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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, July 3, 2003, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

PRESENT: Ray Masayko Mayor

Pete Livermore Supervisor, Ward 3
Robin Williamson Supervisor, Ward 1
Shelly Aldean Supervisor, Ward 2
Richard S. Staub Supervisor, Ward 4

STAFF PRESENT: Linda Ritter City Manager

Alan Glover Clerk-Recorder

Ken Furlong Sheriff

Andrew Burnham Development Services Director

Larry Werner City Engineer

Scott Fahrenbruch Parks Director of Operations
Stacy Giomi Fire Battalion Chief - Training
Melanie Bruketta Deputy District Attorney

Nick Pro Accounts

Laura Beckerdite Development Services Administrative Asst.

Katherine McLaughlin Recording Secretary

Justine Chambers Contracts Coordinator

(B.O.S. 7/3/02 Tape 1-0014)

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 8:35 a.m. by noting that tomorrow is the Fourth of July. Roll call was taken. The entire Board was present constituting a quorum. A moment of silence was held in lieu of the Invocation. Mayor Masayko lead the Pledge of Allegiance.

CITIZEN COMMENTS (1-0038) - Tom Keeton referenced a news article regarding the Sheriff's liquor sales sting operation. He felt that citations should have been issued rather than using it as an educational tool. Individuals should check identification cards when selling alcoholic beverages. The licensees are advised by the Board when obtaining their license that the City views the holding of a liquor license as a privilege and that they should abide by all of the laws. Additional public comments were solicited but none were given.

- 1. APPROVAL OF MINUTES (1-0065) None.
- 2. AGENDA MODIFICATIONS (1-0067) None.

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3. CONSENT AGENDA (1-0068)

3-1. DEVELOPMENT SERVICES

- A. ACTION TO APPROVE AN AGREEMENT BETWEEN ROBERT W. DUNBAR, TRUSTEES OF THE DUNBAR REVOCABLE FAMILY TRUST DATED DECEMBER 30, 1997, AND CARSON CITY WHEREBY ROBERT W. DUNBAR AND JEANNINE V. DUNBAR AGREE TO GRANT A PERMANENT EASEMENT AND RIGHT-OF-WAY FOR THE CONSTRUCTION OF A BICYCLE/PEDESTRIAN PATH UPON, OVER AND ACROSS CERTAIN REAL PROPERTY DESCRIBED AS ASSESSOR'S PARCEL NUMBER 007-371-01
- B. ACTION TO APPROVE AN AGREEMENT BETWEEN THE WELLINGTON CRESCENT PROPERTY OWNERS ASSOCIATION, A NEVADA NONPROFIT CORPORATION, AND CARSON CITY WHEREBY THE WELLINGTON CRESCENT PROPERTY OWNERS ASSOCIATION AGREES TO GRANT A PERMANENT EASEMENT AND RIGHT-OF-WAY, TOGETHER WITH IMPROVEMENTS, AND A TEMPORARY EASEMENT FOR THE CONSTRUCTION OF A BICYCLE/PEDESTRIAN PATH UPON, OVER AND ACROSS CERTAIN REAL PROPERTY DESCRIBED AS ASSESSOR'S PARCEL NUMBER 007-371-30
- C. ACTION TO APPROVE AN AGREEMENT BETWEEN THE WELLINGTON CRESCENT PROPERTY OWNERS ASSOCIATION, A NEVADA NONPROFIT CORPORATION, AND CARSON CITY WHEREBY THE WELLINGTON CRESCENT PROPERTY OWNERS ASSOCIATION AGREES TO GRANT A PERMANENT ACCESS AND MAINTENANCE EASEMENT FOR THE CONSTRUCTION OF A BICYCLE/PEDESTRIAN PATH UPON, OVER AND ACROSS CERTAIN REAL PROPERTY DESCRIBED AS ASSESSOR'S PARCEL NUMBER 007-371-30

3-2. DEVELOPMENT SERVICES - CONTRACTS

- A. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION AND AWARD THE 2003 STREET MAINTENANCE CONTRACT, CONTRACT NO. 2002-128 TO BIDDER NO. 2, INTERMOUNTAIN SLURRY SEAL, INC., P. O. BOX 50085, WATSONVILLE, CA 95077-505, AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO THE REQUIREMENTS OF NRS CHAPTER 332, 338, 339 AND 624 FOR A CONTRACT AMOUNT OF \$290,318.78 AND A CONTINGENCY AMOUNT OF \$29,035
- B. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON CARSON CITY FREEWAY UTILITY RELOCATION PHASE 1B LOMPA RANCH CONSTRUCTION ENGINEERING SERVICES, CONTRACT NO. 2003-005 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO PBS&J, INC., 5310 KIETZKE LANE, SUITE 101, RENO, NEVADA 894511, FOR A CONTRACT AMOUNT OF \$26,154
- C. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON CARSON CITY FREEWAY UTILITY RELOCATION PHASE 1B HIGHWAY 50 EAST TO NORTHRIDGE DRIVE CONSTRUCTION ENGINEERING SERVICES PROJECT, CONTRACT NO. 2003-006 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO PBS&J, INC., 5310 KIETZKE LANE, SUITE 101, RENO, NEVADA 89511 FOR A CONTRACT AMOUNT OF \$36,028
- D. ACTION TO ACCEPT THE PARKS AND RECREATION DEPARTMENT'S RECOMMENDATION ON THE ENERGY CONSERVATION RETROFIT AGREEMENT, CONTRACT NO. 2002-001, AND APPROVE AMENDMENT NO. 2 WHICH RELEASES CMS VIRON

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ENERGY SERVICES FROM THE OBLIGATIONS TO THIS CONTRACT, EXTENDS THE TERM OF THE CONTRACT, AND ASSIGNS THE EXISTING CONTRACT TO CHEVRON U.S.A., 345 CALIFORNIA STREET, 32ND FLOOR, SAN FRANCISCO, CALIFORNIA 94104 AS THE CONSULTANT/CONTRACTOR OF RECORD FOR THE REMAINDER OF THIS PROJECT

- 3-3. FIRE DEPARTMENT ACTION TO APPROVE CONTRACT NO. 0304-017, A REQUEST FOR THE PURCHASE AND INSTALLATION OF MOBILE COMPUTER MOUNTS FROM L&E MOBILE COMPUTERS AND MOUNTS, INC., A SOLE SOURCE PROVIDER, FOR A NOT TO EXCEED COST OF \$55,278.41
- 3-4. CITY MANAGER ACTION TO REAPPOINT SEAN SEVER TO THE CARSON CITY CONVENTION AND VISITORS BUREAU BOARD FOR A TWO-YEAR TERM EXPIRING JUNE 2005
- 3-5. FINANCE ACTION TO APPROVE THE APPLICATION TO REMOVE UNCOL-LECTIBLE ACCOUNTS RECEIVABLE FROM THE RECORDS OF THE SANITARY LANDFILL FUND IN THE AMOUNT OF \$3,624.12 OUT OF ESTIMATED BILLINGS THROUGH JUNE 30, 2003, OF APPROXIMATELY \$1,750,000
- 3-6. DISTRICT ATTORNEY ACTION TO APPROVE A PAYMENT IN THE AMOUNT OF \$40,000 TO FILIBERTO LEPE IN SETTLEMENT OF AN ACTION BROUGHT IN U.S. DISTRICT COURT AGAINST CARSON CITY AND SEVERAL OF ITS SHERIFF'S DEPUTIES UNDER 42 USC 1983 The following items were pulled for discussion: 3-4. by Mayor Masayko; 3-1C. by Supervisor Aldean, and 3-3. by Supervisor Staub. Supervisor Livermore moved to approve the Consent Agenda with its eight remaining items; three from Development Services Engineering; four from Develop-ment Services Contracts; one from Finance, and one from the District Attorney, as presented. Supervisor Williamson seconded the motion. Motion carried 5-0.
- **3-4.** (1-0115) Mayor Masayko welcomed Mr. Sever and explained that he serves with him on the Bureau's Board of Directors. He felt that Mr. Sever is a "connected" and active member of the Board. He thanked him for his time, involvement and service. Mr. Sever thanked the Board for considering his reappointment and indicated that it is a pleasure to serve with the Mayor. He was committed to pushing the V&T Railroad reconstruction project forward. Supervisor Livermore briefly noted his personal knowledge of Mr. Sever's poker playing abilities. Supervisor Livermore moved to reappoint Sean Sever to the Convention and Visitors Bureau Board for a two-year term expiring in June 2005. Supervisors Aldean and Robinson seconded the motion. Motion carried 5-0. Mayor Masayko congratulated him on his reappointment.
- **3-3. (1-0162)** Fire Battalion Chief Giomi explained the funding allocated by the Board for this purchase, the grant, and the equipment's purpose. There may be a need for some additional funding for the program at some future date. He also indicated for the record that the request is not for additional funding at this time. Mayor Masayko emphasized the need to adhere to the original funding allocation or advise the Board when, or if, additional funds are needed. Discussion explained the reason for using the Capital Facilities account was due to the need for a new account number. When one is established, a journal entry will be made correcting the allocation. Supervisor Livermore noted that the Board had previously allocated the funds. The contract merely spends that allocation. Supervisor Staub requested that the Board packet include the gross product allocation, a notation indicating when it was approved, and a history/refresher on what has been spent previously. Mayor Masayko supported his request.

