

CARSON CITY BOARD OF SUPERVISORS
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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, February 1, 2001, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

PRESENT:	Ray Masayko	Mayor
	Jon Plank	Supervisor, Ward 2
	Robin Williamson	Supervisor, Ward 1
	Pete Livermore	Supervisor, Ward 3
	Richard S. Staub	Supervisor, Ward 4

STAFF PRESENT:	John Berkich	City Manager
	Alan Glover	Clerk-Recorder
	Al Kramer	Treasurer
	Sheila Banister	Chief Juvenile Probation Officer
	Mark Forsberg	Chief Deputy District Attorney
	Katherine McLaughlin	Recording Secretary
	(B.O.S. 2/1/01 Tape 1-0001)	

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. Steve Mitchell of the Salvation Army gave the Invocation. Mayor Masayko lead the Pledge of Allegiance.

CITIZEN COMMENTS (1-0029) - None.

1. APPROVAL OF MINUTES FOR OCTOBER 5 AND 19, 2000 (1-0032) - Supervisor Plank moved to approve the Minutes of the Carson City Board of Supervisors meetings of October 5 and October 19, 2000. Supervisor Williamson seconded the motion. Motion carried 5-0.

2. AGENDA MODIFICATIONS (1-0042) - Item 8 under Development Services - Streets had been withdrawn to allow RTC staff and the Forest Service to continue working on the proposal. The reason Item 14. B. had been agendized was briefly explained.

(1-2223) Items 4. C and D., the three items under 7., and 10. were deferred until the afternoon session. (1-3345) Item 10 was continued to another meeting.

3. CONSENT AGENDA (1-0060)

A. TREASURER - ACTION ON TREASURER'S REPORT FOR THE MONTH OF DECEMBER 2000

B. FINANCE DIRECTOR - ACTION ON RATIFICATION OF THE EXPENDITURE APPROVAL LISTINGS FOR THE MONTH OF DECEMBER 2000

C. CHIEF PROBATION OFFICER - ACTION TO APPROVE THE CARSON CITY JUVENILE PROBATION DEPARTMENT TO RECEIVE \$31,000 IN FEDERAL FUNDS FROM THE OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION TITLE V GRANT PROGRAM - Supervisor Plank disclosed his relationship with the Ron Woods Resource Center Board of Trustees. He indicated that he did not receive any monetary compensation for his services. Supervisor Williamson requested the Juvenile Probation grant be pulled for discussion. Supervisor Plank moved to approve the first two items on

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the Consent Agenda under the Treasurer and Finance Director. Supervisor Livermore seconded the motion. Motion carried 5-0.

C. (1-0084) Chief Juvenile Probation Officer Sheila Banister described the grant's purposes and the services which would be provided. The \$31,000 grant does not require a local match. Mayor Masayko thanked her for their efforts. Supervisor Livermore complimented her and her staff on their work on the mental health coalition. Supervisor Williamson moved that the Board of Supervisors approve the Carson City Juvenile Probation Department to receive \$31,000 in Federal Office of Juvenile Justice and Delinquency Title V grant funds during the 2001 calendar year; fiscal impact is \$31,000 in federal monies with no local match required, and complimented her and her staff on their efforts to find and develop new and innovative methods for meeting the needs of the community. Supervisor Livermore seconded the motion. Motion carried 5-0.

4. BOARD OF SUPERVISORS

A. SUPERVISOR WILLIAMSON - ACTION TO PETITION THE PUBLIC UTILITY COMMISSION NOT TO LIQUIDATE THE SALE OF GENERATION FACILITIES (1-0133) (1-0278) -

Supervisor Williamson explained the reasons for proposing the resolution, introduced Fred Schmidt, and described the resolution. Mr. Schmidt briefly described his background. Concerns about the ever increasing utility rates were illustrated by his personal knowledge and explanation of the impact created on the Southern Nevada Water Authority, who may be the largest electrical user in Nevada. He felt that the mistake that California had made was to divest all of its power plants. Nevada had not yet done this. The State regulates locally owned power plants. The sale of these plants eliminates this ability. This is the only mechanism which allows power generated within the state to remain in the state. Concerns have been expressed about the high price being paid by California for electricity and its ability to get the purveyors to transfer power from other areas to California due to the high price. The merger of Sierra Pacific and Nevada Power Company required Sierra Pacific to sell its plants. The agreement authorizing the merger also requires the Public Utility Commission to approve the plant sales. This has not yet occurred. In light of the California experience, it is felt that the sale is a mistake and should not be allowed. It is possible for the Federal government to step in and impose a rate moratorium, however, to date that has not occurred in California. The Southern Nevada Water Authority has directed Mr. Schmidt to oppose divestiture of the plants. Consumer Advocate Tim Hay has filed a petition with the Public Utilities Commission (PUC) asking for a delay of the plant sales. Potential bill drafts seeking the same effect are being developed by the Legislature. The more momentum obtained for the program, the better the chances are of stopping the sale. The PUC review process was defined to illustrate the need to act posthaste. He then explained that the State's dependence on high priced, purchased electricity may not be 100 percent but could be in the 90 percent range. There is approximately 10 percent of geothermal electricity available within the State. The State's ability to keep the lights on is due to the fact that there is little dependence on outside sources for energy during off-peak seasons. It may be necessary, however, during high peak periods to purchase additional energy particularly for Southern Nevada. It is also critical that the number of plants are increased to avoid California's problems. Clark County's Board will consider a similar resolution on Tuesday. Other local governments are also considering the resolution.

Mayor Masayko agreed that Carson City should pay attention to the entire deregulation issue. The entire community should take an active role in the process to assure that the City will have a voice in the process. The sale of the generating plants is only one small piece of the entire complex puzzle. Carson City needs to consider energy efficiencies including incentive programs for saving energy. Construction standards, co-generated applications, and conservation savings should be included among those programs.

Mr. Schmidt supported his suggestions. The resolution includes a phrase supporting efficient new generation. Co-generation is considered an excellent manner in which to create new generation. Businesses are being forced to look toward these solutions due to the increased energy costs. The community should look for conservation measures which could be implemented. He suggested that the Board recognize the increases cost when working on the budget to insure that it is adequately prepared to handle it. He then emphasized the need to act before loosing the ability to control the power plants.

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Mayor Masayko agreed that action needed to be taken quickly. He also pointed out that a lot of time, energy, and money had been spent negotiating the sale of the plants. He questioned the meaning of the final paragraph in the resolution and whether the utilities developed would be used exclusively within the State. Mr. Schmidt agreed that there had been an 18 month interval since the negotiations began the process of selling the plants. Neither he nor the resolution intended to criticize the power companies for negotiating a sale. The resolution and his efforts were pointing out that the original concept developed two years ago may not be in the best interest of the State at this time. The sale is revocable. Last year had shown how quickly an area can lose its water, air, land, and quality resources. Fluid interconnecting markets will quickly drain such resources under crisis conditions as is illustrated by California's draining of the northwest utilities. Nevada does not want to lose its power to California at an expense to its residents. The resolution will assist in stopping this from occurring. The Nevada PUC and the public authority are two of the agencies who can construct and insure that power built in Nevada will stay in Nevada. He supported having entities come to Nevada to construct/provide energy if it is done with assurances that options will be provided allowing Nevada the ability to acquire that energy when needed. Developing energy farms for California needs is a separate policy decision. This issue was not considered in the resolution. Examples of such facilities were provided. He also explained that the Mohave plant was to have been sold by orders from both Nevada and California. California's Legislature just reversed this decision and approved a bill prohibiting any further plant sales. Its impact on the Nevada order was unknown. He agreed that other entities could be added to the resolution besides Nevada utilities or public authority.

Mayor Masayko responded by explaining his feeling that they should be allowed to sell any surplus energy under the open market process. This process will allow people to invest their money in the development of generating plants. Mr. Schmidt explained a plant which will be constructed as a result of an RFP issued by the Southern Nevada Water Authority in conjunction with the PUC. He agreed that competition makes sense if there is surplus energy available for other uses. Discussion then explained how California had gotten itself into its current energy crisis which included its price caps, its acquisition and trading of energy on a 24-hour basis, the lack of new plants, and the implementation of new, more stringent air quality and conservation standards. California depends on natural gas to generate electrical energy that is obtained from other states. The high cost of natural gas and the large number of plant outages were also noted. Mr. Schmidt agreed that Sierra Pacific is not happy about having to ask for so many large rate increases. The rate increase's impact on the economy and, specifically, businesses was noted. Additional price increases will occur due to the lack of new plants in Nevada and long-term contracts. The impact will be more severe if the plants are sold and new plants are not constructed.

Supervisor Livermore explained the Hospital's energy costs for last year and the funds allocated for next year. He also expressed his feeling that deregulation of the airline business had eliminated competition. The establishment of the Dairy Commission had been based on the need for a quality product at a reasonable price. He expressed his intent to support the resolution due to his desire to guarantee a reasonable product for the public.

Supervisor Williamson thanked Mr. Schmidt for his presentation. She acknowledged that the resolution did not address all of the issues, however, it was a basic attempt to start the process. Discussion then explained that the desire to make a profit on the investment had impacted the sale price. The new buyer needs to receive a good return for his investment. Mr. Schmidt felt that the price charged for the energy reflects the buyers' ability to understand the market's power and obtain prices the consumer finds shocking. The sale of the Mohave plant was explained to illustrate his concern. Sierra Pacific had fortunately included the ability to buyback the power for two years in its plant sales. This should maintain a stable price for energy during that period. California plant sales had not included this clause. Energy prices for natural gas and electricity were noted. Mr. Schmidt did not feel that they would drop in the future. He also expressed his feeling that the time to deregulate an industry is when there is an adequate or surplus supply of the commodity. There is no surplus of electricity at this time. Selling the plants will deregulate the generation prices. The supply situation will not be changed in two years due to the time required to construct new plants.

