the motion. Motion carried 5-0. Mayor Masayko indicated that the Board will return to Open Session only long enough to adjourn. He then recessed the Open Session at 4:47 p.m.

The Open Session was reconvened at 5:29 p.m. Discussion indicated that no Board Reports were going to be given. Supervisor Williamson moved to adjourn. Supervisor Staub seconded the motion. Motion carried 5-0. Mayor Masayko adjourned the meeting at 5:30 p.m.

The Minutes of the March 20, 2003, Carson City Board of Supervisors meeting

ARE SO APPROVED ON _____June 19________, 2003.

_/s/____
Ray Masayko, Mayor

ATTEST:

_/s/_____________________________________
Alan Glover, Clerk-Recorder