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Supervisor Staub then moved to approve Contract No. 0304-017, a request for the purchase and installation of mobile computer mounts from L&E Mobile Computers and Mounts, Inc., a sole source provider, for a not to exceed cost of \$55,278.41; fiscal impact is \$55,278.41; and the funding source is \$23,909.16 budgeted in FY 02-03 Fire DOJ WMD Equipment 101-2505-422 and \$31,369.25 budgeted in FY 02-03 Capital Equipment/Rec-Jail System Replacement 220-0000-421. Supervisor Aldean seconded the motion. Motion carried 5-0.

3-1C (1-0285) Supervisor Aldean noted for the record that she was not opposed to the completion of the bicycle trail. The documents include a commitment by the City to terminate the 20-foot wide egress/ingress easement located along the Wellington West Roadway between Lots 11 and 12 of the Subdivision as soon as an alternate egress/ingress is provided. She disclosed that she had discussed this issue with City Engineer Werner. She also disclosed for the record that she has represented the Masonic Lodge for some time. The lodge owns 80 acres in Ash Canyon. She wanted the record to state that there are people beyond Wellington Crescent who believe they have a right of access off that road and did not want to do anything that will prohibit these people, including the Masonic Lodge, from being able to access their property. Mr. Werner explained that the language in the easement is the same as was granted to the City. The issue related to future access for other purposes will be debated by the Board at another time. Mayor Masayko explained that the issue of access through Wellington Crescent remains to be resolved. This does not change any obligations. Supervisor Staub also noted for the record that other people including the public use this access route and wish to have it remain open until an alternative route is established. Mr. Werner explained that there is an old toll road in the vicinity which may be used as an alternate route. It can be converted to a county road after 15 years of use. They are attempting to reestablish its alignment. When this is accomplished, it could be used as a legal access. This process will have to be pursued. Staff is currently researching this matter. Mayor Masayko felt that it could be a full-time employment act for attorneys and title companies and cited Jumbo Grade as an example of the length of time required to complete this acquisition. The Board's action today does not taint or resolve this issue. Public comments were solicited but none were given. Mayor Masayko noted for the record that both Mr. Kiernan and Mr. Lee were present. They are property owners in Wellington Crescent and may be asking the same questions. Mayor Masayko also asked that the record show that staff is continuing to pursue the easement further west of Wellington Crescent to other private property. This action does impact that issue. Supervisor Williamson explained that the ease-ments will allow the bid to proceed. Bid opening is scheduled for July 17. Construction should commence shortly thereafter. Mayor Masayko explained his involvement with the NDOT Transportation Committee and his belief, for the record, that NDOT will not provide additional funding for an overrun. Supervisor Livermore explained his original involvement with this trail in the early 1990s. At that time the cost was substantially less than now indicated. If the project is delayed any longer, they may not have the funding ability for it. Mayor Masayko reiterated the need for the City to find the funding if the allocation is not adequate. He also wanted to see the trail completed. Obtaining the right-of-way had been a significant involvement. Additional comments were solicited but none were given. Supervisor Aldean moved to approve an agreement between the Wellington Crescent Property Owners Association, a Nevada Nonprofit Corporation, and Carson City whereby the Wellington Crescent Property Owners Association agrees to grant a permanent access and maintenance easement for the construction of a bicycle/pedestrian path upon, over and across certain real property described as Assessor's Parcel Number 007-371-30, fiscal impact is \$40,000; and the funding source is 350-5000-452-7176, V&T Railroad Trail. Supervisor Williamson seconded the motion. Motion carried 5-0.

4. BOARD OF SUPERVISORS (1-0398)

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Α. DISCUSSION AND POSSIBLE ACTION TO SET THE ANNUAL SALARY OF THE BOARD OF SUPERVISORS AS PROVIDED FOR IN ASSEMBLY BILL 23, WHEREBYTHE BOARD MAY, BY A VOTE OF AT LEAST A MAJORITY OF ALL THE MEMBERS OF THE BOARD, APPROVE A SALARY NOT TO EXCEED 126.65 PERCENT OF THE SALARY PROVIDED BY **OPERATION OF STATUTE ON JANUARY 1, 2003 -** Mayor introduced the item. He also indicated for the record that, so far as he, personally, was concerned regardless of whether he is here the next time the Legislature meets, he has had about as much fun as he can stand. Carson City has a Charter that they should seriously consider reopening and putting the powers and salaries into it. This will eliminate the need to have the Legislature act on them. Salaries are typically increased when the individual takes office. The July 1st date is required by the Legislative act. As Carson City functions as a county, it is stuck with the July 1st date. He also disclosed for the record that he had testified several times before the Legislature as the past-President of NACO in support of the salary increases which are reasonable and proper. He had been on the Board 6-1/2 years. The salary level for the Board has not been adjusted during his tenure. The levels were last increased eight years ago. The Legislature enabled the Board to adjust the salary level at 126.65 percent with a positive vote from the Board. This requires three ayes. For this reason the proposal was agenized. The proposal will increase the Supervisors' annual salary to \$22,700 from \$18,000. The Mayor will still get his 30 percent stipend which increases his annual salary to \$30,000. He suggested that the action be effective upon passage and not be made retroactive.

Supervisor Livermore noted the difficulty encountered when appropriating and making salary payments for oneself. They have increased the employees' compensation annually. The Statutes did not allow the elected officials to have an annual increase. Although the 26 percent appears to be a large amount, it is approximately \$4,000 each. This totals a little more than three percent per year. His discussion with a Fire Captain indicated that the Captain had received more than three percent per annum during that period. Super visor Livermore's position is as reported in yesterday's newspaper. He hoped that the Board supports his position. It will provide an incentive for others to apply for the elected offices so that the Board does not become a board of retirees or individuals with unlimited resources. He explained that he owns a small business and must compensate someone to look after it when he is gone. The \$4,000 increase is not excessive, therefore, he supported the increase.

Supervisor Aldean pointed out the uniqueness of her position as she had not been elected. She was reluctant to support the proposal, however, realized how hard working the other Board members are. They are under compensated for their work. She could not abstain on this issue as that would be inappropriate. She acknowledged the dedication and hard work of the other Board members. Mayor Masayko indicated that he would count abstentions as Nayes. In order for the proposal to pass, he would have to have three Ayes. Public comments were solicited.

John Wagner, representing the Burke Consortium, indicated that he had spent time at the Legislature. They oppose its involvement in this issue. The Board should handle the raises for all elected officials. He felt that nothing positive will come from the process. The Board spends more than two days a month serving the community as time is dedicated to other committees and commissions. It is not a large amount. All of the raises total approximately \$30,000. The Burke Consortium unanimously supported the raise. The public should not criticize the Board for giving itself the raise. Mayor Masayko thanked him for his comments, the Consortium for its open-mindedness and for having the courage to support the proposal.

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Additional public comments were solicited. Tom Keeton asked that the record indicate that he also supported the Board's increase and setting its salary. He volunteered to serve on the Charter Review Committee. He felt that the Board's salary was below the minimum wage if all of the hours dedicated to the community are tallied. Additional public comments were solicited but none were given.

Mayor Masayko thanked them for their comments. He had debated this issue in his home. The last raise given to the elected officials was in 1995. They have a "ton" of expenses which are not reimbursed. Individuals serving on the Board do not make a lot of money.

Supervisor Staub explained that he had thought about this issue for sometime. He must give up his office to serve. He acknowledged the City's limited funding and that it may be more difficult to provide raises for the employees. He felt that the increase was justified. The total impact is \$30,000. His concerns regarding the Legislature's acts included its adoption of a budget without a funding mechanism. He was also concerned about the City's lack of a funding source and stressed the need for the City to be fiscally prudent in its use of the reserved funds in lieu of the nine percent loss in sales tax revenue. He suggested that the Board give itself a 13 percent increase this year and next year. Supervisor Livermore objected to this suggestion as he did not wish to reconsider the matter again next year.

Mayor Masayko indicated for the record that the general fund budget contains \$45 million. The approximate \$30,000 is approximately 1/1500s of the budget. It is one of those things which should be done.

Supervisor Williamson understood the concerns regarding the need to be fiscally prudent. She also appreciated the public comments. The 2001 Legislature was to have addressed the issue but did not. The 2003 Legislature was to have addressed it in January. The act allows for a 26 percent increase for the Board. The other elected officials were given a 33 percent increase effective July 1. She supported giving the other elected officials an increase as they are full-time employees and cannot hold a second job. The Board "is a good investment for the community". Therefore, she intended to support the motion.

Supervisor Livermore moved to approve a 26.65 percent increase in salary for the Mayor and Board of Supervisors effective July 1, 2003, as provided for in Assembly Bill 23, fiscal impact is \$30,000 annually and the funding source will have to come from the 2003-2004 budget. Following discussion, Supervisor Livermore amended his motion to not make the increase retroactive but to commence it on July 3rd. Supervisor Williamson seconded the motion. Motion carried 5-0.