(1-1140) Mayor Masayko pointed out the political issues involved with the proposal and explained his reasons for contacting Terry Campbell of Nevada Policy Research Institute as an effort to provide balance. Mr. Campbell explained his background and read a Wall Street Journal article entitled "California Finds Few Allies in Its Bid to

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Get Federal Help for Energy Crisis". California's deregulation in 1996 mandated the selling of plants and implemented a rate freeze. California's strict environmental standards and NIMBY (Not In My Back Yard) had stopped construction of new power plants during the last ten years. The power exchange program eliminated the need for long term purchase contracts. The ISO was established to obtain power when a shortfall is encountered. This program had worked well until recently when it has become necessary for the ISO to acquire 70 percent of the daily energy needs each day. Plant maintenance has forced between 20 and 30 percent of the plants to go off line during this time of high energy needs. The three year drought in the Northwest has reduced its ability to provide surplus hydro-electric energy. California failed to pay for some energy and to raise rates last summer. Mr. Campbell also felt that the natural gas prices will fall in March. Economic impacts of the blackouts for California and the surrounding States were noted. Rationing may be required in order to avoid additional blackouts. The resolution will lock up Nevada and prohibit transfer of energy out-of-state. Energy acquired from other areas will also be stopped. He then explained the requirement that the power plants be sold as a result of the merger between Sierra Pacific and Nevada Power. Seven plants have purportedly been sold. If these contracts are reversed, the buyers and maybe the sellers will demand that the State reimburse them for the costs incurred to consummate the sale. He then explained that the Sierra Pacific and Nevada Power Companies debt equities are out of balance. The sale of the plants will address this inequity and improve their credit ratings. Sierra Pacific's long-term energy buyback requirement contained in the sale documents was described. If sale is revoked, Sierra Pacific will be required to purchase energy at the higher short term rate. Nevada does have power plants under construction. Reversing the sale contracts could have a negative impact on these plans and future developments. He questioned when and how one would measure when there are enough power plants in the State. Texas and Pennsylvania's deregulation programs were described to illustrate how it could be successfully accomplished. Examples of problems with Nevada's program were limned including the seven years it had taken to site the Alturas line and the lack of a major transition line between Reno and Las Vegas. He suggested that the Texas plan of allowing large consumers to find their own long-term electrical sources would free additional electricity for the residential and small electrical users which will be cheaper. The PUC would have to establish the transmission and wiring rates for these users. Additional plants will be constructed if the environment encourages investors to do so. The resolution is out of step with the nation and its efforts to move forward with deregulation.

Mayor Masayko reiterated his reasons for having Mr. Campbell make a presentation. It is a complicated, volatile issue. It will take the best minds in the country and state to develop the solution. He also pointed out that there could be undesired consequences as a result of the proposed steps. Careful review by all of the stakeholders was encouraged.

Supervisor Williamson explained that the resolution did not say that Nevada should be isolated and keep all of its electricity. It says that the power plants should not be sold and that we should encourage construction of new power plants. Mr. Campbell explained that he had used the Alturas line an example of negative decisions regarding construction of new transmission lines and plants. He also indicated that his comments had been an attempt to refute Mr. Schmidt's regarding keeping all of the power within the State until a surplus is available.

Supervisor Plank pointed out that the resolution does not address all of the issues raised this morning. The resolution does not prohibit the large users from finding their own power sources nor other providers from constructing power plants in Nevada. He also expressed a concern for individuals on fixed incomes who cannot afford the spiraling energy costs. The resolution does urge the Governor and PUC to protect what we have right now. Mr. Campbell felt that the Board may have to explain to the constituents why they are being hit with another \$4.1 billion rate increase which is caused by stopping the sales.

(1-1749) Sierra Pacific Representative Linda Galley indicated that all of the issues had been raised by Messrs. Campbell and Schmidt. She had no comments to add to the discussion.

Supervisor Livermore questioned how the rate payers would be reimbursed for the cost of constructing the Valmy plant as they had paid for the construction. The rate payer has always paid for the plants. Mr. Campbell felt that during the period of operation there is a recapture of the capital and a return on investment for the plant. He was unsure whether there was any "stranded costs" left in the plant. Mayor Masayko thanked him for his presentation.

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Jackie Stroud explained her employment history. She agreed that Nevada should learn from the mistakes of others. Local governments should speak up to the local legislators about the potential impacts created by the sale of power plants and deregulation of electricity. Economic impacts created by the higher bills were noted. Reasonable and reliable electricity is needed. She urged Nevada not to follow California's lead. Conservation efforts should be supported. She then cited a Nevada Appeal article entitled "California Must Find Its Own Way Out of the Dark". The writer had failed to indicate that deregulation creates an environment of uncertainty. Nevada is now experiencing an environment of uncertainty. State and local licensing requirements were described. Even though California purportedly was gearing up to fast track new power plants, the climate of uncertainty had eliminated any applications. The importance of having reliable power sources was described. Independence was encouraged. She urged the City and State to consider all power options including municipal utilities like Los Angeles has and hydro-electric, wind, and solar power sources. She also felt that when the power plants are sold the utility companies become power distributors and no longer encourage conservation or use of alternative power sources. She also supported co-generation even if it is more expensive because it is reliable. It can be used by small power users such as hospitals, schools, correctional facilities, and community centers. Mayor Masayko asked her to submit additional information in writing and thanked her for her comments. Ms. Stroud encouraged the Board to take control over its energy future.

Tom Keeton felt that the Country was great as it had always had almost unlimited, readily available, cheap power. The promise of deregulation has not been kept. Competition has not occurred. Less electricity is now available. Less power generation is available. This drives the price up. The resolution will send a message of concern and caution. He supported the resolution and its message. Time should be taken to be sure that it is a good idea to sell the generating plants. He felt that the key to the failures has been the loss of control over the generating plants. When control over the supply is lost, control over demand cannot be maintained as indicated by the gas shortage in the 70s.

Supervisor Williamson moved to adopt Resolution No. 2001-R-7, A RESOLUTION OF THE CARSON CITY BOARD OF SUPERVISORS CONCERNING ELECTRICAL DEREGULATION and read the final two paragraph of it. Supervisor Livermore seconded the motion. Mayor Masayko apologized for the amount of time which had been taken on an emotional issue which is not cut and dried. The motion was voted and carried 4-1 with Mayor Masayko voting Naye. Mayor Masayko explained that his vote was based on a philosophical difference. It is a complicated issue. His statement is that if the Board is to weigh in it should be on the entire issue and picture. He agreed that they should go slow on deregulation and do it right.

B. DISCUSSION AND POSSIBLE ACTION ON LEGISLATIVE MATTERS (1-0136) - Mayor Masayko explained that an issue regarding Clerks duties and their supervision over the court clerks had been raised at the NACO Board meeting on Friday. Clerk-Recorder Alan Glover explained the presentation which had been made to the NACO Board by a Nevada Association of County Clerks and Election Officials representative. He then explained the litigation filed in Washoe County between the Washoe County Clerk and the District Judges regarding her/his Clerk to the Court duties. The Supreme Court hearing is scheduled for Tuesday at 11:30 a.m. A potential ruling and its financial impact were noted. Discussion also indicated another option would require legislation. Until the Justices rule, the impact is unknown.

Mayor Masayko then distributed a summary list of the NACO legislative issues. (A copy is in the file.) The elected officials pay bill is awaiting release of a study. When that occurs, NACO will take a position and request support from the Board of Supervisors.

Supervisor Livermore explained the Carson Water Subconservancy's meeting on legislative issues it is monitoring. He indicated that he would distribute a page-and-a-half document regarding these issues to the Board later.

City Manager Berkich explained his telephone conversation with Senator Raggio and Assembly Leader Perkins requesting written correspondence about the City's Legislative Welcoming Reception. The formal invitation letter will be read into the Legislative record. Mayor Masayko agreed to draft the letter. He then explained his personal

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invitation to the Legislators inviting them to the reception at the City Hall on Tuesday, February 6, between 5 and 6 p.m. No formal action was taken on any of the items discussed under this Heading.

(1-2224) BREAK: A recess was declared at 10:35 a.m. The entire Board was present when Mayor Masayko reconvened the session at 10:45 a.m., constituting a quorum.

5. TREASURER (1-2245) - Al Kramer

A. ACTION TO ACCEPT PARCEL 008-192-66 TO BE CITY OWNED AS PART OF THE CITY STREET SYSTEM - Board comments requested that a map and a memo from RTC supporting the proposal be provided with similar items in the future. Supervisor Plank explained RTC's involvement with this street. Discussion indicated that the parcel was not the missing link needed to dedicate the street. Supervisor Plank moved to accept Parcel 008-192-66 to be City owned as a part of the City street system located on Dale Drive; fiscal impact is \$189.34 in taxes, penalties, interest and costs; and the funding source is ad valorem taxes, general fund. Supervisor Williamson seconded the motion. Discussion indicated that the normal procedure is to auction the parcel for non-payment of the taxes. If no bids are received on a parcel at the auction, the property is held until the next auction. The minimum bid for the parcel is the amount of past due taxes with penalties, interest, and costs. The entire parcel is in the street right-of-way. Motion to accept the parcel as part of the City owned street system was voted and carried 5-0.

B. ACTION TO WRITE OFF UNCOLLECTED PARKING TICKET FINES AND PENALTIES FROM MAY 1987 TO DECEMBER 1997 (1-2405) - Discussion indicated that the statute of limitations may have expired for many of the tickets. None of the tickets were included in the budget for the Collections Unit. If an individual has received multiple tickets during the period and is still in the vicinity, it is a civil offense and will be handled under those Statutes. The Statutes also prohibit re-registering vehicles with outstanding fines. Collection on new tickets should be easier due to this Statute. Supervisor Plank moved to approve the write off of uncollected parking tickets from May 1987 to December 1997; fiscal impact is zero at this time; and the funding source is the Parking Fund. Supervisor Williamson seconded the motion. Motion carried 5-0.

