

CARSON CITY BOARD OF SUPERVISORS
Minutes of the December 4, 1997, Meeting
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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, December 4, 1997, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

PRESENT:	Ray Masayko	Mayor
	Tom Tatro	Supervisor, Ward 3
	Greg Smith	Supervisor, Ward 1
	Jon Plank	Supervisor, Ward 2
	Kay Bennett	Supervisor, Ward 4
STAFF PRESENT:	John Berkich	City Manager
	Alan Glover	Clerk-Recorder
	Al Kramer	Treasurer
	Gary Kulikowski	Internal Auditor
	Daren Winkelman	Health Officer
	John Iratcabal	Purchasing Director
	Paul Liparelli	Chief Deputy District Attorney
	Tom Hoffert	Water Utilities Superintendent
	Ken Arnold	Environmental Control Manager
	Melanie Bruketta	Deputy District Attorney
	Stacy Giomi	Fire Captain
	Fred Schoenfeldt	Sergeant
	Katherine McLaughlin	Recording Secretary
	Justine Chambers	Purchasing Technician
	(B.O.S. 12/4/97 Tape 1-0001.5)	

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, 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. Louie Locke of the Fountainhead Foursquare Church gave the Invocation. Mayor Masayko requested a moment of silence in honor of Paul Elorreaga, a Hospital Trustee, and lead the Pledge of Allegiance.

CITIZEN COMMENTS (1-0029.5) - Pete Bachstadt indicated people are dumping their pets of all different types at the sanitary landfill. He urged the Board to post signs informing the public that such acts are illegal under CCMC 7.13.430. He indicated that the Humane Society would donate the materials. Mayor Masayko indicated that Mr. Berkich had taken notes and would follow through on this request.

Ann Uptergrove, Vice President of the State Alliance for the Mentally Ill and President of the Eagle Valley Alliance in Carson City, expressed her concern about the area's need for low cost housing. Mr. Sullivan had given her a copy of the draft consortium plan. She then questioned the Board about its decision to be the lead agency for the consortium. Discussion between Mayor Masayko and Mr. Lipparelli indicated the item was agendaized for discussion late in the meeting. Mayor Masayko felt that the Board would consider the item at approximately 10 to 10:15 a.m. and requested she hold her remarks until that time. Additional comments were solicited but none given.

1. APPROVAL OF MINUTES - Special August 12, 1997, Meeting (1-0110.5) - Supervisor Bennett moved to approve. Supervisor Tatro seconded the motion. Motion carried 5-0.

2. SPECIAL PRESENTATION - DEMONSTRATION BY THE FIRE DEPARTMENT OF THE NEW

TECHNICAL RESCUE UNIT (1-0120.5) - Fire Captain Stacy Giomi explained the conversion of a golf cart into an aid cart and purpose of the technical rescue unit. The funding for the cart and its conversion had been donated. He described the cooperative financial support provided by the Fire Department and Public Works Department. The vehicle is a demo which had given the City even more in equipment than normal. He invited the Board and public to view the equipment in the west parking lot of the Community Center. The Board recessed to the parking lot where the Mayor, Supervisors, City staff, and the public questioned the various Fire Department Personnel about the two pieces of equipment. Fire Personnel demonstrated several of the features. Mayor Masayko reconvened the Board of Supervisors session at 9 a.m. (The entire Board was present constituting a quorum.) He thanked the Fire Department for the demonstration and remarked about the impressiveness of the equipment. No formal action was required or taken.

LIQUOR AND ENTERTAINMENT BOARD - Mayor Masayko recessed the Board of Supervisors session and immediately reconvened the session as the Liquor and Entertainment Board. The entire Board was present including Sheriff's Representative Fred Schoenfeldt.

3. TREASURER - Al Kramer

A. ACTION ON A SIX MONTH REVIEW OF DEER RUN ROAD CORPORATION, DOING BUSINESS AS DEER RUN BAR AND GRILL, FULL BAR LIQUOR LICENSE (1-0165.5) - Cliff Jones was present. Mr. Kramer explained the change in corporate officers. Discussion noted the favorable Sheriff's report. Member Smith explained his personal visits to the establishment. Member Smith moved to approve the full bar liquor license for Deer Run Road Corporation, doing business as Deer Run Bar and Grill, with a fiscal impact of \$200 per quarter, funding source is the Business License Revenue Account. Member Bennett seconded the motion. Motion carried 6-0.

B. ACTION TO ADD GURPRIAT SINGH AS A PARTNER TO THE EXISTING LIQUOR LICENSE HELD BY FRONTIER LIQUOR AND FOOD MART (1-0225.5) - Mr. Singh and Mr. Kaur were present to answer questions. Mr. Singh was buying a 25 percent share of the business. Mr. Singh indicated he was familiar with the State Liquor Laws. The favorable Sheriff's report was noted. Member Tatro moved that the Liquor and Entertainment Board approve Gurpriat Singh as a partner to the existing liquor license held by Frontier Liquor and Food Mart, fiscal impact is none. Member Plank seconded the motion. Motion carried 6-0.

BOARD OF SUPERVISORS - There being no other matters for consideration as the Liquor and Entertainment Board, Mayor Masayko adjourned the Liquor and Entertainment Board and immediately reconvened the session as the Board of Supervisors. The entire Board was present constituting a quorum.

4. CONSENT AGENDA (1-0269.5)

- A. TREASURER**
- i. ACTION ON PARTIAL REMOVAL AND REFUND OF 1997-98 REAL PROPERTY TAXES FOR APN 1-201-04 DUE TO CARSON-TAHOE HOSPITAL ACQUISITION OF PROPERTY**
 - ii. ACTION ON PARTIAL REMOVAL AND REFUND OF 1997-98 REAL PROPERTY TAXES FOR APN 3-282-04, 05, 06, AND 3-283-03 DUE TO STATE OF NEVADA ACQUISITION OF PROPERTY**
- B. CLERK-RECORDER - ACTION ON THE ESTABLISHMENT OF THE GUARDIANSHIP OF A 77 YEAR OLD FEMALE**
- C. PURCHASING DIRECTOR**
- i. ACTION ON CONTRACT NO. 9798-129 - FIFTH STREET IMPROVEMENTS, AWARD**
 - ii. ACTION ON CONTRACT NO. 9495-148 - REQUEST FOR CONTRACT APPROVAL, GRAVES LANE ENGINEERING DESIGN SERVICES, AMENDMENT NO. 3**
 - iii. ACTION ON CONTRACT NO. 9798-151 - REQUEST FOR CONTRACT APPROVAL, PURCHASE OF USED PORTABLE ELECTRIC GENERATOR**

iv. ACTION ON CONTRACT NO. 9798-148 - REQUEST FOR CONTRACT APPROVAL, REBUILD FIRE TRUCK ENGINE

v. ACTION ON CONTRACT NO. 9798-085 - REQUEST FOR CONTRACT APPROVAL, PURCHASE OF PLAYGROUND EQUIPMENT FOR MILLS PARK

vi. ACTION ON CONTRACT NO. 9798-133 - STREETS AND RTC BUILDING REMODEL, REBID, AWARD

D. UTILITIES AND PUBLIC WORKS DIRECTOR - ACTION ON ADDITIONAL CONSTRUCTION MATERIAL TESTING EXPENDITURES UNDER CONTRACT NO. 9697-180 FOR SOUTH LIFT STATION RELOCATION PROJECT - Supervisor Smith pulled Contract 9495-148 for discussion. Mayor Masayko pulled Contract 9798-133 for discussion. Purchasing Director Iratcabal pulled Contract 9798-148 for discussion. Supervisor Tatro moved to approve the Consent Agenda as presented after removing Contracts 9798-133, 9495-148, and 9798-148. Supervisor Bennett seconded the motion. Motion carried 5-0.