C. NON-ACTION ITEMS - STAFF COMMENTS AND STATUS REPORTS (1-0725) -

Discussion between City Manager Ritter and the Board indicated a desire to move the September 18th Board meeting as the NACO conference is scheduled to be held in Elko that week. Ms. Ritter was directed to agenize this item for action. She then reported on her tour/meetings with Departments and the status of the workshop agenda. Justification for having a workshop was briefly noted.

B. NON-ACTION ITEMS - INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (10782) - Supervisors Williamson and Aldean and Mayor Masayko did not give a report. Supervisor

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Livermore announced the groundbreaking ceremony for the new Hospital scheduled for July 18, its "celebration day" luncheon scheduled at Treadway Park at noon, and the benefit scheduled for the evening at the Pony Express Pavilion. He urged the Board and public to attend/participate in the activities. Supervisor Staub reported on his family's Canadian vacation and distributed pamphlets highlighting its area. He also noted a newspaper article indicating that former Assessor Kit Weaver is not working at Rehab. Discussion ensued on his Canadian vacation, reasons for its depressed tourist activities, its plans to host the Winter 2010 Olympics, and the monetary exchange rates.

RECESS: A recess was declared at 9:28 a.m. The entire Board was present when Mayor Masayko reconvened the meeting at 9:35 a.m., constituting a quorum.

5. JUSTICE COURT - ACTION TO ADOPT BILL NO. 114 ON SECOND READING, AN ORDINANCE AMENDING TITLE 2 ADMINISTRATION AND PERSONNEL BY ADDING CHAPTER 2.39 ADDITIONAL ADMINISTRATIVE ASSESSMENT FOR MISDEMEANOR; AUTHORIZATION; COLLECTION; DISTRIBUTION; LIMITATIONS ON USE, SECTION 2.39,010 FEES IN JUSTICE/MUNICIPAL COURTS WHICH ADDS AN ADDITIONAL TEN DOLLAR ADMINISTRATIVE ASSESSMENT TO ANY JUDGEMENT RENDERED AGAINST A DEFENDANT FOR USE TOWARDS COURT FACILITIES, SECTION 2.39.020 COLLECTION OF ADMINISTRATIVE ASSESSMENT WHICH SETS FORTH HOW THE FEE SHALL BE COLLECTED, SECTION 2.39.030 <u>DISTRIBUTION OF ADMINISTRATIVE ASSESSMENT</u> WHICH SETS FORTH HOW THE FEE WILL BE DISBURSED, AND SECTION 2.39.030 LIMITATIONS ON **USE OF ADMINISTRATIVE ASSESSMENT WHICH SETS FORTH WHICH PROJECTS MAY BE** FUNDED BY THE ADMINISTRATIVE ASSESSMENT FEE AND OTHER MATTERS PROPERLY **RELATED THERETO (1-0895)** - Justice Court Administrator Matthew Fisk - The ordinance will assess a \$10 administrative fee and may raise \$110,000 per year. Mayor Masayko pointed out that this could increase the administrative fee to be more than the actual fine itself is. The Board had discussed the proposal with Consultant Sharon Murphy when it was introduced at the last meeting. The Board had committed to "trying" it. If it does not work, the Board will consider removing it. Mayor Masayko indicated for the record that he had not received any comments either pro or con on the ordinance since the first reading. Public comments were solicited but none were given. Supervisor Williamson moved to adopt Bill No. 114 on second reading, Ordinance No. 2003-15, AN ORDINANCE AMENDINGTITLE 2 ADMINISTRATION AND PERSONNEL BY ADDING CHAPTER 2.39 ADDITIONAL ADMINISTRATIVE ASSESSMENT FOR MISDEMEANOR; AUTHORIZATION; COLLECTION; DISTRIBUTION; LIMITATIONS ON USE, SECTION 2.39.010 FEES IN JUSTICE/MUNICIPAL COURTS WHICH ADDS AN ADDITIONAL TEN DOLLAR ADMINISTRATIVE ASSESSMENT TO ANY JUDGEMENT RENDERED AGAINST A DEFENDANT FOR USE TOWARDS COURT FACILITIES, SECTION 2.39.020 COLLECTION OF ADMINISTRATIVE ASSESSMENT WHICH SETS FORTH HOW THE FEE SHALL BE COLLECTED, SECTION 2.39.030 DISTRIBUTION OF ADMINISTRATIVE ASSESSMENT WHICH SETS FORTH HOW THE FEE WILL BE DISBURSED, AND SECTION 2.39.030 LIMITATIONS ON USE OF ADMINISTRATIVE ASSESSMENT WHICH SETS FORTH WHICH PROJECTS MAY BE FUNDED BY THE ADMINISTRATIVE ASSESSMENT FEE AND OTHER MATTERS PROPERLY RELATED THERETO. Supervisor Livermore seconded the motion. Motion carried 5-0.

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6. TREASURER - Al Kramer - ACTION TO INTRODUCE ON FIRST READING AN ORD-INANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 12 (WATER CONNECTION CHARGES AND USER RATES) DELETING SECTION 12.01.060 (REESTABLISHMENT OF CREDIT), AMENDING SECTION 12.01.100 (PENALTIES FOR NONPAYMENT OF BILLS), INSERTING SECTION 12.01.105 (DELINQUENT CHARGES AS LIENS), AMENDING 12.03.055 (DELINQUENT CHARGES AS LIENS), AMENDING 12.03.070 (PENALTIES FOR NONPAYMENT OF BILLS), AND OTHER MATTERS PROPERLY RELATED THERETO (1-0950) - Clerk-Recorder Alan Glover - Mr. Kramer distributed a new draft of the ordinance and described the revision. Mayor Masayko indicated that he had requested the revision as it terminates the interest when the lien is filed. Mr. Kramer described the lien process which adjusts the penalty monthly. The interest rate should be established by the Board and should not make the City the lender of first resort. Mayor Masayko noted that the proposed fee creates an annual rate of more than 30 percent, which is compounded. The truth in lending legislation requires the City to tell the public what the rate is. Mr. Kramer then distributed to the Board a report on the number of weekly turnoffs processed in the City. (A copy was not given to the Clerk.) The proposed revision will defer \$300,000 in service charges and \$38,000 in finance charges until the lien is filed. There is an adequate amount of working capital to handle this impact. When the lien is filed, the Utility will be made "whole". A landlord is not involved as he can exempt his property from the program. The Department will then turn off the water. Landlords were invited to come to his office to fill out the necessary paperwork. Discussion indicated that the proposed fees do not pay 100 percent of the costs incurred for the process. It will, however, reduce administrative and field work. There is a \$25 turnon fee. It does not recoup 100 percent of the costs to turnon the water. The program could be used for other services. Discussion indicated that Paragraph 3 allows the City to work with the landlord when the tenant does not pay for the services. Justification for removing Paragraph 5 was questioned. Mr. Kramer indicated a willingness to bring the ordinance back if it is does not work as envisioned in three or four months. Board comments indicated a belief that it would provide him with another option when working with the landlord/tenant through the use of a will-pay agreement. Mayor Masayko explained his objection to the use of the term "shall" as it eliminates flexibility. Supervisor Staub supported retention of Paragraph 5 as an option. Mr. Glover explained the title companies' request that the liens be filed as proposed. Releases will be filed annually. The title companies will check with the Recorder and Building Dept. to determine the status of the lien. They had asked that monthly releases not be recorded. Supervisor Staub pointed out that leaving Paragraph 5 in will provide an option and eliminate the administrative nightmare that could be encountered if a property is in escrow. Mr. Kramer agreed to leave Paragraphs 4 and 5 in the ordinance. Mr. Kramer explained the mortgage payment process which will increase a homeowner's escrow fund to handle the lien. He indicated that the process is legally available and is automatically processed. Clarification indicated that Paragraph 5 only deals with rented property. Mayor Masayko voiced his concerns about making changes from the dias. He suggested that the item be deferred until the next meeting. Clarification pointed out that Paragraphs 3 and 5 are used when a "nonsufficient funds check" is received. Mayor Masayko reiterated his desire that negotiations not occur at the dias and suggestion that the item be deferred. Public comments were solicited but none were given. Supervisor Staub moved to defer the item for further revision by the Treasurer's Office. Mayor Masayko supported his motion. Supervisor Livermore seconded the motion. Mayor Masayko asked Mr. Kramer to make the changes suggested by the discussion and revise Paragraph 5 incorporating the changes made to the revision distributed during the meeting. Mr. Kramer agreed. Discussion indicated that they were discussing Paragraph 5 on Page 2 and Paragraph 5 on the last page. Mayor Masayko also indicated that the water collections should "mirror" the sewer collections process. The motion was voted and carried 5-0.