6. FIRE DEPARTMENT - Assistant Fire Chief Steve Mihelic

A. ACTION REGARDING THE FINDING THAT THE PROPOSED RESOLUTION INCREASING THE FEES CHARGED BY THE CARSON CITY FIRE DEPARTMENT FOR CERTAIN PLAN REVIEW SERVICES WILL IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN UPON A BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION, OR EXPANSION OF A BUSINESS (1-2476) - Discussion noted the proposal would have a fiscal impact. Contacts with the public and businesses who may be impacted by the fee were explained. Chamber of Commerce comments suggested that the fees be increased annually rather than in one large sum and periodically. The Fire Department's plan check review has been subsidized by the General Fund. The concept will reduce the subsidy. Board discussion with Chief Deputy District Attorney Forsberg questioned whether the fee increase will create a significant impact on businesses. Comments acknowledged that the fee increase will have an impact. Mr. Forsberg felt that the process should be undertaken as a cautious step to avoid having the fee increase challenged. The language was taken from the Statute. Mayor Masayko indicated that the Statute will be analyzed by the Legislature. Supervisor Livermore disclosed his discussion with Chamber of Commerce Executive Vice President Larry Osborne indicated he would not be present or oppose the resolution. Assistant Fire Chief Mihelic explained his contact with Mr. Osborne who had thanked him for doing the business impact statement. Board comments encouraged Mr. Berkich and staff to bring forward a formal business impact statement whenever it appears to be necessary even if it appears to be above and beyond what is necessary. Public comments were solicited on the business impact statement but none were given. Supervisor Williamson moved that the Board of Supervisors approve the finding that the proposed resolution increasing the fees charged by the Carson City Fire Department for certain plan review services will impose a direct and significant economic burden upon a business or directly restrict the formation, operation, or expansion of a business. Supervisor Livermore seconded the motion. Supervisor Plank felt that it was hard to

believe that the \$60 fee is a significant economic burden. Mayor Masayko agreed and pointed out that the Legislature needed to consider this point. The motion to approve the finding as indicated was voted and carried 5-0.

B. ACTION ON A RESOLUTION INCREASING PLAN CHECK FEES TO EQUAL 50 PERCENT OF THE FEES IN TABLE 1-A IN THE UNIFORM BUILDING CODE, CHARGED BY THE CARSON CITY FIRE DEPARTMENT FOR PLAN REVIEW AND PERMITTING OF CONSTRUCTION PROJECTS INCLUDING FIRE SPRINKLER SYSTEMS, KITCHEN HOOD FIRE EXTINGUISHING SYSTEMS, FIRE ALARM SYSTEMS, AND OTHER PLANS WHERE PRIMARY REVIEW IS CONDUCTED BY THE CARSON CITY FIRE DEPARTMENT AND OTHER MATTERS PROPERLY RELATED THERETO (1-2754) - Development Services Director Andrew Burnham - Public testimony was solicited but none given. Assistant Fire Chief Mihelic explained The cost incurred by his Department for the service and the proposed fee structure. Mayor Masayko encouraged staff to document the service requirements to insure that future fees are commensurate with the service requirements and that "double dipping" does not occur. Assistant Fire Chief Mihelic indicated that this is being done and that some of the permit fees are included in the total permit fees. The fee adjustments, the fee structure for plan checks and inspections were discussed. Public comments were solicited but none given. Supervisor Plank moved to adopt Resolution No. 2001-R-8 A RESOLUTION INCREASING THE PLAN CHECK FEES TO EQUAL 50 PERCENT OF THE FEES IN TABLE 1-A IN THE UNIFORM BUILDING CODE, CHARGED BY THE CARSON CITY FIRE DEPARTMENT FOR PLAN REVIEW AND PERMITTING OF CONSTRUCTION PROJECTS INCLUDING FIRE SPRINKLER SYSTEMS, KITCHEN HOOD FIRE EXTINGUISHING SYSTEMS, FIRE ALARM SYSTEMS, AND OTHER PLANS WHERE PRIMARY REVIEW IS CONDUCTED BY THE CARSON CITY FIRE DEPARTMENT AND OTHER MATTERS PROPERLY RELATED THERETO; fiscal impact is increased revenue; and the funding source is through the fees. Supervisor Williamson seconded the motion. Motion carried 5-0.

8. DEVELOPMENT SERVICES - STREETS - ACTION TO DIRECT STAFF TO PROCEED WITH DESIGN AND ACQUISITION OF STEWART STREET EXTENSION FROM CARSON STREET TO CURRY STREET - Withdrawn.

9. COMMUNITY DEVELOPMENT DIRECTOR - Walter Sullivan

A. ACTION ON AB-00/01-5 - A REQUEST FROM CARSON CITY (PROPERTY OWNER: CARSON CITY) TO ABANDON A PUBLIC RIGHT-OF-WAY (AN IRREGULARLY-SHAPED AREA APPROXIMATELY 1.9 ACRES PLUS OR MINUS (86,000 PLUS OR MINUS SQUARE FEET) TO COMSTOCK RV PARK ON PROPERTY ZONED GENERAL COMMERCIAL (GC), LOCATED AT THE NORTHWESTERN PORTION OF THE INTERSECTION OF OLD CLEAR CREEK ROAD AND U.S. HIGHWAY 395, APN 9-302-13 (1-2948) - Judy Lepire - Mr. Sullivan's introduction included an explanation of the communication received from NDOT removing the clause indicating that NDOT could retake the property without payment. He asked the Board to include removal of Condition No. 4 in its motion. Mayor Masayko noted that there were seven findings which should also be included in the motion. The City's interest in the property is being conveyed to the adjacent property owners. Public comments were solicited but none were given. Mayor Masayko indicated for the record that the Lepires were present. **Supervisor Livermore moved that the Board of Supervisors approve AB-00/01-5, a request from Carson City, property owner: Carson City, to abandon a public right-of-way, an irregularly-shaped area approximately 1.9 acres plus 8600 plus square feet to Comstock RV Park on property zoned General Commercial located at the northwestern portion of the intersection of Old Clear Creek Road and U.S. Highway 395, Assessor's Parcel Number 9-302-13, based on the findings and subject to the four conditions of approval as contained in the staff report with the new information as provided by staff today that Condition 4 be removed from the Conditions of Approval; no fiscal impact.** Following a request for an amendment, **Supervisor Livermore amended his motion to include with seven findings; seven findings and four conditions with removal of Condition No. 4.** Supervisor Staub seconded the motion with the notation that it is 1.9 acres plus or minus and 86,500 feet plus or minus.

Supervisor Livermore agreed to amend his motion to include "plus or minus". Supervisor Staub concurred with the amendment. Mayor Masayko indicated that it is AB-00/01-5 for 1.9 acres plus or minus, 86,500 square feet plus or minus, based on seven findings and subject to the three conditions of approval.

Ms. Lepire indicated that the 1.9 acres had been purchased by the Lepires through the relinquishment of her eight sites and the improvements to disconnect those and reconnect the five sites to the new road that had to be constructed. The paperwork indicates that the City was giving them the property at no cost. There had been a cost to the Lepires even though it had been addressed through the barter system. Mayor Masayko responded by explaining that the entire issue is contained within the settlement agreement and contract. He was holding to the seven findings as indicated. Ms. Lepire indicated she was referencing Finding No. 4. Additional comments were solicited but none given.

The motion to approve the abandonment as indicated was voted and carried 5-0.

B. ACTION ON AB-00/01-6 - A REQUEST FROM CARSON CITY (PROPERTY OWNER: CARSON CITY) TO ABANDON A PUBLIC RIGHT-OF-WAY (AN IRREGULARLY-SHAPED AREA APPROXIMATELY 29,373 SQUARE FEET) TO BODINE'S ON PROPERTY ZONED GENERAL COMMERCIAL (GC) LOCATED AT THE SOUTHWESTERN PORTION OF THE INTERSECTION OF OLD CLEAR CREEK ROAD AND U.S. HIGHWAY 395, APN 9-303-04 (1-3182) - Chief Deputy District Attorney Mark Forsberg - Mayor Masayko indicated for the record that two representatives from Bodine's were present. Discussion explained Finding No. 4, the need to treat both property owners equally, namely, Bodine's property owners and the Lepires, even though a written settlement agreement was not used with the Bodine's owners. There had been negotiations and an informal unwritten agreement had been reached. Supervisor Staub moved that the Board of Supervisors approve AB-00/01-6, a request from Carson City (property owner: Carson City) to abandon a public right-of-way (an irregularly-shaped area of approximately 29,373 square feet) on property zoned General Commercial, GC, located at the southwestern portion of the intersection of Old Clear Creek Road and U.S. Highway 395, Assessor's Parcel Number 9-303-04, based on seven findings and subject to four conditions of approval as contained in the staff report with the deletion of Condition No. 4; fiscal impact is zero. Supervisor Livermore seconded the motion. Following a request for an amendment, Supervisor Staub amended his motion to include "abandonment is to Bodine's". Supervisor Livermore concurred. The motion was voted and carried 5-0.

10. CARSON CITY COMMUNITY TRANSPORTATION - STATUS REPORT ON TRANSIT OPERATIONS (1-3345) - Continued to another meeting.

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

A. UPDATE ON CARSON CITY'S QUILL WATER TREATMENT PLANT RE-RATING (1-3365) - Discussion indicated that the City had been approved to treat a maximum 2.0 gallons per square foot. The plant had been handling 1.5 gallons. The average sustainable water rate from Marlette and Hobart is 5,000 acre feet per year. There are more paper water rights than this amount. The plant could be expanded to treat as much as 15,000 acre feet per year which is all of the water rights in the Marlette and Hobart systems. This is more than the amount used annually by Carson City. Mayor Masayko indicated that this information encourages his support for the Subconservancy's proposal. Mr. Hoffert indicated that a meeting had been scheduled with the State concerning the concept. Discussion also indicated that this water source is not contaminated with arsenic and should be used before \$7 million is spent upgrading the system to meet the Federal Clean Water Standards for arsenic. Mr. Hoffert then explained that the report had "laid the ground work" for increasing the Quill system to 3 gallons per minute. There is a California plant now handling this amount. If the water flow is adequate to provide this rate, the City will take advantage of it. If the City cannot, the water must flow through the City and into the river. Discussion indicated that the State's concern is related to the lack of experience with the filtering system. Scientific data is now available to support the higher permitting levels. The clarity of the product allows the system to be used effectively and efficiently. If the turbidity level is too high, the system cannot be used. A copy

of the report is available at Mr. Hoffert's office. No formal action was required or taken.