C. ii. (1-0308.5) - Mr. Iratcabal explained S. E. A. Corporation's name change and requested the motion include the new name of Stantech Consulting. Supervisor Tatro moved to accept the Purchasing Department's recommendation on Contract 9495-148 and authorize the Streets Department to issue Claim Forms to Stantech Consulting Inc., formerly SEA Incorporated, 950 Industrial Way, Sparks, for a not to exceed cost of \$18,500, funding source is RTC Construction as provided for in the FY 9798 budget. Supervisor Plank seconded the motion. Motion carried 5-0.

C. iv. (1-0336.5) - Supervisor Smith requested a copy of the final bill for the repair work. Mr. Iratcabal agreed to provide same. Supervisor Smith moved to accept the Purchasing and Contract Department's recommendation on Contract 9798-148 and authorize the issuance of a Purchase Order to Silver State International, P. O. Box 1680, Sparks, Nevada 89431, for a not to exceed cost of \$16,919; budget allocation for this item was \$17,000; the funding source is the Capital Outlay Vehicle Replacement Program as provided for in the Fiscal Year 9798 budget. Supervisor Plank seconded the motion. Motion carried 5-0.

C. vi. (1-0365.5) - Mayor Masayko noted that the remodeling project was being rebid due to the difference between the established budget, the original cost estimate, and the first bids. Special Projects Engineer Jay Aldean explained the use of an engineer to design the original project. Due to the questions which staff fielded at the pre-bid conference it was determined that engineer's design was inadequate and the plans were pulled. Richard Baker was then hired to comment on the project. His comments were added to the plan. The project is still considered a "design built" which lacks a full set of plans. The contractor will be responsible for those designed systems. The plans detail these projects and give their dimensions and purposes. This type of contract is difficult to estimate. Streets Superintendent John Flansberg explained that the original funding allocations had been determined based on the proposed square footage to be used by those Departments. As the signal shop will have two stories, it should incur a large percent of the cost. Mayor Masayko expressed his hope that the project would come in as estimated and not require the additional \$15,000 contingency. Deputy Public Works Director Homann explained the original concept and the time which had elapsed since then. He also indicated that he had drastically underestimated the original estimate for conversion of the bays into work area and the environmental problems. Mayor Masayko noted that the request is a 40 percent change from the original budget. Supervisor Bennett moved that the Board of Supervisors accept the Purchasing Department's recommendation and award Contract No. 9798-133 to Bidder No. 2, K-W Western, Inc., 318 North Carson Street, Suite No. 210, Carson City, Nevada, as the lowest responsive and responsible bidder pursuant to the requirements of NRS Chapters 332, 338, 339, and 624 for a contract amount of \$112,152 and a contingency amount of \$11,210.20, funding source is Capital Outlay Public Works Building, Construction Projects Sewer Building as provided in the 9798 and a budget augmentation required from savings in the Streets Overlay of \$30,000 plus \$15,000 from the General Fund Contingency which equals \$45,000. Supervisor Smith seconded the motion. Motion carried 5-0.

5. BOARD OF SUPERVISORS

A. NON-ACTION ITEMS - INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (1-0490.5) - Supervisor Bennett did not have a report. Supervisor Tatro described users concerns about the intersection of Hot Springs and College Parkway. Mayor Masayko indicated he had received similar comments and that NDOT is working to mitigate the problem. Mr. Berkich indicated a intent to bring back a report on staff's analysis of the intersection. Mayor Masayko invited the public to participate in the Capitol Christmas Tree Lighting Ceremonies and the City Hall Open House. He also indicated the intent to limit as much as possible heavy truck traffic on Arrowhead between 395 and Goni. He requested Mr. Berkich have staff bring back a report as to the appropriate legal avenues which the City should pursue in this regard. Supervisor Plank indicated he had referred callers on Hot Springs and College Parkway to Mayor Masayko. He had also referred to Supervisor Smith a transportation problem at Saliman and Highway 50. He then reported on the Parks and Recreation Commission meeting and its intent to bring two or three recommendations for park names to the Board at a time. The Railroad Committee's request for a waiver of a portion of its fee had been continued. Supervisor Smith announced the January 21 Regional Transportation Commission meeting at 6 p.m. in the Sierra Room and indicated it will address the Graves Lane extension. He hoped to have this meeting televised. Western Nevada Development District's quarterly meeting will be on Tuesday. The Subconservancy District will discuss its ownership of Mud Lake at its next meeting. Questions which must be resolved before the water rights lease for Mud Lake is renewed were noted.

B. STAFF COMMENTS AND STATUS REPORTS (1-0635.5) - Mr. Berkich announced the Board's goal setting workshop which was scheduled for Saturday in the Sierra Room at 9 a.m. The monument dedication at the Borda ranch has been scheduled for the next Board meeting. Transportation is being arranged for the Board members. Yesterday afternoon Mrs. Barone deposited \$10,000 on behalf of Bar-One Enterprises for the event center at Fuji Park. Staff will begin working with them on the lease agreement which the Board will consider on or before the first meeting in April.

6. HEALTH DIRECTOR - Daren Winkelman - ORDINANCE - FIRST READING - ACTION ON AN ORDINANCE AMENDING TITLE 4 (BODY AND BUSINESS REGULATIONS) BY ADDING CHAPTER 4.30 (INVASIVE BODY DECORATION ESTABLISHMENTS) OF THE CARSON CITY MUNICIPAL CODE (1-0675.5) - Deputy District Attorney Paul Lipparelli, Perry Nixdorf, Vicky Togeffer - Discussion among the Board and staff explained the State Health Board's role, the need for an informed consent document, the public information requirements, the City's Health Board, and the appeal process.