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7. SHERIFF - Ken Furlong - ACTION TO APPROVE SIX (6) ADDITIONAL SERVICE TECH-

NICIANS TO SERVE WITHIN THE DETENTION FACILITY (1-1375) - Finance Director David Heath -Mayor Masayko explained his reasons for agenizing the proposal. He stressed that the intent is not to have frequent quasi-budget reviews in the future. Sheriff Furlong reminded the Board that his budget documents had included this concept. He is better prepared to respond to questions concerning the program than he was during the budget sessions. He then reviewed the 1999 Public Safety Complex staffing requirements as indicated by the consultant's study of the facility. The Department had received only one personnel change since that time. Computer enhanced slides were shown illustrating his point and stressing the need for additional personnel and emphasizing the patrol personnel duties and time restraints. The present daily jail population averages 133 inmates and ranges between 101 and 150 individuals. His comments limned the detention services provided, the impact alternative sentencing has had on the jail which reduced the average jail stay to two weeks, the efforts to improve jail safety, inmate health and welfare regulations, and other duties performed by the jail personnel. Consultant recommendations and court support since 1995 were used to support his request for additional personnel. The proposal will create civil service technician positions to nonsworn officer duties. The proposal will employ two service technicians now and two in January. Two more will be requested as part of the 0405 budget process. The fiscal impact to the 0304 budget was indicated. He suggested that his budgetary savings of \$32,000 be used to offset this year's cost of \$113,000. His budget history indicated that approximately \$300,000 is returned to the General Fund every year. He suggested that these savings be used for this purpose.

Discussion between Sheriff Furlong and Mayor Masayko acknowledged the personnel needs and indicated that the proposal will put more patrol officers on the streets. Mayor Masayko explained his fiscal concerns with the proposal to use budget savings for this purpose or to allocate revenue which had not yet been received. He acknowledged that the Sheriff's budget may not be reduced below its present figure if at all possible. If the budget savings is permanent, it may be possible to use the funds for his suggested purpose, however, the budget savings should not be created by understaffing. He acknowledged the time needed to hire competent post certified officers. Sheriff Furlong had been creative in his recruitment and training process. Due to this program, Mayor Masayko felt that it would be possible to support his concept for a period of time. He then explained his concern with finding \$113,000 from the 0405 budget. The CQI funds were eliminated from this year's budget and will not reappear next year. The Sheriff should be able to control the use of the Board's allocated funding. Sheriff Furlong should not expect to return \$300,000 and then be given back \$113,000 for this program. At this time the savings cannot be determined for this fiscal year. It may be possible that there will not be any savings and the proposal will require a \$113,000 augmentation. Mayor Masayko also pointed out the need to find a funding source for the Sheriff's Protective Association's salary increase of \$100,000 plus the \$100,000 for the elected officials salary increases which had not been budgeted but was legislatively mandated. Funding for State mandated retirees' health benefits, storm drainage and other issues also needs to be considered. The City is currently between \$300,000 and \$400,000 short of meeting its budgetary needs. He understood the proposal and asked Sheriff Furlong if he could make it happen. Sheriff Furlong felt that it is conceivably possible to create the \$300,000 savings. He also indicated that it would take at least 30 days to hire the first two technicians. The savings in his 0304 budget should be used for this purpose. Mayor Masayko explained his desire to have him prove that the savings are there before the technicians are hired. He also encouraged Finance and the City Manager to look for creative ways to fund the positions. If the funding can be found, he was willing to reconsider the concept. He could not add \$113,000 in new personnel when the budget looks worse than originally envisioned in April. The City is not in a crisis at this time but it is a time when the prudent

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action is to cut and manage revenues as the funds may be less than estimated for this fiscal year. Sheriff Furlong felt that he had the documents showing the funding is available for the program. If the Board agrees that the proposal is the best use for the savings it should support his proposal. He will have to establish a written program of how to handle the situation if the funding does not materialize. He committed to continuing to look for grants and defer items to provide the savings needed for this high priority. A "cops" grant was used to illustrate how grant funding could be used and his commitment to finding the funding to keep the positions when it terminates. He also noted the dilemma which has been created due to the failure of Congress to restore funding for housing illegal aliens who have been arrested. Mayor Masayko pointed out the inability to project tax revenues for next year and the impact any additional revenue shortage may create on the City's budget. He also reiterated the need for a written procedure if the program is approved and the funding does not materialize. The procedure will show the Sheriff's action steps for addressing a funding shortage. He also iterated the 0304 budget requirements that had eliminated new personnel requests and required a three percent cut across the board. He urged Sheriff Furlong to operate within his budget and, if there is flexibility and outside grants, to use those funds. At this point, however, he did not have the funding. He then encouraged Sheriff Furlong to make his case to Finance and the City Manager. The Board could then support the program, however, he would have to live within his budget and a written procedure must be included in the documentation.

Discussion between Supervisor Aldean and Sheriff Furlong described the status of his volunteer auxiliary programs. Volunteers cannot be inside the jail. The service technicians' duties allow them to work in a variety of different departments. The proposal is for service technicians who will work inside the jail. The front counter at the Sheriff's Office is presently staffed by service technicians. They can be transferred to detention as has occurred with others in the past. Discussion indicated that the use of volunteers for this purpose is not feasible due to reliability reasons.

Mayor Masayko reiterated that, if Sheriff Furlong obtains the Finance and City Manager's concurrences and a written agreement is developed, the Board will reconsider the concept without reopening the budget. Mayor Masayko also indicated that the concept will be similar to a grant without any funding. If the budget goal is not achieved, expenditures will have to be reduced. If next year's funding is less than anticipated, he may also be required to cut his budget even more.

Supervisor Staub explained his belief that the proposal should have been submitted with the budget packets in April. The Sheriff's comprehensive program should have been balanced with other budget requests on an even playing field. The proposal may "rob Peter to pay Paul" and the personnel may not be kept. Discussion indicated that the individuals will be able to join a union. This will make the Board a target for the unions particularly if the positions must be eliminated in next year's budget. Supervisor Staub felt that the proposal realigns funding for the short term and fails to address the long term financial impact. He opposed authorizing positions when the funding may not be there to continue the positions in the future. Sales tax revenue is dropping. There are lots of other expenses even without the \$100,000 required for retirees' health benefits. Sheriff Furlong reiterated his need for the service technician positions. Supervisor Staub indicated that he understood the need. Mayor Masayko indicated that if a quorum of the Board fails to support the concept at this time, it could be a waste of Sheriff Furlong's time to approach Finance and the City Manager. The concern relates to the additional personnel without additional funding mechanisms.

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Supervisor Livermore explained the feeling that the concept will create an unfunded mandate. He suggested that the concept change from six personnel to two now and then two in March or April. The budget process could then include the remainder if funding is possible. He heard the commitment to use funding from the current budget but was hesitant about the concept as it could be too aggressive. The meeting with the Finance Department may determine what can be expected.

Supervisor Aldean indicated that the catch word is "caution". Sheriff Furlong had made a good case. The Internal Auditor supports the program. There is a need for the program before there is a liability issue facing the City. Support for the program is difficult without the funding. She felt that she could support the program if it is within the current budget and less aggressive as Supervisor Livermore had suggested. Sheriff Furlong had sold his concerns, however, the lack of financial support creates a reality problem. Mayor Masayko indicated that the discussion was not limited too just the jail's portion of the Sheriff's budget. The Sheriff has the right to operate within the funding level determined by the Board, which is \$11 million. It is not the Board's purview to dictate where personnel should be placed. If the program is a higher priority than other items, the Sheriff should change the personnel allocations. Sheriff Furlong responded by indicating that the program is a high priority. The City's liability grows daily. They are doing the best that they can and have already moved personnel around. Board comments acknowledged the liability risks inherent with his Department. Both the Leibert and Abbey studies had addressed items beyond the Board's intended scope. Supervisor Williamson also expressed her willingness to consider the program during the normal budget process. Supervisor Staub asked Finance Director Heath to provide options. Sheriff Furlong indicated that the request is for two now and two in January with the remaining two to be considered as part of the budget process. Sheriff Furlong indicated that next year he will look for budget cuts to provide the same reduction as had been requested last year. Mayor Masayko noted that the Sheriff's Department had provided only 1-1/2 percent budget reduction that was accepted by the Board, rather than the requested three percent reduction. Sheriff Furlong indicated that he had not been able to make the cut without reducing personnel costs. For this reason, the 1-1/2 percent was submitted. Mayor Masayko explained that additional cuts may be required next year unless the revenue picture improves. It does not look good to make personnel additions followed by personnel cuts. Sheriff Furlong responded that it does not look right to have a funding abundance and a failure to look at staffing shortages.

Mr. Heath explained that the Sheriff's budget totals \$11 million. The budget had included a \$500,000 savings in personnel vacancies. Twenty-five percent of that figure is projected to come from the Sheriff's budget. The Sheriff knows his budget and needs better than Mr. Heath. He suggested consideration be given to time limited appointments based on funding. The concept may need to be discussed with the unions. Internal Auditor Wolkomir's audit had suggested fee increases which may generate \$30,000 to \$40,000. Supervisor Staub pointed out that increased fees in the civil division may offset the costs. There could be a labor savings recognized, however, the long term issue is that the funding may not be there next year. Mr. Heath explained that the long range forecast with basic assumptions indicates that the revenue will be \$700,000 to \$800,000 behind last year's unless Walmart is replaced. Mayor Masayko also pointed out the direction that had been given to the City Manager and staff was to hold the salary and benefits package at five percent. The Board is not prepared to act on the program today. He reiterated the request for an analysis by the City Manager and Finance. Options should be provided. The risk analysis should be included with the report. He committed to reagenizing the program when this material is developed. The Board complimented Sheriff Furlong on his efforts to improve the Department including his on-the-street performance. Mayor Masayko then deferred action on the Item. No formal action was taken.