B. UPDATE ON CARSON CITY'S WATER QUALITY PROGRAM AND CORROSION CONTROL PROGRAM (2-0062) - Mr. Hoffert distributed copies of and read his overhead slides to the Board and Clerk. (A copy is in the file.) Discussion explained the location of Well 25 which is a major water producer. Neither the manganese nor the polyphosphate sequestrant are harmful. The State Health Department approved the treatment program in September. This moved the timelines to allow the trial treatment period to run from April to August 2001. The program will reduce the color of the water provided to the Riverview area. Mr. Hoffert then explained the water odor problem found in that area. Adjustments have been made to the system in an attempt to reduce/eliminate the odor problem. No formal action was required or taken.

C. BRIEFING ON THE ENVIRONMENTAL PROTECTION AGENCY'S FINAL RULE FOR ARSENIC IN DRINKING WATER AND ITS IMPACT TO CARSON CITY (2-0181) - Subconservancy Director Ed James - Mr. Hoffert gave the Board and Clerk a copy of his slides. (A copy is in the file.) The new EPA standards become effective on January 23, 2006. This provides the City with five years to plan its treatment program. The slides illustrated the highest arsenic levels detected in the City's wells for the last two years. Sampling will continue to determine the yearly average. A map displaying the location of the problem wells was shown. Estimated costs to comply with the new standards, the cost per household, and its corresponding rate increase were shown. The amount of additional land required for the treatment will be expensive as the wells are located in developed areas. Discussion indicated that the treatment process is above ground, however, Mr. Hoffert had not analyzed all of the treatment procedures. He was unsure whether a below ground treatment process would/could be used. Staff is continuing to analyze the options. Efforts to modify the standard were noted. The timeline may be extended even though the standard may not be modified. Congress had purportedly mandated the standard. President Bush's decision concerning the executive order will be determined during the first quarter of 2001. EPA is also mandated to analyze the standard every six years. As scientific and medical data are developed, additional reductions may be made. The desire is to reduce the standard to between three and five. Discussion explained the proposed user increase required to meet the standard. Discussion ensued on the proposed program to blend water at Wells 41 and 25. The blending will allow the wells to meet the standard. The plan proposes to treat water so that a standard of eight parts per billion is accomplished which provides a safety margin. Clarification indicated that the Quill system treats surface water. The wells are not used when surface water is available. Staff was urged to analyze the costs for both programs, including alternatives, and use the most economical and reliable program possible. Mr. Hoffert indicated that this is included in the timeline which had been developed to meet the 2006 deadline and provide the financing required to make the improvements. Funding for a consultant to assist with this process will be included in the next budget. The timeline was then described. Expenses during 2002 and 2003 should be minimal--in the \$500,000 to \$750,000 range. The capital expense may be in 2004. Mr. Hoffert suggested that incremental budget increases be used to develop a funding source for the capital needs. This should reduce the impact on the users. Supervisor Livermore suggested that a bond not be used if these incremental rates can provide the necessary funding to meet the capital needs. Mr. Hoffert agreed to analyze this concept. He also indicated that there are bonds which will be paid off this year. More information on this potential funding source should be available during the budget process. Discussion also indicated that once the City commences pilot testing, applications could be submitted asking for an extension or waivers of the deadline. He was unsure of the qualification requirements for the extension/waivers. Mayor Masayko felt that there would be a fairly significant amount of federal funding available for this purpose. Mr. Hoffert indicated that these funds are available through the drinking water State loan program and require repayment. There are also Federal Housing Urban Development Community Development Block grant programs and funding through the Rural Utility Service under the U.S. Department of Agriculture. A majority of these funds is being earmarked for smaller rural water systems with 3300 or less people. Reasons for this were noted. Comments emphasized that Carson City does have production wells that exceed the new standards. The current standard, that is in effect until 2006, is 50 ppb. The City's system is far below this standard. Long-term health problems are created by arsenic. There is no short-term exposure concerns at this time which have been identified by the EPA. Comments indicated that there had been a study which supported the reduced standard. Scientific evaluation also indicates that the financial impact of the new standard is warranted. The industry, however, feels that adequate scientific

evidence has not been presented to warrant the reduction. The six year mandatory review should provide time to analyze the issue further. Comments reiterated that the wells that are of concern are only used during May to October. The annual exposure limit to the public is the figure which is analyzed. The City's exposure is reduced due to the limited use of the wells. Mr. Hoffert then indicated that he had attached a technical brochure to the Board's packet. (A copy was not given to the Clerk.) The brochure purportedly provided technical data on the arsenic standards.

(2-0675) Mr. James indicated that Carson City is better off than its neighbors. Carson City also had other options which they do not have. Marlette could assist. The \$2.67 cost is on top of other costs created by energy increases. For this reason the City should begin to develop a mechanism for handling the problem. He did not feel that the EPA would reduce the standard as the world standard is ten. EPA has purportedly been sued for failing to drop the standard to ten. He did not feel that there is justification for lowering the standard below ten, however, the EPA has expressed a desire to do so. He is working with the legislative body to provide funding as it is a huge impact. He then described the nationwide impact as being mainly on the West. He supported staff's direction. Mayor Masayko thanked them for their reports. Additional comments were solicited but none given. No formal action was taken or required.

BREAK: A recess was declared at 12:25 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 1:36 p.m., constituting a quorum.

11. PERSONNEL MANAGER - Judie Fisher

B. ACTION TO AMEND RESOLUTION 2000-R-42 BY DELETING CAPITAL PROJECTS ADVISORY COMMITTEE FROM THE CARSON CITY BOARD OF SUPERVISORS' ESTABLISHED LIST OF BOARDS AND COMMISSIONS AND THEIR ESTABLISHED METHODS FOR THE APPOINTMENT OF MEMBERS TO COMMITTEES, BOARDS AND COMMISSIONS AND ABOLISH RESOLUTION 1994-R-33 WHICH ESTABLISHED A CAPITAL PROJECTS ADVISORY COMMITTEE (2-0745) - Mayor Masayko thanked the Committee members for their service. Supervisor Livermore moved that Board of Supervisors adopt Resolution No. 2001-R-9, A RESOLUTION AMENDING RESOLUTION NO. 2000-R-42 BY DELETING CAPITAL PROJECTS ADVISORY COMMITTEE FROM THE CARSON CITY BOARD OF SUPERVISORS' ESTABLISHED LIST OF BOARDS AND COMMISSIONS AND THEIR ESTABLISHED METHODS FOR THE APPOINTMENT OF MEMBERS TO COMMITTEES, BOARDS AND COMMISSIONS. Supervisor Plank seconded the motion. Motion carried 5-0.

C. ORDINANCES - FIRST READING

i. ACTION ON AN ORDINANCE AMENDING ORDINANCE 140, SECTION 2.04.400 (PUBLIC OFFICERS) OF THE CARSON CITY MUNICIPAL CODE REFLECTING ADDITIONS, CHANGES OR DELETIONS OF PUBLIC OFFICERS (2-0802) - Supervisor Plank moved to introduce Bill No. 101 on first reading, AN ORDINANCE AMENDING ORDINANCE 140, SECTION 2.04.400 (PUBLIC OFFICERS) OF THE CARSON CITY MUNICIPAL CODE REFLECTING ADDITIONS, CHANGES OR DELETIONS OF PUBLIC OFFICERS; no fiscal impact. Supervisor Williamson seconded the motion. Motion carried 5-0.

ii. ACTION ON AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE CHAPTER 13.06, REMOVING ALTERNATE MEMBERS OF THE OPEN SPACE ADVISORY COMMITTEE AND OTHER MATTERS PROPERLY RELATED THERETO (2-0856) - The proposed amendment had been suggested by the Charter Review Committee. Supervisor Plank moved that the Board of Supervisors introduce Bill No. 102 on first reading, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE CHAPTER 13.06, REMOVING ALTERNATE MEMBERS OF THE OPEN SPACE ADVISORY COMMITTEE AND OTHER MATTERS PROPERLY RELATED THERETO; no fiscal impact. Supervisor Livermore seconded the motion. Motion carried 5-0.

A. ACTION TO APPOINT TWO "CITIZEN AT LARGE" MEMBERS TO THE CARSON CITY PUBLIC TRANSIT ADVISORY COMMITTEE (2-0901) - The Board interviewed John Peshek and (2-1140) David Allen. Applicant John Peery was not present. He had been interviewed at the last meeting for another committee/commission. Mayor Masayko thanked each for applying. Supervisor Plank expressed his feeling that Mr. Peery was needed on another committee. Mayor Masayko agreed based on Mr. Peery's experience and background. Board comments supported the appointment of Messrs. Peshek and Allen. Supervisor Williamson moved to reappoint John Peshek and appoint David Allen to terms on the Public Transit Advisory Committee. Supervisor Plank seconded the motion. Mayor Masayko noted the terms would expire in January 2003. The motion was voted and carried 5-0.

Mayor Masayko explained a discussion he had had with Bob Kennedy, who served as the Senior Citizens Center appointee to the Committee. Mr. Kennedy had resigned from the Center's Board. Ms. Fisher was directed to contact the Center and ascertain whom they wished to appoint as his replacement. Discussion ensued on the changing role of this Committee and the desire to have them be an advisory committee to the MPO. Discussion then explained the advertising policy for vacancies and if only one applicant applies. Comments also noted that on occasion it has been necessary for the Board to actively recruit applicants.

13. DISTRICT ATTORNEY - Chief Deputy District Attorney Mark Forsberg - **ACTION TO APPROVE A COOPERATIVE AGREEMENT BETWEEN THE STATE OF NEVADA, DEPARTMENT OF HUMAN RESOURCES, WELFARE DIVISION AND THE CARSON CITY DISTRICT ATTORNEY SUPPORT DIVISION BY WHICH CARSON CITY RECEIVES SUBSTANTIAL REIMBURSEMENT FUNDING FOR THE COLLECTION OF CHILD SUPPORT OBLIGATIONS BY THE DISTRICT ATTORNEY'S OFFICE, INCLUDING SALARIES AND EQUIPMENT FOR THE PERFORMANCE OF THIS FUNCTION FROM FEBRUARY 2001 TO JUNE 30, 2004, WHICH INCLUDES THE NEW INCENTIVE PAYMENT SCHEDULE AND OTHER MATTERS PROPERLY RELATED THERETO (2-1572)** -

Discussion pointed out the incentive program and its purpose. Supervisor Plank moved to approve a Cooperative Agreement between the State of Nevada Department of Human Resources, Welfare Division, and the Carson City District Attorney Child Support Division by which Carson City receives substantial reimbursement funding for the collection of child support obligations by the District Attorney's office, including salaries and equipment for the performance of this function, from February 2001 to June 30, 2004, which includes a new incentive payment schedule and other matters properly related thereto; fiscal impact is that this agreement is the vehicle by which Carson City receives substantial reimbursement funding for the collection of child support obligations by the District Attorney's office, including salaries and equipment for the performance of this function. Supervisor Williamson seconded the motion. Discussion indicated that the agreement includes a portion regarding the NOMADS program and its mandates. Public comments were solicited but none given. The motion to approve the agreement was voted and carried 5-0.