Mr. Nixdorf explained the workshop process under which he had discussed his issues with the proposal. There are currently no problems with the body piercing and tattooing businesses in Carson City or with his establishment. He questioned the need for the ordinance as it would only control two establishments. He felt that the health problems arise from home operators or by the client's own negligence in the after care. He requires his clients to sign the consent document. Supervisor Tatro read the ordinance requirement mandating that the consent document be signed both parties, that a copy be given to the client, and that the operator will retain the original. Mr. Nixdorf felt this is the industry standard. He felt that it would take a lot of effort to remove or change the ordinance once it is adopted. He then explained the history of body decorating and his feeling that "big brother did not need to look after him". The terms used within the ordinance should be in plain English and not subject to interpretation. This makes the ordinance enforceable and holds the drafters accountable. He then questioned Page 4, Number 3 regarding exemption of ear piercing when specific requirements have been fulfilled. It is impossible to sterilize all the equipment, supplies or jewelry that will come in contact with the customer's ear lobe, specifically, as ear piercing guns cannot be made sterile. These guns have not posed a problem in the past. The ordinance had not provide funding to help the Health Department enforce this portion. He urged the Board to eliminate the entire provision.

Supervisor Tatro expressed his reluctance to adopt the ordinance at this time or make changes without having staff analyze the impacts. Mayor Masayko supported his comments and indicated a desire to return the matter to staff for additional work.

Mr. Nixdorf felt that the Board was his only recourse as he had already attempted to work with staff. The previous issue was the only matter he had not discussed with Mr. Winkelman earlier. Mayor Masayko encouraged Mr. Nixdorf to submit his comments in writing so that the Board could analyze them. Mr. Nixdorf reiterated his concerns with Section 3 on Page 4. Mayor Masayko felt that the Board may decide to put a period at the end of regulations unless Mr. Winkelman presents a different recommendation. Mr. Nixdorf felt that there was a conflict between Item 6 and 12. a. He then elaborated on his concerns with Page 6, Section f regarding public information, informed consent, and mandatory record retention. Failure to distribute governmental literature could close down his operation. He questioned the opinion which would be cited to indicate that body piercing is a risk and the requirement that he distribute falsely alarming literature. Again, he felt that he and one other business were being singled out. He urged the Board to remove "Verbal and written public educational information, approved by the Department, shall be required to be given to all clients wanting to receive invasive body decoration(s)." and "In addition, all establishments shall prominently display Disclosure Statement, provided by the Department, which advises the public of the risks and possible consequences of invasive body decoration services." Supervisor Bennett opposed his recommendations based on the Board's responsibility to protect the public's interest. She agreed that Mr. Nixdorf had and should assume of this responsibility. The ordinance protects not only the good responsible operators but also the public safety from irresponsible operators. Mr. Nixdorf then questioned the need for Items 4 and 6 on Page 7. Underage youths are creative in circumventing the age restriction. Civil suits could close his operation without City regulations. These sections will allow anyone with a problem youth to close his operation. He threatened to sue the City if these sections remain. Washoe County's four page document describing the process for obtaining parental permission was displayed and portions read to illustrate his concerns with enforcement. Good business sense mandates he control this issue and not have government regulation. He then questioned the need for Section 6 on Page 14 and timing for the Department to inspect a temporary booth. The Department could inspect and close the shop at any time, therefore, he should be allowed to open without the permit. He then explained his concern about the City's authority to mandate any and all of the requirements and, specifically, the age requirements. Other enforcement ordinances allow the City to control his operation. The proposal was redundant and created additional bureaucracy and red tape. The proposed fees would not support the additional staff. A review of his recommendations by Supervisor Tatro indicated that Page 4 was to terminate at regulations. Page 5 changed sterile to sanitary. Page 6 removed lines 1 and 5 from Section f. Sections 3 and 6 on Page 7 and Section 6 on Page 14 had been questioned.

(1-1482.5) Additional public comments were solicited. Ms. Togeffer explained her 17 year old son's piercing and tattooing. Her son now lives in Seattle. She had not given her consent for her son's piercing. Her son's medical problems were described. She felt that parents should be aware of the process. Sterilization is very important and should be mandated. She urged the Board to mandate parental consent. Michael's purported personal comments were to mandating control over piercing and to leave tattooing alone. She preferred regulation over both. She responded to Supervisor Bennett's question concerning Page 7 Section 6 that parental consent should be mandated. She also supported retention of the public education requirements.

(1-1600.5) Additional public comments were again solicited but none given. Mr. Winkelman expressed a willingness to change sterilize to sanitary on Page 5. The age requirement was based on the National Environmental Health Association's recommendation. He emphasized the need to be sure that the operator knows what he/she is doing and urged the Board to hold the line on this individual. Anyone over 18 should be mature enough to recognize the consequences of the act. Temporary events are given permits when the booths are inspected. The Department is able to be there and handle the demand. He urged the Board to retain the public information and disclosure requirements. He expressed a willingness to work with Mr. Nixdorf on the documents. Mayor Masayko recommended termination of Section 3 on Page 4 at regulation and retention of ear piercing through the cartilage. Supervisor Bennett recommended retention of the sentencing requiring conforming to the manufacturer's directions and applicable U.S. Food and Drug Administration requirements on the use of ear piercing guns in Section 3 on Page 5. Mayor Masayko agreed. Clarification for Mr. Lipparelli indicated that the change would exempt ear lobe piercing from all regulation.

Supervisor Smith expressed his opposition to any vote on the ordinance at this time. Although he supported many of Mr. Nixdorf's comments, he also understood the motivation behind the Department's intent. He supported

retention of the language regulating minors under 18 and parental consent. He felt that another workshop should be held with Mr. Nixdorf and anyone else involved with the business. Mr. Winkelman indicated that the ordinance had been written for the public's protection and not in opposition to two businesses. The regulation is consistent with national guidelines and Washoe and Clark Counties regulations. Supervisor Tatro noted that the ordinance discusses the Health Authority but does not include the Carson City Board of Health. He also indicated his lack of knowledge in this area. Supervisor Bennett explained her experience in this area and urged the Board to implement stringent controls. She commended Mr. Winkelman on the proposal. She was willing to accept elimination or simplification of the language regarding ear lobe piercing but not any other changes. She supported the age restriction on the operators and the consent issues. She recommended expanding the Health Authority to designate who they are. She agreed that the Board was not reacting to a situation, however, it will occur sooner or later. The message provided by the ordinance is that the Board takes its responsibilities seriously and will protect the public. Supervisor Plank noted that the proposed procedures are not necessary and are considered elective. He supported be cautious and implementing the proposal. Mayor Masayko felt that the proposal, while uniform with Las Vegas and Reno, may be too much bureaucracy. The Board is concerned about the community's safety and welfare and would support the proposal even if it appeared to be conservative. He, too, recommended including the appeal process. He encouraged Mr. Winkelman to continue to work with Mr. Nixdorf and consider the changes as discussed and bring the proposal back. Any issues of disagreement should be reflected in written comments. Clarification for Mr. Lipparelli indicated that the Health Authority should be changed to Board of Appeals. Mayor Masayko explained his desire to have staff submit a final draft with the amendments as recommended during the discussion. Supervisor Bennett moved that the Board of Supervisors direct Health Officer Winkelman to make the agreed upon corrections to the ordinance and return to the Board, specifically, those issues with regard to No. 10, the definition of the Health Authority, and in Section 4, Item 3, the issue clarifying language with regard to No. 3, and then return to the Board at the appropriate time. Following discussion Supervisor Bennett amended her motion to include on Page 12 the hearing and procedures for appeals which should be reviewed very carefully. Supervisor Plank seconded the motion. Clarification indicated that an affirmative vote would approve the ordinance with only the listed three items modified when reconsidered by the Board. Supervisor Bennett, at first expressed a willingness to modify her motion to include "and any other issues which were discussed". She then indicated that she would not support the ordinance when it comes back if there are any other substantial changes made. She then stated that the motion stands as originally amended and without the clause "and any other issues which were discussed". The motion to direct the Health Officer to make the three changes and bring the ordinance back was voted and carried 3-2 with Supervisor Smith and Mayor Masayko voting Naye.