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8. INTERNAL AUDITOR - Steve Wolkomir - ACTION TO APPROVE A REQUEST FOR DEVIATION FROM THE CURRENT RELOCATION POLICY THEREBY ALLOWING ADDI-TIONAL RELOCATION FUNDS FOR THE WOLKOMIR FAMILY MOVE FROM CHESAPEAKE, VIRGINIA, TO CARSON CITY, NEVADA (1-2650) - Human Resource Manager Ann Beck - Mr. Wolkomir gave the Board a packet of information that was purportedly a copy of the relocation policy. (A copy was not given to the Clerk.) Mr. Wolkomir indicated that his family is somewhere between Wendover and Laramie enroute to Carson City. Their belongings should arrive next week. He referenced Policy No. 3 to indicate that the Board could deviate from the stated policy. The actual costs were unknown at the time negotiations occurred in November. The adopted policy, however, does not fit his circumstances. His discussion with Mayflower and its estimate were noted. He could not estimate the cost of temporary housing in Carson City. He felt that the six-month provision may be unrealistic. His research of the IRS and Virginia policies were noted. He stated for the record the reasons he had not relocated his family to Carson City when he moved here had been based on the sale of his Virginia house and a one year lease in Virginia Beach. He admitted that he could have broken the lease, however, felt that removing his children from school and relocating them in the middle of the school year would be a bad decision particularly in view of his daughter's health problems, which he limned. His wife also needed to finalize an elder gentleman's estate. Policy Statement No. 2 indicates that relocation expenses will utilize salary savings. As he did not commence work here until November, a savings of \$30,000 had been created. He asked that the Board use these savings to make him "whole".

Mayor Masayko felt that the Board should either follow the established policy or set the upper limit at the amount it is willing to pay. The moving bill was \$1,000 more than he, personally, had estimated. The moving bill is \$5,705 more than the policy estimated. He questioned whether the \$5,705 would be enough to close the matter. Mr. Wolkomir had done a fine job for the City. Mayor Masayko was glad to have him on staff. Additional negotiations should not be expected or occur after today on this matter. The policy had been established based on guidelines and policies. It may have undershot the actual expenses but there was no secret about the amount that the Board was willing to pay. Mr. Wolkomir felt that all of the facts had not been known at the time he agreed to the position. Mayor Masayko responded that they had known the facts and that Mr. Wolkomir had known them when he accepted the job. The limitations were on the record. It was the first time guidelines were established. There may be special circumstances warranting a change or an amendment to the policy. As he is not a mayor in other cities, he had little interest in their policies. The City's policy should be followed in a businesslike manner. He felt that the correct approach to the situation would have for Mr. Wolkomir to admit that he was aware of the number and overran it. He should then request a discussion of the figures that had been incurred. It is not a bad policy. There should not be any insinuation that it is. Mr. Wolkomir indicated that he had not meant to infer that it was. He had used his audit criteria to analyze the policy, its risks, and implications. Mayor Masayko reiterated his belief that Mr. Wolkomir was aware of the policy and its limitations.

Supervisor Staub questioned whether the \$8,575 is the correct policy. Mr. Wolkomir had discussed the policy with him. There are cost overruns which are not included in the policy. Mr. Wolkomir agreed that the price of \$8,575 for 11,500 lbs. was a fair price. Supervisor Staub felt that Mr. Wolkomir had done a good job for the City and had understood the terms when he signed on. He could empathize with him over the separation from his family. They are now in the process of relocating. He had not extended the position vacancy. He supported reimbursement of the verifiable relocation costs regardless of their total. Discussion then explained the expenses which had been

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incurred to date that created the \$3,565 difference in actual moving expenses.

Ms. Beck explained her understanding of the Board's direction regarding the policy was to develop an incentive package which would attract candidates but not pay 100 percent of the relocation costs. The one she had developed was based on reasonable relocation costs for a two-bedroom residence and federal guidelines with CPI adjustments. It was a partial incentive, excluding some items, which provided a supplement that would encourage applicants to relocate. The household size had not been included in the calculations. It had included distances, average relocation costs, and CPI factors. It was never intended to provide full coverage. Discussion indicated that the policy covered certain eligible employees and not all City employees. The City Manager is eligible for the reimbursement program. Mayor Masayko indicated that the policy had included temporary housing, house hunting trips, etc. The Board can deviate from the established policy, if desired.

Supervisor Aldean pointed out that a family's decision to have a home constructed rather than purchase an already constructed residence had not been included in the policy. Mr. Wolkomir indicated that construction of a home takes eight months to complete. He had not moved his family to Carson City until the structure was completed. He had been residing in a hotel/motel during this time. He had also estimated the tonnage and obtained estimates. He felt that he had performed as much due diligence as was possible at the time. Supervisor Aldean offered a compromise to his figure of \$2,385 and explained how she had developed it.

Supervisor Staub countered with an offer of \$3,565, which he felt would make Mr. Wolkomir "whole" for a portion of the costs that are verifiable. Supervisor Staub moved to approve \$3,565 as a compromise for Mr. Wolkomir's relocation. Mayor Masayko explained his position that the \$3,565 settles the issue and that it will not come back with additional costs in the future. Clarification between Mr. Wolkomir and Supervisor Staub indicated that his relocation allocation total of \$8,575 minus the already reimbursed \$1,275 is \$7,374 plus the \$3,565 which could be spent in any category. Mayor Masayko felt that it should be limited to any expense that is tax deductible. Supervisor Staub then moved to approve a request for deviation from the current relocation policy, thereby allowing an additional relocation amount of \$3,565 in addition to the current moving expense balance of \$7,374 for a total of \$10,939 for the Wolkomir family move from Chesapeake, Virginia, to Carson City. Supervisor Livermore seconded the motion. Board discussion explained that the original funding was \$8,575 and that Mr. Wolkomir had already received \$1,275. Mayor Masayko asked that the record be clear. The motion would add \$3,565 to the original \$8,575 and remove the categories. Supervisor Staub indicated that the new total would be \$12,140. Supervisor Livermore agreed with the revised figure. Mayor Masayko reiterated that the categories are to be removed. Supervisor Aldean felt that Mr. Wolkomir would have received a better deal with her figures. Mayor Masayko indicated his preference that the item be handled separately and that he was not prepared to support the motion. His objection was not personal. Supervisor Staub amended his motion to indicate that the funding source would be from the Internal Auditor's savings. Supervisor Livermore concurred. Mayor Masayko hoped that the funds were available. The motion as amended was voted and carried 3-2 with Mayor Masayko and Supervisor Williamson voting Naye.

9. FINANCE - Director David Heath

A. ACTION TO ADOPT A RESOLUTION CONCERNING THE FINANCING OF SANITARY SEWER PROJECTS AND WATER PROJECTS; DIRECTING THE CLERK TO NOTIFY

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THE CARSON CITY DEBT MANAGEMENT COMMISSION OF THE CITY'S PROPOSALS TO ISSUE GENERAL OBLIGATIONS THEREFORE; PROVIDING CERTAIN DETAILS IN CONNECTION THEREWITH; PROVIDING FOR THE REIMBURSEMENT OF EXPENDITURES FROM THE PROCEEDS OF THE BONDS; AND PROVIDING THE EFFECTIVE DATE HEREOF (2-0010). The final decuments may include refunding/refinencing of a provious hand issue. The plan will issue \$4 million

0010) - The final documents may include refunding/refinancing of a previous bond issue. The plan will issue \$4 million in sewer capital bonds and \$6 million water capital bonds. The bond proposals were being presented to the Board and Debt Management Commission due to the backing by the City's full faith and credit which provides the lowest interest rates possible. They could have been issued without this backing as they are revenue backed. The rate payers are financing the bonds. Supervisor Aldean moved to adopt Resolution No. 2003-R-23, A RESOLUTION CONCERNING THE FINANCING OF

SANITARY SEWER PROJECTS AND WATER PROJECTS; DIRECTING THE CLERK TO NOTIFY THE CARSON CITY DEBT MANAGEMENT COMMISSION OF THE CITY'S PROPOSALS TO ISSUE GENERAL OBLIGATIONS THEREFORE; PROVIDING CERTAIN DETAILS IN CONNECTION THEREWITH; PROVIDINGFOR THE REIMBURSEMENT OF EXPENDITURES FROM THE PROCEEDS OF THE BONDS; AND PROVIDING THE EFFECTIVE DATE HEREOF. Supervisor Williamson seconded the motion. Motion carried 5-0.