4. C. NON-ACTION ITEMS - INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (2-1720) - Supervisor Livermore announced the Hospital Auxiliary's Cowboy Poetry fundraiser scheduled for March 10th at 4 and 8 p.m. and its barbeque. He urged the public to obtain their tickets posthaste. Mayor Masayko noted that tomorrow is Ground Hog Day, February 2, and explained the School-to-Career's program which would have students shadowing individuals. He announced its kick-off ceremony to be held at 10 a.m. at the steps of the Capitol Building. He invited the public to participate in the ceremony and program. Supervisor Williamson urged the public to support the Safe Grad activities. Supervisor Plank indicated he had attended the Governor's "State of the State" address and the TRPA's Governing Board meeting last week. He announced his plans to attend the TRPA meeting tomorrow. Mayor Masayko reported that he had attended meetings of the Commission on Economic Development and Building Prosperity in Rural Nevada hearing, public officials workshops for public education and resources, a meeting in Fernley on what it is like to run for a public office in communities like Carson City, the Carson City's organizational functions, etc. He also noted that Fernley is working toward establishing itself as the newest city in Nevada and the excitement its candidates were facing of being the first Mayor and City Council member.

D. STAFF COMMENTS AND STATUS REPORTS (2-1835) - Mr. Berkich announced the arrival of his new granddaughter. Mayor Masayko congratulated the parents and welcomed the baby.

12. DEVELOPMENT SERVICES - ENGINEERING - City Engineer Larry Werner - **DISCUSSION AND POSSIBLE ACTION TO MODIFY STREET IMPROVEMENT STANDARDS IN THE INDUSTRIAL AIRPARK AREA, SPECIFICALLY TO ACCEPT STAFF RECOMMENDATION TO WAIVE SIDEWALK REQUIREMENTS FOR THE AIRPARK AREA, UTILIZE THE ATTACHED RECOMMENDED STREET SECTION WHICH INCLUDES CURB AND GUTTER WITHIN THE AIRPARK, INCORPORATE THE RECOMMENDED STREET SECTION INTO THE NEW DEVELOPMENT STANDARDS, AND MODIFY THE CARSON CITY MUNICIPAL CODE ACCORDINGLY (2-1840)** - Tony Morangi, Chamber of Commerce Executive Vice President and its Manufacturing Committee Representative Larry Osborne, Nevada Manufacturers Association Representative Ray Bacon, Northern Nevada Development District Director Kris Holt, Redco Representative Del White, City Manager John Berkich, Gene Sheldon, John Bullis, Jerry Gregory, Wayne Pedlar, Development Services Director Andrew Burnham, Tom Caven, Mary Fischer, Dave Ruf, and Craig Steele, Chief Deputy District Attorney Neil Rombardo, Street Operations Manager John Flansberg - Discussion between the Board and Mr. Werner explained the number of parcels in the park with development agreements that require curbs, gutters and sidewalks; the amount of streets with these amenities; the amount of streets failing to meet the Code standard; the process used to bring the streets into conformity; and reasons staff selected this time to commence enforcement or revise the Code. Supervisor Plank described his person knowledge about the situation and support for revising the Code or forcing the requirements on the entire park. He then suggested that another standard be developed which would address the paving failures that are occurring due to a lack of curbs and gutters. Supervisor Livermore explained his first encounter with this topic which occurred shortly after he took office. He agreed that the Board had inherited the Code requirements. He also pointed out that the roads without curbs and gutters were similar to those found throughout the community including the residential areas, e.g., Koontz Lane. He then referenced the POLYCOM study and its economical analysis. The manufacturers had constructed to the standards required at the time they built their facilities. The implementation of the rules at this time may not be fair. Mayor Masayko felt that the City had constructed the roadways with an EDA grant. They met the 1970 standards. There are 97 improved parcels and 81 unimproved parcels. He questioned how the City could make similar improvements in other areas while requiring the manufacturers in the airpark to install the improvements whenever they request a permit to remodel or expand their buildings. At the current rate the entire area will never meet the new standards. The cost of the street improvements were in the \$1.3 million range. Funding for these improvements will have to be taken from other street/roadway improvements and needs. The street usage is restricted to that required by the businesses. Other funding options were also noted and should be based on the expectations and needs of the airpark. He also indicated that the proposed standards are not the ones which the City would want if the project was just beginning. These standards are, however, what was there when the property owners acquired their parcels and developed the area. Drainage requirements should be addressed and maintained. He agreed that it is the correct time to make a decision regarding the requirements.

(2-2275) Mr. Morangi explained the location of his residence and the length of his residency in the community. The residents in his area had been required to pay for their street improvements. He felt that the manufacturers should pay for their improvements. His street improvements had reduced the flooding problems and provided a safe place for the pedestrians to walk. Sloppy development had occurred as a result of the lack of enforcement of the Codes. It is time to mandate that the requirements be enforced and constructed by the manufacturers the same as he had had to do.

Mr. Osborne noted that the manufacturers are also residents of the community. Reasons for coming before the Board were noted. The streets in the airpark had been developed to the standards created by an industrial development council. An advertising brochure was cited to illustrate the sales efforts implemented at that time. It had not included curbs, gutters or sidewalks. Paved streets were listed. The council had supported developing the airpark as a method of diversification and expanding the tax base. Industry support for the development of fair and equitable programs and treatment was noted. Although the community is attempting to attract more big box

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retailers, the economic base of the community is at the airport. He urged them to maintain and retain the manufacturers. There had been several meetings with City staff without a successful resolution to the Code requirement mandating the improvements. Even staff had not been unanimous in what the requirements are and when they should be required as indicated in former Deputy City Manager Dan St. John's July 1999 memo urging staff to relax the Codes. The memo also pointed out that the Code requirements had been "relaxed" between 1987 and 1995. Mr. Osborne agreed that expansions and remodels have been curtailed due to the requirement that the street improvements be made. The street improvements are not beneficial to the businesses. The public does not use the streets. Mixed use parks are being developed with these street improvements. They invite the general public into the area. This area should remain an industrial park. Mr. Osborne did not feel that a middle ground could be found between his clients and the City staff. Staff had purportedly offered a compromise which would eliminate the sidewalk requirement. There are other methods of addressing the drainage problem than requiring curbs and gutters. The methods are to be addressed by other more experienced speakers.

Mr. Bacon concurred with Mr. Osborne's statements. He pointed out that the airport had been a "wild and crazy experiment" in the beginning due to concerns regarding its ability to attract manufacturers. The community is now balanced between its retail sector, its government sector, and its industrial sector. The community's attraction to the retail sector is due to the stable industrial and government sectors. Discussion indicated that Mr. Bacon represents manufacturers statewide. Mr. Bacon felt that the current standards in the airport are similar to those found in other competing communities. Henderson's manufacturing standards are more constrained but does not require sidewalks. Its mixed use area does, however, have sidewalks. Fernley's newest park is including curbs and gutters due to runoff problems. Dayton does not have sidewalks. There are curbs in a few places such as the main entry roads. Moundhouse does not have curbs, gutters, or sidewalks.

(2-2612) Mr. Holt indicated there are approximately 1700 employees located in the industrial airport. His job is to help companies expand and attract additional firms to the area. His experience in recruiting firms was highlighted to illustrate his knowledge in this field. His "sales pitch" includes the fact that the region is the manufacturing center for the State and has sensible regulations. Right now it is not possible to promote having "sensible regulations" due to the mandated street improvements and the number of "unhappy manufacturers located there". He urged the Board to listen to the manufacturers. A message of appreciation for the manufacturers and what they contribute to the community needs to be sent out. He had not been aware of any concerns being expressed by potential clients about the state of the streets in the area. His sales pitches are given for Douglas and Storey Counties, Moundhouse, Dayton, and Carson City. Discussion with the prospective clients include the differences between Reno and Sparks with his four county area. Arrowhead Drive is considered his showcase for Carson City. It has a lot of personality and is very unique. The type of firms looking to invest in that area were described. The Arrowhead Drive area "stacks up with some of the best industrial parks, high profile, first class parks in the area" and is priced that way.

Mr. White indicated that the manufacturers had paid for the drainage program and Carson City had installed it. The drainage problem was solved and should not be reconsidered. The freeway includes a "holding pond" on the hill which will eliminate any future drainage problems. Curbs and gutters are not needed for drainage. They are too expensive and provide little in the way of benefits. He had purportedly been shown an estimate of \$2.6 million for this work. His building had been constructed to the standards required when he built. Nothing was said at that time about the drainage and street improvements. He could not understand why staff continues to push for something that is not needed or wanted. Carson City would not at this time pass his standards for locating in a community. He was unsure whether he would expand his business in the future due to the requirements. Purportedly, a road had been drawn on the master plan through his adjacent lot. This was done without contacting him or his business. He could not tell manufacturers thinking about locating to the area that it is a great place to be. Carson City is becoming like California was before he left it. He asked that the sidewalk issue "put to bed now" and that it not be necessary to refight that battle in five years. The area should be left alone. Mayor Masayko felt that this was the reason for discussing the matter before the Board as it is the decision makers. Mr. White explained for Supervisor Staub that the curb and gutter improvements were an unnecessary and expensive requirement which he felt were a "deal breaking expense". He then explained that as he must compete worldwide, it is necessary to justify every cent and expense.

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Mr. Berkich thanked everyone for working with the City in attempting to reach a compromise. The issue had been brought to the Board for direction regarding the standard which should be used for the area. The decision regarding a funding source for any infrastructure improvements had not been determined. Board direction was requested concerning whether to reduce the standards by amending the Code. Funding issues will be considered in the future.