BREAK: A ten minute recess was declared at 10:45 a.m. A quorum of the Board was present when Mayor Masayko reconvened the session at 10:55 a.m. although Supervisors Bennett and Tatro were absent.

7. COMMUNITY DEVELOPMENT DIRECTOR - Walter Sullivan

A. ACTION ON M-88/89-2 - A REQUEST FOR REIMBURSEMENT OF \$125,000 TO ORMSBY, INC. (CLARK G. RUSSELL, PRESIDENT) FOR FUNDS PAID TO CARSON CITY FOR THE ABANDONMENT OF NINTH STREET BETWEEN CARSON STREET AND CURRY STREET (1-2065.5) - Clark Russell, Applicant's Attorney John Gallagher, Deputy District Attorney Mark Forsberg, Mr. Stowers, Chief Deputy District Attorney Paul Lipparelli - Mr. Russell expressed a willingness to have the three Board members consider the issue.

(1-2105.5) Mr. Sullivan indicated that new information had been given to the City Manager. He had asked Mr. Thomas Hall to review the information, however, Mr. Hall had not yet submitted his written findings to staff. Mr. Forsberg had discussed the issue with him yesterday and would report on the discussion later in the meeting.

(1-2145.5) Mr. Gallagher requested an opportunity to respond to Mr. Forsberg's remarks later in the meeting. He then explained the reasons Mr. Russell had requested reimbursement and the meeting with staff. Staff had purportedly agreed during that meeting that both the Ninth Street and Mr. Millard's abandonment request of Eighth

Street were the same. Legal issues raised during this discussion were noted. He felt that a title company would not issue an opinion indicating that the City had ever had title to either street. He felt that Mr. Russell had not been treated professionally nor honestly as the City was constantly looking for reasons to avoid repaying the money or stalling the settlement. The Board's March 1997 ruling that the property had been dedicated should be used to support his request for reimbursement as there is no difference between his Ninth Street and the Millard-Ramos Eighth Street request. No one has any information indicating Carson City had ever paid for the street. He did not feel that the statute of limitations issue should be used in this case. If necessary he would sue to prove his point. He requested reimbursement of the \$125,000 fee and the appraisal cost of \$2,000.

(1-2387.5) Mr. Forsberg indicated that the District Attorney's position on the issue had not changed from the beginning. The City has always had title to the property and could and did convey good title. The property had been dedicated to the City in a fashion which would require payment for the abandonment. Also, the statute of limitations bars action to challenge the requirement. Ormsby, Inc., does not have legal standing to challenge an abandonment at a future date as it is not an abutting property owner. He then reviewed the history of the abandonment request. The City had proceeded based on Stewart Title's information that the City had title to Ninth Street. He felt that Ormsby, Inc., currently holds title to Ninth Street. He then explained that the property had been conveyed to the City Trustee via a patent. Based on this conveyance, the City could charge for the abandonment. More than 25 days had elapsed since this occurred. The maximum period for a statute of limitations is six years, which has also elapsed. The abandonment application included information indicating that the property had not been dedicated. Staff had relied upon this statement when it recommended selling the property to Ormsby, Inc. This statement was in error, otherwise, staff would have made the same findings as it had for the Millard/Thomas/Ramos abandonment requests on Eighth Street. He felt that staff would be successful in defending the issue in court and urged the Board to hold the line. Discussion between Mr. Forsberg and the Board indicated the statute of limitations is a consideration used by the courts. It does not restrict the Board's consideration. It was felt that the error had been made when considering the Millard/Thomas/Ramos abandonments and not with the 1989 Ormsby request. Mr. Forsberg supported requesting Millard, et al., to pay for the abandonment. Legal issues and the outcome of any litigation were noted. Mr. Forsberg also felt that the original Ninth Street abandonment may have had the same result today as in 1989.

(1-2828.5) Mr. Stowers purportedly had given the Board a synopsis of his comments. (A copy was given to the Clerk at the conclusion of his remarks.) Mayor Masayko explained his contact with Mr. Stowers and reasons for this contact. Mr. Stowers indicated that he was not representing BLM even though he is employed by BLM. He then explained his study of town sites including trustee town sites. Carson City is a trustee town site. Some town sites have never been developed. Mining caused town sites to be developed. When it ended, the town was either abandoned or relocated. Once a patent is given to a trustee, federal jurisdiction terminates unless there is a special reservation in the patent. Carson City had such a reservation regarding the block where the old Mint was. The town site authors envisioned the town as having been in existence. The statute directed the town site trustee, once title passed from the federal government, to survey according to the occupation in existence prior to the title transfer. The streets would already have been established. Town sites do not track like private subdivisions as indicated in NRS 278. Mr. Stowers was not sure whether the City had any right to abandon or transfer title of the streets. Mr. Stowers also indicated that he is not an attorney nor did he represent the BLM. As there is no federal jurisdiction involved and he had not reviewed Nevada case law, he requested the specific case not be discussed. His purpose is to indicate the complexity of official town sites. Reno was used as an example to explain this complexity. He then reviewed the town site laws beginning in 1820. In 1867 trustee town sites were authorized. Its purpose and the qualifications for a trustee were noted. Carson City's first trustee was the District Court Judge. Today, that trustee may be the Mayor, which is normally found with all incorporated cities. The town site trustee's legal purpose, life, and acts were then described. He felt that there is a difference between subdivision streets, trustee town site streets, and government town site streets. He felt that a strong legal position could be made that the streets could not be abandoned. If they are abandoned, the trustee, whomever that is, would have to research whether the City council was designated as the trustee or if that individual is only the Mayor. Mayor Masayko noted the complexity of the issue and indicated that this is not the question he had asked Mr. Stowers to research. The Board had been presented with information on March 20 indicating that the streets had been dedicated to the middle of the right-of-way. He felt that the original argument had been that the property line terminated at the line