- B. ACTION TO ADOPT A RESOLUTION APPROVING AND RATIFYING THE EXECUTION AND DELIVERY BY THE CITY OF A COOPERATIVE AGREEMENT WITH THE CARSON CITY CONVENTION AND VISITORS BUREAU AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH (2-0064) The proposal utilizes room taxes for the V&T Railroad. Mayor Masayko disclosed his support for the concept and involvement in bringing the concept to the Board. The agreement provides for reimbursement of the principal and interest on the bonds by the Bureau on a semi-annual basis. The Bureau will maintain reserve funds for the bonds which will be held by the City. The proposal requires increasing the room tax by two percent now and two percent in the future. This issue will be addressed at a future Board meeting. The Bureau will consider the agreement at its July 14th meeting. The agreement will be effective on that date. Public comments were solicited but none were given. Supervisor Livermore moved to adopt Resolution No. 2003-R-24, A RESOLUTION APPROVING AND RATIFYING THE EXECUTION AND DELIVERY BY THE CITY OF A COOPERATIVE AGREEMENT WITH THE CARSON CITY CONVENTION AND VISITORS BUREAU AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH. Supervisor Aldean seconded the motion. Motion carried 5-0.
- D. ACTION TO ADOPT A RESOLUTION CONCERNING THE FINANCING OF THE VIRGINIA AND TRUCKEE RAILROAD PROJECT; DIRECTING THE CLERK TO NOTIFY THE CARSON CITY DEBT MANAGEMENT COMMISSION OF THE CITY'S PROPOSAL TO ISSUE GENERAL OBLIGATIONS THEREFOR; PROVIDING CERTAIN DETAILS IN CONNECTION THEREWITH; PROVIDING FOR THE REIMBURSEMENT OF EXPENDITURES FROM THE PROCEEDS OF BONDS; AND PROVIDING THE EFFECTIVE DATE THEREOF (2-0125) The bonds include funding for RTC projects which will be revenue backed. Mayor Masayko explained that the Bureau has been collecting the room tax allocated for the railroad project since February 1. The bond totals \$4.4 million. The estimated interest rate will be 3.6 percent. Inclusion of the RTC projects will dilute the bond costs. Comments indicated that Douglas County's funding participation in the railroad's reconstruction under similar mechanisms is

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being discussed. Similar discussions may occur in the near future with Lyon County. Storey County has been assessing a quarter cent sales tax for some time. It pays for the Commission's administrative and operational costs. Washoe County's room tax has been tapped out. Supervisor Staub encouraged the other Counties to participate. Mayor Masayko supported his comments and pointed out that unless someone starts the ball rolling, the project will never cross the Overman pit. The Bureau's support for the project was noted. Bureau Board Member Joe DiLonardo was present to answer any questions the Board may have. Mayor Masayko also indicated for the record that he had received one telephone call in opposition to the proposal. He explained the statutory funding restrictions that limit the use of the room tax funds to historical preservation, parks, recreation, visitor convention situations, and tourism activities. The proposal does not utilize General Fund monies. The Legislature may change the criteria. The funds cannot at this time be spent for transit. The concept was agenized to receive the City's full faith and credit backing. The bonds could have been handled on the Bureau or the Commission own initiative. Supervisor Aldean explained her belief that the action would redeem the City's original failure to implement the sales tax and that the City and Storey County will benefit from the tourism created by the reconstruction of the V&T Railroad. Supervisor Aldean then moved to adopt Resolution. No. 2003-R-25, A RESOLUTION CONCERNING THE FINANCING OF THE VIRGINIA AND TRUCKEE RAILROAD PROJECT; DIRECTING THE CLERK TO NOTIFY THE CARSON CITY DEBT MANAGEMENT COMMISSION OF THE CITY'S PROPOSAL TO ISSUE GENERAL OBLIGATIONS THEREFOR; PROVIDING CERTAIN DETAILS IN CONNECTION THEREWITH; PROVIDING FOR THE REIMBURSEMENT OF EXPENDITURES FROM THE PROCEEDS OF BONDS; AND PROVIDING THE EFFECTIVE DATE THEREOF. Supervisor Williamson seconded the motion. Motion carried 5-0. Mayor Masayko thanked Mr. DiLonardo for attending. Mr. DiLonardo noted the historical significance of the City's action. Supervisor Livermore stepped from the room at 11:47 a.m. (A quorum of the Board was present.)

E. ACTION TO ADOPT A RESOLUTION SETTING FORTH THE INTENT OF CARSON CITY, NEVADA, TO REIMBURSE OUT OF BOND PROCEEDS THE COST OF CERTAIN EXPENDITURES RELATING TO TRANSPORTATION IMPROVEMENT PROJECTS (2-0265) - Mr. Heath explained that funds will be used for RTC transportation improvement projects including the acquisition of the First Christian Church property. Mayor Masayko noted for the record that the Roop Street widening project was also included in the list of projects. (Supervisor Livermore returned during this discussion. The entire Board was present, constituting a quorum.) Supervisor Staub moved to adopt Resolution No. 2003-R-26, A RESOLUTION SETTING FORTH THE INTENT OF CARSON CITY, NEVADA, TO REIMBURSE OUT OF BOND PROCEEDS THE COST OF CERTAIN EXPENDITURES RELATING TO TRANSPORTATION IMPROVEMENT PROJECTS. Supervisor Aldean seconded the motion. Motion carried 5-0.

C. ACTION TO ADOPT A RESOLUTION TO LEVY THE CARSON CITY FISCAL YEAR 2003-04 AD VALOREM TAX RATE AS CERTIFIED BY THE NEVADA TAX COMMISSION

(2-0335) - Clerk-Recorder Alan Glover, City Manager Linda Ritter - Discussion explained the lack of action by the Legislature in establishing the State's budgetary mechanism. This may create a need to delay mailing the tax bills until later in the month and the possible need to waive any penalties due to the taxpayer's inability to comply with statutory deadlines. The first quarter ad valorem tax payment is due on August 18. Mayor Masayko indicated for the record that he was not aware of any pending legislation that would increase the ad valorem rate at this time. It is possible that the Legislature may propose a bill to increase the rate or the Supreme Court could force the State to balance

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its budget with its existing resources. The Legislature had already enacted bills that increased its share of the ad valorem rate to 15 cents. This increased the City's tax rate by an average of 4.5 cents. If the Legislature increases this rate, the City should be allowed to revisit this issue and increase its rate proportionately. For this reason the ad valorem bills should not be sent to the taxpayers until after the Legislature funds its budget. Mayor Masayko also noted the unfunded mandate regarding the retirees' health benefit. It could have a one cent impact. Mr. Health explained that this issue will not have to be addressed until the first of January as the budget had included a conservative estimate of the cost for this coverage. The rate was established through the City's budget process with the exception of the two cents that had been levied by the State. Supervisor Williamson noted that she lives in the area with the highest ad valorem rate due to the additional charge for the Sierra Forest Fire District. She appreciated their services. Supervisor Williamson moved to adopt Resolution No. 2003-R-27, A RESOLUTION TO LEVY THE CARSON CITY FISCAL YEAR 2003-04 AD VALOREM TAX RATE AS CERTIFIED BY THE NEVADA TAX COMMISSION and the funding source is the real property taxes. Supervisor Aldean seconded the motion. Motion carried 5-0.

F. ACTION TO APPROVE THE TRANSFER OF \$3,000,000 OF GENERAL FUND FUND BALANCE TO THE FUND FOR THE STABILIZATION OF LOCAL GOVERNMENT (2-0427) -

The funding source is the \$2 million set aside to cover the loss of revenue by Walmart's relocation and a portion of the legal contingency funds. The 8.3 percent will remain in the General Fund. Use of the funds will be restricted to the normal budget process or a natural disaster. The ability to access the 8.3 percent is simpler than that required to access the stabilization funds. Approximately \$3 million is needed in working capital for the monthly bills. Other funding options included obtaining a bank loan. Supervisor Aldean moved to approve the transfer of \$3,000,000 of General Fund fund balance to the fund for the stabilization of local government. Supervisor Livermore seconded the motion. Mayor Masayko noted for the record that the process is provided for in the NRS. Motion carried 5-0.

OTHER MATTERS (1-0490) - Board comments thanked Mr. Heath for his service and assistance, complimented him on his skills, wished him success in the future, and congratulated him on his career change. Mr. Heath indicated that he was taking a position as Administrative Services Director in Truckee. Mr. Heath indicated his commitment to helping the City and wished Ms. Ritter success in the community. Ms. Ritter acknowledged that his position change is a career move and her disappointment in losing him. She also wished him success in his new position. She indicated that Tom Minton had been appointed Interim Finance Director and that a study is being undertaken concerning the need for an Administrative Services Director. Mr. Heath thanked the Board for its conservative policies. He also noted the financial condition facing Washoe County and wished the Board/community success in the future.

RECESS: A recess was declared at 12:05 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 1:30 p.m., constituting a quorum.