Mr. White reiterated his concerns regarding the need to justify each cent by indicating that his property taxes had been increased by four percent last year. The proposal to install the curbs and gutters is a waste of their money. He then questioned the reasons State and Federal highways lack curbs and gutters. Mayor Masayko clarified for the record that the property taxes had increased by only two percent. That is four cents per dollar. Mr. White responded by expressing his feeling that the residential home owner's property taxes incurred a small increase when compared to that of a manufacturer's building(s). Even though it appears to be a small increase, it impacts the profitability of a business and its ability to compete worldwide. Supervisor Plank asked him if he would want the improvements if the City paid for them. Mr. White responded that he was only speaking for himself and that he did not want them. There was a huge investment made in his site. It looks "fairly decent". He is happy with it at this time. He did not need something else to have to maintain. He then questioned the reasons the residential areas do not have curbs and gutters, e.g., Goni Road, Mr. Berkich's residential street, etc. Why must the industrial park be forced to do it? Why now? Supervisor Plank responded by explaining that staff must enforce whatever ordinances there are on the books. The ordinance had been adopted sometime ago. Everyone is stuck with the Code. Mr. White then questioned why the staff had not requested direction from the Board before mandating the improvements? Supervisor Plank responded that this is the purpose of the discussion today. Staff turnover may have delayed the discussion. Mr. White explained that the discussion with the manufacturers had been going on for some time. It was apparent that the improvements were not wanted. Staff should have brought the issue forward a long time ago. It should not have been necessary for the manufacturers to bring it forward.

Mr. Berkich admitted that staff had spent a lot of time and energy on the matter. Staff, however, lacked the ability to amend the Code. Policy decisions are made by the Board. Adequate information must be provided to the Board in order to provide a balanced presentation with alternatives. Staff had not singled out the industrial park. It is part of the Title 17 and 18 amendments now underway. The issues regarding the property taxes and funding sources have not been included in the discussion. Staff has only considered using RTC funds and not any other source.

(1-3137) Mr. Sheldon explained that he had purchased his site with the improvements which are there now. He had developed parcels on Goni with and on Arrowhead without the the curbs and gutters. The City had developed the airpark. The check had been written to the City. A developer normally makes the street infrastructure improvements when the area is developed. The City should recognize its interest in making the infrastructure improvements. He had discussed the issue with the manufacturers and the unanimous decision by them had been to oppose the installation of the improvements. He felt the rejection was based on the feeling that the area is an exclusive, upscale industrial park. It should be handled the same as the residential areas of Timberline and Franktown.

Mr. Bullis pointed out that the manufacturers were being pressured by taxes, utilities, and out-of-state competition in addition to competition from other countries. The proposal is very expensive. He urged the Board to rescind the Code in the industrial area. The original standards should be reinstated.

Mr. Gregory explained his employment and indicated that he did not represent his employer nor any of the manufacturers. He had been watching the discussion for several years. His relocation to the community in the 1960s was described. At that time government was the primary employer. All shopping and entertainment was done in Reno. Three years later he moved to Douglas County but continued to work in Carson City. In the late 1960s the City began its early efforts to diversifying its economy. This is the reason the City created the industrial airpark in the early 1970s. A great job had been done enticing firms to locate there. Carson City is now a "hub for commerce" as purportedly stated by former Mayor Marv Teixeira. Seepage to Reno/Sparks no longer occurs at the rate experienced years ago. Advantages of having the manufacturers in the community were cited. He hoped to

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maintain the ones who are here. He urged the Board to work with the manufacturers. The community had set the standards which are now penalizing the manufacturers by requiring the infrastructure improvements. New industrial parks could be required to have the improvements. The current standard should be maintained for this area.

Mr. Pedlar indicated he was speaking for himself. His firm is located in the Dayton Valley Business Park. He is a Carson City resident and taxpayer. Mr. White is his supplier. Reasons he had selected Mr. White were described. Imposition of the standards would make Mr. White's operation less profitable, could increase his (Mr. Pedlar's) costs, or cause Mr. Pedlar to find another supplier. He agreed that City staff should enforce the ordinance as written. He urged the Board to rescind the standards even though it is a difficult decision. His involvement with Mr. Holt's recruitment activities was limned. Curbs and gutters are only found in high quality, good looking industrial parks. The airpark is a tribute the way it is and should be left alone.

Mr. Burnham explained that the Code had been adopted in 1987 as a "one size fits all" for all commercial and industrial properties. Enforcement began in 1995.

(3-0023) Mr. Caven explained his ownership of a parcel on Moulton and the fiscal impact the infrastructure improvements would have on him. The fiscal impact is too much for a small firm. The improvements are of no economical value to his firm. The improvements purportedly will save the City 60 cents per linear foot in annual maintenance. This amounts to a total of \$240 a year for his 400 foot frontage. The area does not need or want the improvements. He could justify the cost and improvements if located in the downtown area with more public usage but not in the airpark. He appreciated the staff changes which had been made as the current staff is easier to talk to and has a more reasonable approach than has been experienced in the past. Curbs are constrictions and restrictions as they prohibit large trucks from turning around, if necessary. He did not support the narrower street widths and curbs as suggested by staff. The ordinance had never applied to his area, therefore, it is not necessary to rescind it. Enforcement since 1995 was alleged to have been done selectively, e.g., Goni Road improvements. The area users and property owners do not consider the current street system to be a problem as allegedly perceived by others.

Ms. Fischer explained her residential location and feeling that the ordinance had always been on the books. She questioned how many property acquisitions had occurred since 1987 when the ordinance was adopted. They should have been aware of the ordinance requirements and should not be unhappy about their enforcement now. Her personal experience indicated that a majority of the nicer industrial parks throughout the country have the infrastructure improvements which are now being required, including the sidewalks. They provide a picture of caring about the appearance of the area. The buildings in the airpark are among the nicest ones she had seen. Unless street improvements are made now their appearance will be worse in 10 years. She agreed that the cost to make the improvements would be a large bite but should be made if the standards are desired. She suggested that they be phased in over time. Will the individuals who had already made the improvements be reimbursed? The standards are for the entire community and should be maintained. She was agreeable to elimination of the sidewalks and supported flexibility in the installation program. A 26 foot street was acceptable in that district. Bicyclists also traverse the area and should be considered. Drainage needs should be addressed. Will other standards in the community also be relaxed as a result of action today? Implications to other areas should also be considered.

Mr. Ruf noted his business location and the requirement mandating the same standards for his area. He had been forced to sign a development agreement when he had expanded his building. Eight years later when he inquired about expanding his business to add a coffee service. The street infrastructure improvements were estimated to cost over \$200,000. They still have not been made as he had not expanded the business to include coffee service. His neighbors have also failed to expand their businesses. Neither he, his neighbors, nor the manufacturers can afford the infrastructure improvements. He urged the Board to rescind the requirements. Several years ago he had asked the City to consider establishing an "impound" account for making the improvements. The City had denied this request. He had also asked if he could widen the road in front of his business and was denied as it would create a checkerboard pattern.

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Mr. Steele indicated that he owned a retail building on Moulton. Problems encountered when he constructed the building were described including his efforts to eliminate any amenities/features which would not be beneficial to his ability to rent the facility or to the prospective tenant. Curbs, gutters, and sidewalks were such amenities. He felt that a 24 foot roadway without curbs and gutters is more than adequate. If at some future date the Board decides to require curbs and gutters, he would urge it to not require them on 24 foot wide roadways. A 40 foot wide roadway could accomodate the curbs and gutters. An economic analysis for such a project should be developed to justify the expenditure. His experience on the Planning Commission was described. During his tenure on the Commission he had never heard any complaints regarding the street widths, curbs, or gutters. None of his tenants or residents had ever complained about these items either. Support for the ordinance should not be maintained, specifically, in view of the lack of support indicated today.

Supervisor Plank explained his conversation regarding the width of the street which indicated that the more impervious surface a street has, the more runoff that is generated. This could create even more problems.

Mr. Steele agreed and indicated that he had not studied the drainage problems in the area. It is not a problem in his area. He agreed that drainage impacts to the airport needed to be studied. The additional drainage and the runoff speed created by adding eight/16 feet and/or curbs and gutters to the street were described.

BREAK: A recess was declared at 4:55 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 5 p.m., constituting a quorum.

Supervisor Staub thanked everyone for their comments. Good corporate citizens should support aesthetically pleasing improvements for the good of the entire community. The Code should also be enforced as a matter of law. Enforcement must start at some point. Residents could easily reach the same conclusion as had Ms. Fischer that curbs and gutters are an improvement and are needed. This, however, is not a residential area. Diversity throughout the community supported maintaining different standards for residential, commercial, manufacturing, retail, etc., areas. He agreed that the same standards may not fit every circumstance which arises. The failure to enforce the law is the City's problem. Fairness and equity also must be considered. He understood the reasons for now enforcing the ordinance, however, it has a substantial fiscal impact. His experience in development supported their concerns regarding these costs. He did not feel that the requirement is a community supported priority. There are a lot more diverse problems which need addressing such as in the downtown area, Costco, Walmart, etc. The manufacturing area continues to operate without any adverse impacts, so far as he could perceive, upon the other residents and areas of the community. The \$2.6 million cost for curbs and gutters should be spent for other more pressing problems, such as the traffic. He could not support using any of the City money for this project. The concept would provide curbs and gutters to go no where. Today is not the day when we should start the journey to somewhere. He requested that staff address the standard citywide due to the fact that he resides in an area without curbs and gutters and could not, as a resident, agree to their installation just because he wanted to construct a "doll house" in his yard. He thanked staff for its study of the issues and providing the alternatives. He understood that staff's enforcement of the law is part of its job. The law, however, needed revising to include all areas of the community where curbs, gutters, and sidewalks are appropriate. The other areas should have a different standard.

Supervisor Livermore complimented him on his eloquent statements. His sentiments were the same as Supervisor Staub's. His involvement with staff and the manufacturers regarding this issue was noted. He agreed that there had never been any compelling evidence to support the use of public funds for this purpose. Funding limitations and more pressing needs elsewhere were noted. He preferred to use the RTC funds to pave some of the unpaved residential streets found throughout the community. Staff should have brought the issue forward and not the manufacturers.