and that the streets had been reserved for public use and that the trustee held the title to that property for the citizens of the city. Mr. Stowers indicated that this had been the purpose behind his statement that trustee town site law was a special creation. He did not believe that there had been a dedication of the streets. The streets had been surveyed as individual parcels. Mayor Masayko supported his comments. Mr. Stowers explained that Beatty was an example of the trustee town site and that Nye County Commissioners had abandoned its streets with grant, bargain, and sale deeds. BLM became involved as the title company would not insure an individual's title. BLM then conducted a special survey of Beatty which tracked all of the streets. The streets were then described in a deed and the streets were sold to Nye County. This removed any remaining federal jurisdiction. A Minnesota case was also cited as an example which indicated that the property owner held title to the center of the street. Mr. Stowers felt that other examples could be found to argue different issues, however, the majority of the cases he had researched indicated that the streets were separate parcels from the lots and that the trustee retains title to the streets. Mayor Masayko thanked him for his presentation. Carson City had been established as a 320 acre town site. This acreage includes both Plaza and Ninth Streets. Anything outside the 320 acre town site is different. Mr. Stowers then gave the Clerk a copy of his remarks.

(1-3258.5) Mr. Gallagher felt that these comments did not support the City's position. Reasons for this statement were provided and related to the fee assessed to the property owner. Mr. Forsberg's remarks also failed to show that there had not been a dedication. Mr. Gallagher then used the newspaper to illustrate his feeling that the City's position keeps changing. He reiterated his comments that only Stewart Title would indicate that the City has title to the street. He challenged Mr. Forsberg's contention that Ormsby, Inc., now has title to the street as the title which Mr. Russell holds is felt to be defective.

Additional comments were then solicited from the audience but none given. Mr. Forsberg indicated that Mr. Hall could not attend this meeting due to other commitments. Mr. Hall had indicated to Mr. Forsberg that he would provide his opinion in one week. Mr. Hall's oral statements to Mr. Forsberg based on all the documents provided by the City, Ormsby, Inc., and Stewart Title does not defeat the City's claim to title as indicated by Stewart Title's statement.

Mr. Lipparelli then explained the reasons for bringing Mr. Hall into the picture and his confidence in the opinion which had been issued by his office. Supervisor Plank suggested that the Board delay action until Mr. Hall's report is available. Mr. Forsberg felt that the loose ends would continue to remain by requiring additional research from other individuals. He urged the Board to act on the information which was available to them. The courts would ultimately have to decide the issue. Supervisor Plank noted that the ultimate question is one of fairness. If the other abandonment had been handled incorrectly and Mr. Russell's had been correct, then the other abandonment should be corrected. Mr. Forsberg agreed and urged the Board to follow that avenue rather than the recourse suggested.

Discussion between Mr. Gallagher and Mayor Masayko noted that Tom Brown was present and could provide testimony on the issue to support Mr. Gallagher's position. Mayor Masayko felt that both Mr. Gallagher and Mr. Forsberg had stated that the two properties were identical. Supervisor Smith agreed. Mr. Sullivan explained his reasons for recommending that Mr. Hall become involved in the issue and his contract for \$2,500. Supervisor Smith explained that in order for him to support a motion indicating the 1989 Board action had been correct, the motion would have to include a statement acknowledging the need to proceed with rectifying the March 20th action. Millard/Thomas/Ramos may chose to pay or to have the City sue for payment. If the City does collect, then it should reimburse Mr. Russell for his expenses in bringing the matter to the Board's attention. This is the equitable thing to do. If the City sues Millard, et al., and loses, we will be right back to square one with Ormsby, Inc. He was also aware of other individuals who are watching the outcome for the same reason. He was certain that to deny Ormsby, Inc., would put the issue in court. If the City loses that decision, the cost will be more than the requested \$127,000. He questioned whether there is any other alternatives which had been missed. Mayor Masayko explained his original contact with Mr. Russell which had brought the issue before the Board. He thanked Mr. Russell for taking the time to bring the issue forward to the Board. He would not support offering to repay Mr. Russell his legal fees as the Board process was an option which he could have sought on his own and at a lower cost than the court avenue. Supervisor Smith pointed out that the Board could not act on his suggestion

that rectification of the Millard, et al., issue be included in the motion. Mayor Masayko indicated that he hoped to handle this issue as Board direction after the motion and committed to agendizing this issue. Mr. Lipparelli supported Supervisor Smith's statement that action could not be taken, however, indicated that instructions to staff could be provided. Supervisor Smith explained his reluctance to not act on both issues in one motion. Mr. Lipparelli explained the process underway to reconsider the Millard, et al., decision. He also pointed out that the City could not resolve the issue raised by Mr. Gallagher regarding Ormsby, Inc.,'s title to Ninth Street. The court would have to resolve it. Therefore, he felt that the issue would be in court regardless of the Board's action today. Additional public comments were solicited but none made.