10. PUBLIC INFORMATION TEAM - PRESENTATION AND UPDATE ON THE ACTIVITIES OF THE PUBLIC INFORMATION TEAM FOR FISCAL YEAR 2002-2003 (2-0595) - Administrative Assistant Liz Teixeira, Health Director Daren Winkelman - Overhead slides were shown illustrating and explaining the program, the team members, the purpose statement, mission, goals, and accomplishments. Videos were shown illustrating the effective educational commercials that had been aired on CATF and the local channels. The Board

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complimented the team on its undertaking and the success of the volunteer program. A public survey on its success was suggested. It was also suggested that a daily 10 to 15 minute program be aired on CATF or a local station informing the public of the City's activities. Funding for the program had been included in the budget. Public feedback to the Board regarding the program was noted. It was suggested that the program be recommended for inclusion in NACO's recognition awards. The value of the City's annual reports was noted as another example of the effort to spread the word regarding how the City's government functions. Staff was encouraged to undertake additional advertising in the local media regarding the program and its activities. It was felt that the public's feedback supported and enjoyed the brief news/educational videos. Board comments complimented the actors/actresses and encouraged the public to participate in the films. It was suggested that the Internal Auditor's position and responsibilities be considered for a future program. The Board thanked the Team for its efforts and encouraged it to continue its endeavors. No formal action was required or taken.

COMMUNITY DEVELOPMENT SERVICES - Director Walter Sullivan - ACTION REGARD-11. ING AN APPEAL OF THE PLANNING COMMISSION'S DECISION THAT DENIED A SPECIAL USE PERMIT APPLICATION FROM DAVID W. KROPELNICKI REPRESENTING ADMART (PROPERTY OWNER: TIMOTHY D. MORAN) REQUESTING THE ALLOWANCE OF A DOUBLE-FACED, OFF-PREMISE BILLBOARD SIGN ON PROPERTY ZONED GENERAL INDUSTRIAL (GI) LOCATED AT 8025 HIGHWAY 50 EAST, APN 008-611-04 (FILE NO. U-02/03-42) (2-1390) - Applicant's Attorney Jim Randl - Mayor Masayko explained his reasons for holding this item until a full Board was present. Board comments indicated that, if the Applicant has made the necessary findings for approval, the Board would have to approve the Special Use Permit. Staff recommended approval. The Commission had recommended denial. Supervisor Aldean pointed out that the proposed sign will be visible from the future V&T Railroad alignment and could impact its visual aesthetics. She felt that the visual impact would make it difficult for her to make Finding No. 2 as it could be detrimental to the value of the surrounding properties. Mayor Masayko, a Chairperson for the Nevada Commission for the Recon-struction of the V&T Railway, noted for the record that the railroad is not currently located in this vicinity. The Special Use Permit has not yet been issued and is not everlasting. It must be periodically reconsidered. The land is not like it was in the 1870s. Therefore, in his mind, there is no problem with the finding issue. A proposal to change everything else along the route back to the pre-1870 condition does not exist. There is a proposal to have a relatively modern bridge crossing at Highway 50 for the railroad. It will not be a 1870 vintage bridge. The V&T Railway will have a lot of exposure from the bridge showing the area surrounding the railroad right-of-way.

Mr. Randl distributed and explained photographs of area billboard signs to the Board. (A copy was given to the Clerk and is in the file.) All of the illustrated signs had catwalks that allow easy access to change and maintain the signs. If the catwalks are not allowed, two or more boom trucks will be required for this purpose. Some of the signs included railings. The desire is to comply with both the building and OSHA requirements but the number should be kept to a minimum. Mayor Masayko explained his personal tour of billboards indicates that the catwalks are a permanent fixture and that there are no ladders or railings within ten feet of the ground. The photographs he had been given at the last meeting had shown the ladders and railings to the ground. He requested representations that when the sign is in normal operational condition, only the catwalks will be seen. Mr. Randl indicated that this is his understanding withthe caveat that the OSHA and City Code railings required for safety reasons will be there. Mayor Masayko indicated that he was not familiar with these requirements, however, it may be that a temporary railing is

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required when someone is working on the sign. He felt that portable catwalks should be required at the time of maintenance and should be constructed and removed at that time. These comments had been relayed to him from a Planning Commissioner who felt that the signage was "not that bad" but the railings, ladders, and clutter had prevented him from making the necessary findings. Mr. Randl explained Mr. Kropelnicki's alleged commitment to minimize the distractions as much as possible. Mayor Masayko thanked him for this statement and indicated that the Board will expect him to live up to his statement. Mr. Randl then limned the revenue which the sign will generate. As a small businessman, Mr. Kropelnicki would not be providing the signage unless there is a demand for it. Businesses need and want advertising. Signage supports businesses and creates taxes and revenue for the City. The Planning Commission had denied the Special Use Permit based on its failure to meet Findings 2 and 7. The sign meets all of the design criteria. It complies with the Code regarding size, location and zoning. Findings 2 and 7 were read. The sign does not create dust, noise, fumes, etc. The area is zoned industrial. Surrounding uses were noted. Although he understood the visual aesthetics issues, the area is developed as industrial which is neither pretty nor attractive. It will be visible from the railway. They have met the design standards. He encouraged the Board to overrule the Commission and approve the Special Use Permit. Discussion noted Former First Lady Ladybird Johnson's objection to billboards. Mr. Randl acknowledged that a lot of people do not like billboards, radio and television commercials; however, they exist and serve a purpose. There allegedly exists a sign review committee that is working on the ordinance and attempting to make the signs more user friendly. Carson City has the ability to restrict the signs, however, the current ordinance allows the use.

Supervisor Staub voiced his personal opposition to billboards and advertisements. His need to make his decision based on ordinances and laws was noted. If the community does not want billboards/signs, the laws should be changed.

Discussion between Mayor Masayko and Mr. Sullivan indicated the Special Use Permit needs to be renewed every five years. It is assumed that if the signs comply with the Code, they will be renewed by the Commission. If the Code is changed, they must be brought into compliance with the new laws at that time.

Supervisor Aldean pointed out the need for the Special Use Permit to be considered by the Board based on the extraordinary circumstances surrounding the application. She acknowledged that some of the findings were subjective. She, however, was having difficulty finding that the use would not be detrimental to the surrounding properties. She also felt that it was time for the community to face some tough decisions. The area has a huge investment potential to the community and the surrounding jurisdictions. The time is right to commence making decisions to preserve the view corridor and make the train ride a memorial occasion for the riders. The Master Plan also encourages the preservation, enhancement, improvement and maintenance of the aesthetic qualities of the community. She understood that billboards are a very convenient and lucrative method of advertising. Aesthetics should take a priority position in the deliberations.

Supervisor Livermore indicated that he understood the concerns including the concerns regarding the scenic route. His personal ride of the Durango, Colorado, train indicates that there are billboards located along it. The canyon area will be protected. There will be a major highway crossing with its urban issues. Supervisor Livermore then moved that the Board of Supervisors reverse the Planning Commission's denial of a Special Use Permit application and approve it based on the seven findings contained in staff report and issue a Special Use Permit to David W. Kropelnicki, representing Admart, property owner: Timothy D. Moran, requesting the

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allowance of a double-faced, off-premise billboard sign, on property zoned General Industrial located at 8025 Highway 50 East, APN 008-611-04, File No. U-02/03-42. Supervisor Staub seconded the motion and pointed out that the railroad will also pass Bertolini's gravel pit. Supervisor Aldean acknowledged his point. Following a request for an amendment, Supervisor Livermore amended his motion to include the 14 conditions of approval. Supervisor Staub concurred. Mayor Masayko noted his comments two weeks previously relating to private property rights and City rules, regulations and ordinances. The Board/City has allowed billboards under certain rules and regulations. Economic ties to the community are not part of his decision making considerations. There is a need for businesses to advertise their services. He urged the staff to address the freeway including its billboards and their lighting and appearance. There are industrial properties located along it. He was certain that there will be additional applications. He also indicated that he will discuss with Mr. Sullivan the issues that he and Mr. Kropelnicki had discussed related to the catwalks, guard rails, lighting, separation of signage, etc. Mr. Sullivan agreed to meet with him and noted Supervisor Alden's request that these items be considered. Mayor Masayko reiterated the need to review the ordinances and determine what the City wants in the future. The motion was voted and carried 3-2 with Supervisors Aldean and Williamson voting Naye.