Supervisor Williamson explained her knowledge of and involvement with the issue. She opposed the suggested patch work paving program which would be provided by the development agreement approach. The issue is not worth the fight and energy staff and the manufacturers have had to dedicate to it. She supported the manufacturers' recommendation that the ordinance be rescinded. She hoped that the Curry Street improvements would be

addressed with the RTC Curry Street program. She complimented staff for taking the time to research the issue and attempt to develop alternatives before coming forward.

Supervisor Plank expressed his desire to have the curbs and gutters for maintenance and drainage reasons. The discussion had, however, changed his mind regarding requiring them. The alternative which had been suggested by staff was felt to be too general at this point. Therefore, he could not support it. He could agree to requiring the 28 foot streets but felt that adequate drainage should be included in the requirement. He urged staff to start over.

Mayor Masayko noted that the current standard fails to provide the necessary drainage infrastructure needed in the area. The proposal is to establish a specified street width with a specified distance between the property line and street to provide an area to convey the drainage. The program should provide a level playing field which will determine what the final result will be. These expectations should be realistic and equitable. The improvements would have improved the appearance of the area for the betterment of the community. Public perception created by the issue is sending a negative message to the outside world. The standards should relay a message that the community is reasonable, flexible, and willing to work with the manufacturers. Unwanted standards should be eliminated. The time and place to stage the fight should not be now or here. He supported a motion to eliminate the standards. The direction being given to staff also indicated that one size does not fit all. It was important that the manufacturers present the issue and explain their desires and the standards which should be required in their business area.

(3-0641) Supervisor Livermore moved to modify the street improvements in the industrial airpark areas, specifically, to waive sidewalk requirements for the airpark area, also to waive curb and gutter requirements for the airpark, to revoke existing development agreements within the airpark, and to modify the Carson City Municipal Code accordingly. Following discussion, **Supervisor Livermore amended his motion to include and to accept staff's recommendation of the street measurement of 28 feet for the paving standard. Supervisor Williamson seconded the motion.** Mr. Rombardo indicated that the Code modifications will be brought back. Mayor Masayko agreed. Supervisor Livermore explained his feeling that each individual development would have to provide its own drainage solution(s). Mayor Masayko also felt that, as the 28 foot roadway did not include curbs and gutters, something had to be done with the drainage. A change was not made to add this to the motion.

Mr. Caven expressed his feeling that the streets in his area were only 24 feet wide. Mayor Masayko indicated that the staff report had indicated 28 feet. He assured Mr. Caven that the Board desired to retain whatever width has been constructed in the area. Mr. Flansberg indicated there is a variety of street widths in the area. It could be 24 feet wide on Moulton. Arrowhead and Conestoga may be 28 feet wide. Mr. Caven then questioned the boundaries for the airpark. John D. Winters had subdivided his area. Board comments indicated that the discussion had related to the 145 parcels which had been identified as "the airpark".

Supervisor Livermore amended his motion to reflect that in reference to the comments regarding the street width, there is apparently a variance between the 24 foot streets and the 28 foot streets, (are) that (of) the current street standards of 24 or 28 which are in existence today. Following a request for modification, **Supervisor Livermore again amended his motion to indicate that they were identifying in the staff report the 145 parcels listed as parcels in the Carson Industrial Airpark. Supervisor Williamson continued her second.** Mr. Flansberg indicated that he would bring back a map indicating the parcels. Mayor Masayko directed that staff bring the map back with the ordinance revisions. Mr. Flansberg asked that the ordinances be considered on March 1. Mayor Masayko directed that the delay in revising the ordinance not impact a project in the meantime. Mr. Burnham agreed to begin implementing the revisions immediately and indicated that the development agreements would also be considered with the ordinances. Mayor Masayko agreed and thanked staff for trying to find a common ground regarding the issue. Supervisor Plank thanked the manufacturers for attending and presenting the issues. It had not been a waste of their time as the Board needed to be educated and to listen to their concerns. He also thanked staff for its work. **The motion to modify the street improvement standards as indicated was voted and carried 5-0.** Mayor Masayko thanked all for attending.

14. CITY MANAGER - John Berkich

B. ACTION TO CONSIDER AMENDMENTS TO PARAGRAPHS 1.10 AND 2.8 OF THE SETTLEMENT AGREEMENT WITH EUGENE J. LEPIRE, SR., AND JUDY L. LEPIRE, DOING BUSINESS AS COMSTOCK COUNTRY RV RESORT (3-0768) - Deputy District Attorney Neil Rombardo, Eugene Lepire, Development Services Director Andrew Burnham, Judy Lepire - Mayor Masayko reiterated his comments concern staff's request to agendize this item. He had not requested it be brought back. Mr. Berkich indicated that the problems regarding Section 2.8 had related to the abandonment request had been resolved earlier in the meeting. Mr. Rombardo explained the staff position regarding connecting the water and sewer lines on the property owned by the Lepires. He indicated that Section 3.4 did not change his opinion regarding this issue. The purpose of 3.4 was explained. The connection provided by the City was limned. The Lepires must provide the line connecting his property to the meter which the City provided at no cost to the Lepires. Board comments expressed a desire to review the map. Discussion between Supervisor Staub and Mr. Rombardo explained the purpose of this map. The map purportedly did not contain laterals on the Lepires' property. Supervisors Plank and Livermore explained their personal involvement with extending laterals and/or sewer lines to their properties.

Discussion among Mr. Lepire and Supervisors Williamson and Livermore agreed that the 1.9 acres had been transferred to Mr. Lepire this morning. Mr. Lepire then expounded on his reasons for feeling that as the City had owned this parcel until that time, it should have connected the sewer and water lines to his property. These connections should have been completed before Costco opened. The property does not become his until the abandonment documents are recorded. He did not feel that there had been a map delineating the terms of the agreement. Mr. Lepire then illustrated for Supervisor Staub the location of his water and sewer lines. Mr. Lepire explained that Charlie Mall, Granite's supervisor, had had a map which showed where to locate the four sewer and two water stubs. The stubs have been installed in the "licensed property", the 1.9 acres. The lines have not been connected to them. The distances from the lines to the stubs were described. One of the sewer stubs is allegedly on State property.

Discussion between Supervisor Staub and Mr. Rombardo indicated that the deed has not yet been provided transferring the title of the property to the Lepires. Mr. Rombardo indicated that in order to connect the pipelines, the City would have to trespass on the Lepires' property. The stubs were installed in the 1.9 acres as indicated in paragraph 1.0. He then referred to the agreement to explain that Mr. Elmore, the Lepires' attorney who had drafted the agreement, had included the map as part of the agreement. The City had agreed to the inclusion. He was certain that either Engineering or Lumos and Associates had the map.

Mr. Burnham indicated that the 1.9 acres had been treated as the Lepires' property due to the State license allowing them to use it. The lines had been stubbed the same as is done for any other property. When the contractor struck the septic tank which was in the roadway, the City immediately connected the line to the sewer line. The other lines have not been extended into the park. Staff believed that the map did not indicate that the City should do any work on private property. The stubs have been placed to their property line as requested.

Mrs. Lepire indicated that the septic tank had been required by the State and not the City. Mr. Lepire continued to stress his position that he did not own the 1.9 acres. He also questioned the reasons Granite had connected the sewer lines when the septic tank was hit. His park contains two septic tanks and systems. He felt that if his well had been hit during installation of the laterals the park would have been connected to the City water service.

Mrs. Lepire then read from several documents of correspondence between Mr. Lepire and her attorney in addition to the agreement which she felt supported her contention that the City should connect their lines at not charge. (Copies are in the file.)

Mr. Lepire then indicated that the map should have been with the recorded agreement. He felt that they had signed it in good faith. He requested that the job be finished. It should have been completed before Costco received its permit. If he had filed legal action prohibiting Costco's opening, the connections would have been made instantly.

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He had not done that. The clause is understandable and the Board should support their request.

Mayor Masayko explained his feeling that resolving the issue would not finalize the settlement. Both of the Lepires responded that resolving the issue would finalize the settlement. Mayor Masayko pointed out that they had been at this position before. Mr. Lepire felt that there was \$40,000 somewhere which should pay for the connections. Mrs. Lepire expressed a desire to review the terms of the agreement which they had signed. Board comments objected. Mr. Lepire responded by indicating that they pay taxes to the City so that the Board would understand them and that the Board should not object. Mrs. Lepire indicated that there were eight to ten items involved in the agreement which they had done to finalize the agreement. She reviewed those items and explained their actions. The three remaining items are the City's responsibility. One item was the transfer of the 1.9 acres which was discussed earlier. There are only two issues left which relate to the water and sewer connections. Once these items are completed, the agreement terms will be completed. She then expressed her feeling that they had not held up Costco's project. The property had been part of the fairgrounds in December 1999 and the store opened in November 2000, which she felt had been a miracle. Mayor Masayko indicated that he understood her point and did not wish to go over it all again. Mr. Lepire asked that a decision be made so that they could move forward as deemed necessary.

Discussion between Supervisor Williamson and Mr. Rombardo indicated that a court proceeding would consider both the settlement agreement and all correspondence involved in the negotiations. Drafts are considered drafts. The final signed document takes precedence. There were several drafts written by both Mr. Elmore and Mr. Rombardo.

Mr. Berkich reiterated staff's belief that the City had completed the sewer and water lines as agreed.

Mrs. Lepire then explained that Utility Operations Manager Tom Hoffert had toured the property in September and had understood what was needed to be done. He allegedly agreed to do the work, however, Mr. Berkich had vetoed his agreement. She also felt that all of the agreements had indicated that if the Lepires were to do the work, funding by the City was provided for payment of the work. This is the only item that the City had not paid for the work.

Mr. Burnham indicated that the connection costs were over \$97,000. Mr. Hoffert had toured the site at his request and had estimated that it would cost between \$2,000 and \$4,000 for each site which is on private property. The connection fees had been paid by the Redevelopment Authority to the Utility Department.

Mrs. Lepire reiterated her belief that the City would have paid the Lepires for the work the same as the City had paid for the fence which the Lepires had installed. Mayor Masayko indicated that the Board could not discuss this as the Board did not have any way of knowing the individual terms and agreements which had been made on each of the items. The Board must consider the terms as contained with the final document.