(2-0195.5) **Supervisor Plank moved that the Board of Supervisors uphold the Carson City Board of Supervisors action on October 10, 1988, regarding the abandonment of Ninth Street between Carson Street and Curry Street that included that the Applicant Ormsby, Inc., Clark G. Russell, President, be required to pay \$125,000 for the City right-of-way.** Mayor Masayko indicated Mr. Lipparelli had stated that the Board could include within the motion direction to staff on the March 10th decision. **Supervisor Plank amended his motion to include direction/instruction to staff to revisit the Plaza Street abandonment to see if the Board had erred and needed to correct that error.** Mr. Lipparelli noted, for the record, that not all of the abandonments considered in March had been related to Plaza as Mr. Ramos may not have any ownership on Plaza Street. **Supervisor Plank corrected his motion to include the entire group of abandonments which had been considered.** Mayor Masayko indicated that his entire approach to this matter with Mr. Russell had been to do the correct thing in the past as well as in the future. In his mind, there had always been a possibility that a mistake had been made at one place or the other. His review of the matter indicated the belief that on March 20th, the information which had been presented to the Board had led to an incorrect decision. There had been several issues agendized on abandonments, at least three, as well as land uses at that meeting. The Board was also attempting to formulate a policy that would--. If the Board had followed its own policy, we would have been right where we are today and have said, "Gee, you know, we shouldn't dedicate that street without a finding for public purposes on Plaza Street". We were struggling with first visiting NRS 278.480 that said that, if in fact, the land is dedicated by in fee owners, which to his way of looking at it is kind of backwards--he preferred to say, "did the fee owners ever own the street" as opposed to saying "well, did the street get dedicated". He looked to the Federal government, the State government, and the City government as government and as the land and the street came into being all at the same time, you should say, "you don't worry about how it was dedicated." He felt that NRS 278 contemplates whether the fee owner ever held title to the street and dedicated it to the City for a short length of time to be used. If it is vacated, it, again, goes back. When you get one of these town site situations, that is why he had talked to Mr. Stowers, is that, in essence, the property and the street came about exactly at the same time. So, if you look in the reverse, the adjacent property owners never owned the street until we, the representatives of the people of Carson City, dedicate or abandon and revert that to them. At least, that is his way of looking at it. We were also looking at behind the sidewalk abandonments. We had several of those and then the street abandonment. So, it was a confusing time and, again, Mr. Russell, Mayor Masayko apologized to him for the apparent conflicts or contradictory action that the Board of Supervisors took but, in essence, he thought it was worth going through to find out where we are going to go prospectively from here so that everyone gets a level playing field so that there is not a question of how we are going to treat similar issues. Now, that may not please you, Mr. Russell, but--. Mr. Russell requested an opportunity to speak to that. Mr. Russell stated that his "comment is that he would not have been here today, nor would he have been here in October, had the Board made the decision in February and March that had been a matter of public policy, political policy, that for many years all of us who are doing business in Carson City have from time to time who have wanted additional property for expansion and all of us were willing to pay for that. It was only at your March 20th meeting when Mr. Sullivan advised you that you did not have to charge those people for that property. That is what upset him. You received that information and you voted accordingly. Then, he decided he had better bring it to your attention. Now, you made the wrong decision and he thought he made the wrong decision by carrying it forward to where he was today because he had relied on information that Mr. Sullivan had commented to him. He relied on information that he had received from others. He had spent a great deal of money on consultants and legal fees to get to the point where he was today. He would not be back here again on this matter. He would be in court with members of the City staff and the District Attorney. Thank you." Mayor Masayko thanked him for his comments. He indicated he understood Mr. Russell's

position. **Mayor Masayko then seconded the motion** and requested discussion on the motion. Supervisor Smith expressed his appreciation of the language which had been inserted into the motion to direct staff to pursue rectifying and trying to give some semblance of keeping people whole. He indicated he would vote no on the motion merely to allow the vote to reflect the confusion and disappointment that still surrounds this entire issue. Mayor Masayko indicated that, although today he was voting for a motion which contains a March 20th item, he had abstained from voting on March 20th on the item, which is a matter of the record. He then requested additional discussion. None was made. **The motion to uphold the Board decision of October 10, 1988, and direct staff to revisit the other abandonments was voted and carried 2-1-0-2 with Supervisor Smith voting Naye and Supervisors Tatro and Bennett absent.**

Mr. Sullivan then indicated that the information furnished to his office in February/March had been verified by his office. The process had provided a better understanding of the complexities of the streets and the related issues. He had also spoken to both Mr. Forsberg and Finance Director Walker about the process for seeking repayment from Millard, et al. Mayor Masayko acknowledged Mr. Russell's disappointment and the seemingly confusing process. He apologized for it. He felt that progress had occurred and things were being accomplished. At the very least it will provide a more level playing field, a better understanding, and a more reasonable approach put forth on these matters in the future. Doing the correct thing is always better than being pig headed and never correcting the misinformation or error of March 20.

B. ACTION ON APPROVAL ON AN AMENDED WESTERN NEVADA HOME CONSORTIUM INTERLOCAL AGREEMENT, WHEREBY CARSON CITY IS NAMED AS BOTH LEAD AGENCY AND ADMINISTRATOR FOR THE CONSORTIUM AND OTHER MATTERS RELATED THERETO (2-0335.5) - Mr. Sullivan explained the dates when the other members would consider the agreement. Mayor Masayko corrected a typographical error in the November 24th memo by indicating that the agreement had been enforce since September 10, 1996.

Anna Uptergrove, Vice President of the State Alliance of the Mentally Ill and President of the Eagle Valley Alliance for the Mentally Ill and resident and homeowner of Carson City, referenced a news article indicating the City is the lead agency and administrator for the low cost housing consortium. Seven of the members purportedly opposed having Carson City serve in this dual capacity. Supervisor Plank indicated that only one member had voiced an opposition. Supervisor Smith explained the HUD requirements mandating that one entity be the lead agency for its purposes. Carson City had agreed to fill this role. The administration had been delegated to Western Nevada Development District. Reasons the City had decided it needed to serve in both capacities were described. The funding will still be allocated by the HOME Consortium Board. At the last Consortium meeting, by unanimous vote, the members decided to seek direction from their Commissioners as to whether Carson City should perform both functions. Ms. Uptergrove then explained her concern for young families and their need for low cost housing. Legislation had been passed during the last session establishing additional funding for Mental Health for "PAC Team" health care management. The "PAC Team" health care concept was described. She hoped to have a "PAC Team" in Carson City in 1999, however, this is contingent upon the City's ability to have low cost housing available by that date. Advantages of the problem were described to gain the Board's support for low cost housing in the community. She urged the Board to retain the program. Mayor Masayko felt the intent was to maintain the program at least for three years even though it is requiring bureaucratic maze at this point. Supervisor Plank explained that the Consortium would be able to obtain regionally \$500,000 in low cost housing funds. Carson City had obtained \$160,000 on its own last year. This was cut to \$100,000 this year. This amount would have been reduced even more in the future.

Supervisor Smith moved that the the Board of Supervisors approve an amended Western Nevada HOME Consortium Interlocal Agreement whereby Carson City is named as both the Lead Agency and Administrator for the Consortium and direct the Mayor to sign said agreement; fiscal impact is \$50,000 available for administrative costs; and the funding source is a federal grant. Supervisor Plank seconded the motion. Motion carried 3-0.

C. ORDINANCES - SECOND READING

i. **ACTION ON BILL NO. 166 - AN ORDINANCE EFFECTING A CHANGE OF LAND USE ON APPROXIMATELY TWO ACRES FROM SINGLE FAMILY 6,000 (SF6000) TO RESIDENTIAL OFFICE (RO) ON PROPERTY LOCATED AT 4681 MORGAN MILL ROAD, CARSON CITY, NEVADA, ASSESSOR'S PARCEL NUMBER 10-581-14, AND OTHER MATTERS PROPERLY RELATED THERETO (2-0720.5)** - Supervisor Smith moved to adopt on second reading Ordinance No. 1997-68, Bill No. 166, AN ORDINANCE EFFECTING A CHANGE OF LAND USE ON APPROXIMATELY TWO ACRES FROM SINGLE FAMILY 6,000 (SF6000) TO RESIDENTIAL OFFICE (RO) ON PROPERTY LOCATED AT 4681 MORGAN MILL ROAD, CARSON CITY, NEVADA, ASSESSOR'S PARCEL NUMBER 10-581-14, AND OTHER MATTERS PROPERLY RELATED THERETO. Supervisor Plank seconded the motion. Motion carried 3-0.

ii. **ACTION ON BILL NO. 167 - AN ORDINANCE EFFECTING A CHANGE OF LAND USE ON APPROXIMATELY 1.61 ACRES FROM RESIDENTIAL OFFICE (RO) TO GENERAL OFFICE (GO) ON PROPERTY LOCATED AT 755 NORTH ROOP STREET, CARSON CITY, NEVADA, ASSESSOR'S PARCEL NUMBER 4-153-06, AND OTHER MATTERS PROPERLY RELATED THERETO (2-0747.5)** - Supervisor Plank moved to adopt on second reading Bill No. 167, Ordinance No. 1997-69, AN ORDINANCE EFFECTING A CHANGE OF LAND USE ON APPROXIMATELY 1.61 ACRES FROM RESIDENTIAL OFFICE (RO) TO GENERAL OFFICE (GO) ON PROPERTY LOCATED AT 755 NORTH ROOP STREET, CARSON CITY, NEVADA, ASSESSOR'S PARCEL NUMBER 4-153-06, AND OTHER MATTERS PROPERLY RELATED THERETO, fiscal impact is zero. Supervisor Smith seconded the motion. Motion carried 3-0.

8. PUBLIC WORKS AND UTILITIES DIRECTOR - Deputy Public Works Director Tim Homann - ORDINANCES - FIRST READING

A. **ACTION ON AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND HOT SPRINGS CENTER ASSOCIATES REGARDING RECONSTRUCTION OF THE INTERSECTION OF HOT SPRINGS ROAD AND NORTHGATE LANE RELATED TO THE DEVELOPMENT OF ASSESSOR'S PARCEL NO. 02-061-31, CARSON CITY, NEVADA (2-0581.5)** - Discussion indicated the firm had hired a contractor to perform the work. Mayor Masayko thanked Mr. Burge for his willingness to take on the project. Supervisor Smith moved that the Board of Supervisors introduce on first reading Bill No. 168, AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND HOT SPRINGS CENTER ASSOCIATES REGARDING RECONSTRUCTION OF THE INTERSECTION OF HOT SPRINGS ROAD AND NORTHGATE LANE RELATED TO THE DEVELOPMENT OF ASSESSOR'S PARCEL NO. 02-061-31, fiscal impact is \$104,687, \$55,000 had originally been budgeted and the balance of the amount will be taken from the RTC contingency account. Supervisor Plank seconded the motion. Motion carried 3-0.

9. SENIOR CITIZENS CENTER - STATUS REPORT ON SENIOR CENTER EXPANSION, CEMETERY OFFICE RELOCATION, BUREAU OF LAND MANAGEMENT (BLM) ACQUISITION AND TRANSPORTATION (2-0678.5) - Senior Citizens Center Governing Board President Bob Kennedy expressed a willingness to defer the item until after the lunch recess--2 p.m. Mayor Masayko felt that the entire Board would present at that time.

BREAK: A lunch recess was declared at 12:45 p.m. A quorum of the Board was present when Mayor Masayko reconvened the session at 2 p.m. although Supervisor Tatro was absent.

(2-0935.5) President Kennedy briefly explained the history of the Center and its usage. His comments included the desire to turn the transportation element over to the City as soon as possible and the status of this transfer. Copies of THE Center's newsletter were distributed to the Board and Clerk. (A copy is included in the file.) Mr. Berkich explained the status of the consolidated transportation program. He felt that the contract would be to the Senior Citizens Center Board soon and that it would be given to the Board of Supervisors for consideration at its

second meeting in January. Mayor Masayko noted the Board's desire to provide the most efficient and reasonable consolidated transportation program possible. President Kennedy emphasized his desire to maintain the current level of senior service regardless of the provider. Mr. Berkich explained Paratransit Manager Mark Reynolds efforts to expand the current service level while maintaining the quality of service and working relationship with OARC. He is also very committed to expanding the service to include the Senior Center and others as directed by the Board. Supervisor Bennett requested the status of the program be included in Mr. Berkich's weekly updates to the Board.

(2-1015.5) Governing Board Member Bruce Scott thanked the Board for its support in the past. The importance of having a consolidated and expanded service were noted. He asked the Board to include in next year's budget matching funding to relocate the cemetery office. The Center had provided \$50,000 for this purpose. The Center's goal is to move the office in fiscal year 98-99. The Center's expansion plans were briefly described. Hopefully the Center will break ground on these plans early in calendar year 1999. Funding for the expansion was explained. It may not be possible to completely finish all of the upstairs area. Hospital support was noted and commended. The healthy communities program, its funding, and personnel were noted. He also introduced Executive Director Jamie Lee. He encouraged the Board to consider during the Saturday goal setting workshop funding for a master plan element for public safety--fire, ambulance, and police. Reasons for this recommendation were explained. He then updated the Board on the status of the BLM's relocation and explained the Center's plans for that area.

Supervisor Bennett commended Executive Director Lee for her assistance with the healthy communities initiative. The hospital funding for the part-time position for this program was explained. The remaining portion of this individual's time will be spent on grant writing. She then asked the Governing Board to project the Center's usage for the next ten years. Reasons for the request and its potential benefits were explained. Member Scott explained the increase in membership cards issued since 1990. Supervisor Bennett suggested the Board consider during the workshop on Saturday retention of a consultant to analyze the community's demographics and projected changes in the coming years.

Clarification between Mr. Berkich and Member Scott explained his concern about the future demand on public safety service levels. Mr. Berkich explained his intent to include this issue in his review of facilities and its master plan element. Supervisor Plank pointed out that the service levels may dictate the facility level and location. Discussion supported this point. Mayor Masayko indicated his support for consideration of an assisted living senior facility, which needed to be carefully crafted and master planned. He also expressed his concern with having the public sector provide such a facility rather than the private sector. Member Scott indicated that the Center did not want to be in the hospital business nor the housing business but wished to have a lot of say in how it happens. Mayor Masayko felt that the Sheriff should be involved in the public safety element and its service level. The Board had always established public safety as the community's top priority. He was opposed to the use of impact fees for continuing costs to improve service levels. Member Scott agreed that this is a sensitive area. The Board had clearly indicated that public safety is a high priority. The purpose of the element would be to provide the statistical information necessary to support additional funding for public safety levels.

Discussion between Supervisor Bennett and Member Scott indicated that the Center had not considered establishing a foundation. Estate planning for individuals had been considered. Reasons for Supervisor Bennett's suggestion were noted and discussed.

Mr. Berkich introduced BLM Representative Chuck Pope. No questions were posed for him. Mayor Masayko thanked him for attending and the Center for the enlightening presentation.