Mr. Burnham explained the issue regarding construction/payment for the connection between the stubs and the sewer and water lines had arisen when Mr. Hoffert toured the property and developed the \$97,000 estimate. Mr. Hoffert did not have the authority to make the decision. Mr. Burnham had discussed it with Mr. Berkich and they had decided, after reviewing the agreement, that the connection was to be made by the Lepires. The staff had not known where the lines were and had only placed the stubs so that the connection could occur in the future. Supervisor Staub reiterated his desire to review the map. Mr. Burnham then explained that the map contained the improvement plans for Clear Creek Road which included water and sewer line improvements off of the 1.9 acres. The lines are in the streets. The location points for the stubs were included on it. The four sewer stubs and two water stubs were made at the Lepires request. The May 2nd letter referenced engineering drawings by Lumos and Associates. Mr. Burnham felt that this drawing should be in the files at Community Development. The drawing had indicated that the stubs were to be placed to the edge of the 1.9 acres. There is no location showing a connection between the stubs and the lines on the Lepires' property. Only the one sewer line was connected to the stub after the septic system was struck by Granite. The cost to make the connections was noted.

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Supervisor Staub then explained his legal concerns regarding taking the issue to court and the potential that the City could lose in a jury trial which would be more expensive than the costs to make the connections. The lack of a map compounded his concern. The map could resolve the issue. He felt that the Sections 1.1, 1.11 and 3.4 were vague. Anyone seeking legal relief should be willing to lose as well as win due to the lack of control over the jury and its findings. He also indicated for the record that the estimated cost of \$2,000 to \$4,000, which had been indicated, may not be the issue on which the City should take a monumental stand. He acknowledged that it may not be as palatable to the other Board members to accept and grant the Lepires' request. As a City representative, he could not see spending the money fighting the issue due to the more pressing needs in the community.

Mr. Lepire indicated that he understood that Supervisor Staub had not been present when the agreement was approved. He then explained his discussions with Mr. Hoffert when Mr. Hoffert had scheduled the appointment to tour the property. Mr. Hoffert had allegedly indicated that he had the ability to make a decision. Mr. Hoffert had purportedly committed to completing the connections by October. Mr. Lepire thought that the matter was closed, however, "Mr. Hoffert had his arms twisted and it was not done". He felt that the issue could be put to bed for either a few thousand dollars now or the City could pay more later.

Mr. Lepire then responded to Supervisor Staub's suggestion that they split the cost that he was willing to split it 50/50 after the City pays the first \$40,000. Mayor Masayko asked that negotiations not occur from the dais. Staff should be directed to do the negotiations. Mayor Masayko then asked for direction from the Board concerning the action which the staff should take.

Supervisor Staub felt that the matter should be referred back to staff to work it out. He could not believe that it would not be resolved for the estimated \$2,000 to \$4,000 cost.

Mr. Lepire asked that the issue be resolved today. He questioned whether he was being asked to pay 50 percent of the cost. Mayor Masayko reiterated his statement that negotiations would not occur from the dais. Mayor Masayko felt that the Board would provide staff direction so that it could be settled today.

Mr. Rombardo agreed that Supervisor Staub's recommendations were correct to some extent. He opined that if the agreement is vague, the courts would look to the individual who had drafted it. He felt that the agreement took precedence over the correspondences and drafts. He also pointed out that the dispute over the \$2,000 to \$4,000 is only a small portion of the agreement which covered several hundred thousands of dollars. The question is substantial conformance. The City had substantially complied with the terms of the agreement. It had given the 1.9 acres and paid for all of the items it had agreed to do within the terms of the agreement. The issue will be placed before a judge and not a jury due to the small amount involved. The judge would agree with his opinion that the City had complied substantially. He also indicated that if you are not willing to lose, you cannot win.

Mr. Berkich indicated that staff was attempting to locate and bring the map to the meeting. He asked if the Board wished to continue the matter to another meeting. Mayor Masayko felt that a decision should be made today. Mr. Lepire felt that the negotiations could be completed before the 7th and that the item could be back to the Board on the 15th. Mayor Masayko felt that the Board should vote to continue the matter first before making a commitment regarding a hearing date. Mr. Lepire indicated that if the Board wished to continue the matter, this was his request. Mayor Masayko asked that the Board be given an opportunity to discuss it.

Supervisor Williamson expressed her feeling that everyone knew she did not have any patience regarding the matter. **Supervisor Williamson moved that the Board direct staff to consider the matter closed.** Following discussion on an amendment, **Supervisor Williamson amended her motion to find City staff is in compliance with the terms of the settlement agreement.** **Supervisor Plank seconded the motion.** Supervisor Staub reiterated his recommendation that the matter be returned to staff and have staff and the Lepires work out the issue. He was not prepared to spend Carson City money on such an issue which could cost two to three times the estimated \$2,000 to \$4,000 cost. It had been a long road to this point, however, there is no reason not to go the extra bit remaining. He felt that the parties were willing to do it. He could not support the motion. The

Board/staff should go the extra step for the economic benefit of the citizens. Mr. Rombardo indicated that the matter would be considered in the Municipal Court due to the \$4,000, however, the suit would be for more than that amount. He would file a motion to say that that amount is not proper and move to have it reduced and placed in a lower court. Supervisor Livermore then expressed his feeling that, due to the amount of time required to develop the settlement agreement, it would not be beneficial to return the matter to staff. He felt that staff and the Lepires had reached an impasse. They would not be able to find an answer even though they were sent to the room on numerous occasions. He then indicated that, as he had spoken with Mrs. Lepire approximately two weeks ago, it is now at a point where a third party needs to decide the issue. He did not see any reason for delaying that process. He acknowledged that he had not been involved in the negotiations, however, this is the feeling he had received from the discussions. **The motion to find that staff had complied with the terms of the agreement was voted and carried 4-1 with Supervisor Staub voting Naye.**

Mr. Lepire indicated that the Board had exercised its prerogative and that he would now do his job.

A. ACTION ON A RESOLUTION SUPPORTING THE FINDINGS AND ENDORSING THE RECOMMENDATIONS OF THE CARSON CITY MENTAL HEALTH COALITION'S POSITION PAPER TO BE PRESENTED TO THE 2001 NEVADA STATE LEGISLATURE FOR APPROPRIATE ACTION (3-1667) - Coalition Coordinator Pat Hardy - Mr. Berkich's introduction explained the purpose of the position paper and the lack of knowledge concerning the direction which the Legislature will provide. He also pointed out the funding equity and service level issues which were being raised. Both Washoe and Clark Counties have developed white papers supporting their positions and had acknowledged the equity issues. Supervisor Livermore complimented Mr. Hardy and all of the coalition and subcommittee members for their efforts to identify the issues and developed the position paper. Mayor Masayko complimented Supervisor Livermore for his work on the committee and Mr. Hardy on the report.

Mr. Hardy indicated that the report had been endorsed by the Nevada Association of County Officials and that the Douglas County Commission had acted to support the resolution. He then highlighted the recommendations which commenced on Page 10 of the report. (A copy is in the file.) His comments included a description of the needs to justify the recommendations.

Mayor Masayko indicated that he had read the report. The funding needs of \$700,000 to \$800,000 will provide a significant improvement in the level of service. It will require support from the Washoe and Clark Counties legislators even though it may reduce the funding for them. Mr. Hardy agreed and explained that there will be eight to ten meetings with the area legislators regarding the funding needs. Support in principal purportedly has been received.

Supervisor Livermore explained that previously only the State Mental Health Agency had addressed the legislature regarding the rural health needs other. Washoe and Clark County had organized an effort to negotiate for those services. The coalition created an element patterned after their efforts. Justification for this was based on the fact that both have the same needs as Carson City's except on a larger scale. Efforts to meet these needs are currently being provided piecemeal outside the different agencies' missions with money that had been dedicated for other purposes. The paper is an effort to place our needs on an equal basis with Clark and Washoe Counties. The Coalition's role will be to monitor the legislative process and insure that Carson City receives its share. All of the recommendations may not be supported but it is a beginning and provides equity, fairness, and services.

Comments indicated that the cost to law enforcement for the services had been quantified. Supervisor Williamson suggested that this figure be reallocated to the medical needs. She also suggested that the position paper include focal points to assist harried readers in their perusal of the report. This should include statistics regarding the number of people who are being served, the number needing service, etc. Mayor Masayko suggested it also include the funding now provided, the estimated costs, and a funding equity.

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Supervisor Livermore described the support provided by Carson-Tahoe Hospital for mental health. He suggested that the Board take over the costs for providing mental health coverage to the jail and juvenile facility.

Mr. Berkich supported Mayor Masayko's and Supervisor Williamson's suggestions. Efforts to develop this information are being made. Mayor Masayko felt that the information should be on the second page of the report. Mr. Hardy indicated that a portion of the information was just made available through the release of the Governor's recommended budget. The effort is now focused on identifying who has the funding as it is spread through the Governor's budget under different agencies.

Supervisor Livermore complimented Mr. Berkich, Liz Teixeira, Mr. Hardy, the committees and subcommittees on their dedication and efforts. He also welcomed Supervisor Williamson's participation on the coalition and volunteered to share his information with her.

Discussion indicated that Douglas County had approved the resolution with no comment. They had had an executive summary and the petition.

Supervisor Livermore moved to adopt Resolution No. 2001-R-10, A RESOLUTION SUPPORTING THE FINDINGS AND ENDORSING THE RECOMMENDATIONS OF THE CARSON CITY MENTAL HEALTH COALITION'S POSITION PAPER TO BE PRESENTED TO THE 2001 NEVADA STATE LEGISLATURE FOR APPROPRIATE ACTION. Supervisor Plank seconded the motion. Motion carried 5-0.

There being no other matters for consideration, Supervisors Williamson and Livermore moved to adjourn. Mayor Masayko seconded the motion. Motion carried unanimously. Mayor Masayko adjourned the meeting at 5:40 p.m.

The Minutes of the February 1, 2001, Carson City Board of Supervisors meeting

2001. ARE SO APPROVED ON ____April_4____,

____/s/____

Ray Masayko, Mayor

ATTEST:

____/s/____
Alan Glover, Clerk-Recorder