8. B. ACTION ON AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND MICHAEL BELL AND ED WENINGER REGARDING ASSESSOR'S PARCEL NO. 4-021-08 LOCATED AT 1501 EAST FIFTH STREET, CARSON CITY, NEVADA, FOR SEWER AND WATER MAIN REPLACEMENT (2-0790.5) - Environmental Control Manager Ken Arnold -

Supervisor Smith moved to introduce on first reading Bill No. 169, AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND MICHAEL BELL AND ED WENINGER REGARDING ASSESSOR'S PARCEL NO. 4-021-08 LOCATED AT 1501 EAST FIFTH STREET, CARSON CITY, NEVADA, FOR SEWER REPLACEMENT AND OVERSIZING AND WATER MAIN REPLACEMENT, fiscal impact is \$154,579.55 which includes a 15 percent contingency appropriation, the funding source is 515 Replacement and 520 Replacement Accounts. Supervisor Plank seconded the motion. Motion carried 4-0.

C. ACTION ON AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND HONE FAMILY TRUST AND GREUBEL FAMILY TRUST REGARDING ASSESSOR'S PARCEL NO. 8-271-30 LOCATED ON HIGHWAY 50 EAST, CARSON CITY, NEVADA, FOR RECLAIMED WATER AND WATER MAIN REPLACEMENT (1-0876.5) - Environmental Control Manager Arnold - Discussion indicated the property owner's contractor would construct the lines. Mayor Masayko encouraged both staff and the developer to consider the impact which surrounding businesses would incur when the water is turned off. Supervisor Plank moved to introduce on first reading Bill No. 170, AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND HONE FAMILY TRUST AND GREUBEL FAMILY TRUST REGARDING ASSESSOR'S PARCEL NO. 8-271-30 LOCATED ON HIGHWAY 50 EAST, CARSON CITY, NEVADA, FOR RECLAIMED WATER AND WATER MAIN REPLACEMENT. Supervisor Bennett seconded the motion. Supervisor Plank continued his motion to include the fiscal impact of \$107,144.35 which includes a 15 percent contingency, funding source of 515 Replacement and 520 Replacement Accounts, and the explanation of the impact is \$46,276 will be required from sewer replacement line item and \$60,868.35 will be required from water replacement line item. Supervisor Bennett continued her second. Motion was voted and carried 4-0.

10. INTERNAL AUDITOR - Gary Kulikowski

B. CLOSED SESSION - ACTION TO RECESS INTO CLOSED SESSION PURSUANT TO NRS 241.030 TO CONSIDER THE PROFESSIONAL COMPETENCE OF THE INTERNAL AUDITOR - Supervisor Smith apologized for his need to leave. (A quorum was still present although Supervisor Tatro was also absent as indicated earlier.) Supervisor Plank moved to recess into Closed Personnel Session to evaluate the Internal Auditor pursuant to NRS 241.030. Mr. Kulikowski asked that Item A be discussed before the Personnel Session is held. The motion died.

A. PROGRESS REPORT AND AUDIT PLAN UPDATE (2-1610.5) - Discussion indicated the Board had already established his work plan. The plan was aggressive. Review of the check disbursement registers were delinquent. A plan had been developed for bringing them current. This plan was described. He is currently working on an audit of the Justice Court system and research for Finance Director Mary Walker's testimony at the Legislative Committees. This research will be coordinated with Kafoury Armstrong's work. He would also continue to work on the Sheriff's Office issues as a top priority. The Airport audit is being conducted by a public accounting firm. He would followup on this audit and provide any report(s) to the Board. The audit has yet to commence. The purpose of this audit was discussed. Mayor Masayko encouraged Mr. Kulikowski to keep the Board apprised of any changes in the work plan. Mr. Kulikowski then explained the audit he had conducted on the use of gas taxes and the corrective action taken by staff. Mayor Masayko commended Mr. Kulikowski on his golf course and the Residential Construction Tax audit reports. Discussion ensued on the period of time required between discovery and correction of a subdivision problem and reasons for the delay in completing the process. Mr. Kulikowski also explained his efforts to keep the program moving. Mayor Masayko also pointed out that more happens when such problems have surfaced and are made visible. Supervisor Bennett expressed her feeling that it was not an audit issue so much as a management issue and her intent to question the City Manager about it at the Saturday workshop. She then expressed a willingness to assist with resolving the unclaimed bond funds issues. Supervisor Plank explained his discussion with Mr. Berkich about having Ms. Timian-Palmer complete the subdivision project either prior to or be involved as a resource immediately after she leaves the City. He, too, felt this was a high priority item and should be addressed. Mr. Berkich indicated there is

a devoted team working on the issue. This process takes an extended time to accomplish, however, when completed it should be understandable and correct any of the previous problems. He committed to providing the Board with a schedule indicating the completion date for this study. No formal action was taken or required on this Item.

B. CLOSED SESSION - ACTION TO RECESS INTO CLOSED SESSION PURSUANT TO NRS 241.030 TO CONSIDER THE PROFESSIONAL COMPETENCE OF THE INTERNAL AUDITOR (2-2110.5) - Supervisor Plank moved to recess into closed session for the annual performance evaluation of the Internal Auditor pursuant to NRS 241.030. Supervisor Bennett seconded the motion. Motion carried 3-0.

C. RECESS INTO OPEN SESSION - ACTION REGARDING BOARD REVIEW OF THE INTERNAL AUDITOR'S PROFESSIONAL COMPETENCE AND SETTING OF COMPENSATION (1-2249.5) - A quorum of the Board was present although Supervisors Smith and Tatro were absent as previously indicated. Mayor Masayko indicated it had been a frank and open discussion with Mr. Kulikowski. He felt that the Board was very satisfied with his performance and as a member of the City staff. He also noted the bonus which had been included in the budget. Supervisor Bennett publicly acknowledged Mr. Kulikowski's hard work, accomplishments, goals, and willingness to objectively review his work. She looked forward to working with him in the years to come. Supervisor Bennett moved that the Board of Supervisors increase/award the Internal Auditor Gary Kulikowski a \$700 bonus that was budgeted for a one-time increase for the remainder of this fiscal year and that at budget time we will consider additional compensation. Supervisor Plank seconded the motion. Mayor Masayko indicated the Board had agreed in the Closed Session to make the statement publicly that the Board would consider the next evaluation so that everything will be done during the budget process. This will allow everything to be in place for the 98/99 budget timeframe. The motion was voted and carried 3-0-0-2 with Supervisors Smith and Tatro absent. Mayor Masayko commended Mr. Kulikowski on his work.

There being no other matters for consideration, Supervisor Bennett moved to adjourn. Supervisor Plank seconded the motion. Motion carried 3-0. Mayor Masayko adjourned the meeting at 4:30 p.m.

The Minutes of the December 4, 1997, Carson City Board of Supervisors meeting

ARE SO APPROVED ON _____,

1998.

Ray Masayko, Mayor

ATTEST:

Alan Glover, Clerk-Recorder