12. DEVELOPMENT SERVICES

- A. ACTION TO ADOPT ON SECOND READING BILL NO. 115, AN ORDINANCE AMENDING CCMC CHAPTER 5.04 (SOUTHWEST GAS CORPORATION), SECTION 15.04.020 TEXT OF FRANCHISE, SECTION 3 TERM BY EXTENDING THE TERM OF THE FRANCHISE AGREEMENT TO JULY 1, 2028, AND ADDING LANGUAGE REGARDING AMENDMENTS TO THE FRANCHISE, SECTION 7 RELOCATION OF PIPES AND APPURTENANCES BY AMEND-ING THE LANGUAGE TO CLARIFY THE RELOCATION OBLIGATIONS, AND SECTION 10 FRANCHISE FEE BY DELETING THE REQUIREMENT THAT SOUTHWEST GAS IS RE-QUIRED TO PAY A FRANCHISE FEE IN ADDITION TO A BUSINESS LICENSE FEE AND PRO-VIDING FOR OTHER MATTERS PROPERLY RELATED THERETO (2-2065) - Mayor Masayko noted for the record that he had not received any comments either pro or con regarding the Bill since the first reading. Public comments were solicited but none were given. Supervisor Williamson moved to adopt on second reading Ordinance 2003-16, Bill No. 115, AN ORDINANCE AMENDING CCMC CHAPTER 5.04 SOUTHWEST GAS CORPORATION, SECTION 15.04.020 TEXT OF FRANCHISE AGREEMENT, SECTION 3 TERM BY EXTENDING THE TERM OF THE FRANCHISE AGREEMENT TO JULY 1, 2028, AND ADDING LANGUAGE REGARDING AMENDMENTS TO THE FRANCHISE, SECTION 7 RE-LOCATION OF PIPES AND APPURTENANCES BY AMENDING THE LANGUAGE TO CLARIFY THE RELOCATION OBLIGATIONS, AND SECTION 10 FRANCHISE FEE BY DELETING THE REQUIREMENT THAT SOUTHWEST GAS IS REQUIRED TO PAY A FRANCHISE FEE IN ADDITION TO A BUSINESS LICENSE FEE AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERE-TO; and that there is no fiscal impact. Supervisor Livermore seconded the motion. Motion carried 5-0.
- B. ACTION TO ADOPT ON SECOND READING BILL NO. 116, AN ORDINANCE AMENDING CCMC TITLE 4 LICENSES AND BUSINESS REGULATIONS AMENDING SECTION 4.04.107 (PUBLIC UTILITIES) TO SET THE BUSINESS LICENSE FEE TO THREE PERCENT FOR NATURAL GAS SERVICE AND TO ADD THE PROVISION THAT THE PUBLIC UTILITY MAY

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COLLECT THE BUSINESS LICENSE FEE FROM A GOVERNMENTAL ENTITY OF THE STATE IF THAT ENTITY IS A CUSTOMER OF THE PUBLIC UTILITY AND OTHER MATTERS **PROPERLY RELATED THERETO (2-2145)** - Discussion indicated that there is a typographical error on Page 5 as it references electrical service providers and increases their fees. This increase had already occurred. Justification for the three percent fee was provided. Public comments were solicited but none were given. Supervisor Aldean moved to adopt Ordinance No. 2003-17, Bill No. 116, on second reading, AN ORDINANCE AMENDING CCMC TITLE 4 LICENSES AND BUSINESS REGULATIONS AMENDING SECTION 4.04.107 (PUBLIC UTILITIES) TO SET THE BUSINESS LICENSE FEE TO THREE PERCENT FOR NATURAL GAS SERVICE AND TO ADD THE PROVISION THAT THE PUBLIC UTILITY MAY COLLECT THE BUSINESS LICENSEFEE FROM A GOVERNMENTAL ENTITY OF THE STATE IF THAT ENTITY IS A CUSTOMER OF THE PUBLIC UTILITY AND OTHER MATTERS PROPERLY RELATED THERETO subject to the notation that the underlined typed copy at the top of Page 5 of the agreement is a typographical error and that there will be no increase above or beyond what is noted in that line at the top of Page 5 with respect to charges related to the electrical service. Supervisor Staub seconded the motion. Mayor Masayko disclosed for the record that he had not received any comments either pro or con on the ordinance since the first reading. The motion was voted and carried 5-0.

C. ACTION TO INTRODUCE ON FIRST READING AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 4 LICENSES AND BUSINESS REGULATIONS, AMENDING SECTION 4.04.107 (PUBLIC UTILITIES) TO SET THE BUSINESS LICENSE FEE TO 3.5 PERCENT FOR NATURAL GAS SERVICE AND OTHER MATTERS PROPERLY RELATED **THERETO** (2-2250) - Finance Director David Heath explained that the Board could increase the franchise fee by one percent every two years or one-half-of-a-percent per year. Discussion noted that Sierra Pacific's electrical franchise fee had been increased by one-half-of-a-percent in October 2002. Supervisor Livermore asked that the record indicate that there had not been an increase in the natural gas franchise fees for ten years. The Board had added this increase to the 0304 budget in order to balance its budget. If the Board does not implement the fee, the budget will not be balanced. Mayor Masayko noted that the Board had discussed an increase with the 0203 budget but had not implemented it. He felt that it would be possible for the Board to again forego the increase at this time. Supervisor Livermore reiterated that the Board had discussed and included an increase in the budget. He also pointed to the Sheriff's need for additional funding and the larger than anticipated sales tax shortfall. He encouraged the Mayor and Board to implement the one-half percent increase. Discussion explained that the delay in bringing the issue to the Board was due to negotiations over the franchise agreement and the time required to resolve its issues. Supervisor Williamson recognized the impact the fee increase will have on the residents. She felt that it will increase her gas bill by 37 cents during the summertime and \$1.00 during the wintertime. She also felt that the increase was justifiable as it will impact all users including churches, governmental agencies, the hospital, etc. The users can adjust the impact by reducing their usage. Discussion indicated a revision on Page 2 under Paragraph 2 which bracketed out "March 6". Comments encouraged the Board members to contact the staff with such changes before a meeting. Mayor Masayko reminded the Board of his comments during the budget session in 2002 that indicated the fee increase should occur that year and again this year. He was impressed by the business and manufacturers who did not want to see any increase at that time. The Board had elected to tighten its belt in response to their comments. The Board had not indicated that an increase would never occur. His view of the business and industrial sectors indicates that a recovery has not occurred. The Board should consider tightening its belt even more as it will spend

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the money if it has it. Supervisor Livermore concurred with his statements and noted the need to know the total impact Legislature will create on businesses. The budget process had included the fee increase. The impact a delay will have on it and the City Departments has not been indicated. The proposed increase will not create a significant impact on his residence and spreads the cost over a broader segment of the community that includes tenants and nonprofit organizations. This is the only method the City has of reaching some of these segments. Mayor Masayko indicated that he had not linked the increase to the payer. The funding amount for the budget should be considered holistically which may require reopening the budget. This could not occur today. He was aware of the impact. Consideration should also be given to the potential impacts created by increases to the water fee, the toll free, the sewer fee, etc. The budget time is the correct time to consider the holistic impacts including service reductions. It is no longer necessary to wait five years before increasing the franchise fee. The Chamber of Commerce presentation had been received. The Board had trimmed where it could but had failed to consider other options. The Chamber had thanked the Board for that effort and offered to assist in finding other areas that could be reduced. If the increase is delayed, it will help the Chamber members understand that not all of the taxes have been increased previously. The Board had indicated empathy for the bill payers. Supervisor Staub reminded the Board that there is approximately \$700,000 in unfunded obligations still facing the community. A fee increase had not been made in ten years. It is a broad-based fee. He empathized with businesses and also had utility bills which he must pay. The City's costs are up. The Board must recognize that it does not have a lot of control over them. He indicated his support for the increase due to the Board's original contemplation on it and the need to provide additional staffing for the Sheriff's Office. He noted the Mayor's failure to support the increase originally. He also pointed out the need to address the liability at the Sheriff's Office which requires additional staffing. Discussion indicated that everyone, including the City, will pay the franchise fee. The total impact of the fee on the City offices was unknown although it was felt to be a wash as the City Departments pay the fee which is then returned to the General Fund by the gas company as a franchise fee. Supervisor Williamson moved to introduce on first reading Bill No. 117, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE, CCMC, TITLE 4 LICENSES AND BUSINESS REGULATIONS, AMENDING SECTION 4.04.107 PUBLIC UTILITIES TO CHANGE THE BUSINESS LICENSE FEE TO 3.5 PERCENT FOR NATURAL GAS SERVICE AND OTHER MATTERS PROPERLY RELATED THERETO, fiscal impact is \$120,000 and that the funding source is the Business License fees. Supervisor Livermore seconded the motion. Mayor Masayko indicated that the Board knew his position. The motion was voted and carried 3-2 with Supervisor Aldean and Mayor Masayko voting Naye.

RECESS: A recess was declared at 3:12 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 3:21 p.m., constituting a quorum.

13. CITY MANAGER

A. CLOSED SESSION - ACTION TO RECESS INTO CLOSED SESSION PURSUANT TO THE NEVADA OPEN MEETINGLAW, NRS 241.015(b)(2), FOR THE PURPOSE OF RECEIV-ING INFORMATION REGARDING POTENTIAL OR EXISTING LITIGATION FROM AN ATTORNEY EMPLOYED OR RETAINED BY THE CITY AND/OR DELIBERATING TOWARD A DECISION (2-2752) - Supervisor Aldean moved to recess into closed session under NRS 241.015(b)(2). Supervisors Williamson and Livermore seconded the motion. Motion carried 5-0. Mayor Masayko recessed the Open Session at 3:22 p.m.

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B. OPEN SESSION - DISCUSSION AND POSSIBLE ACTION TO APPROVE ACTION BY LEGAL COUNSEL TO CHALLENGE IN THE COURTS OF THE UNITED STATES THE DISMISSAL, BY FINAL ADMINISTRATIVE ACTION OF THE DEPARTMENT OF THE INTERIOR, OF CARSON CITY'S PROTEST OF COMPETITIVE SALE N-75369, AND OTHER MATTERS PROPERLY RELATED THERETO (2-2769) - Mayor Masayko reconvened the Open Session at 4:26 p.m. by indicating that the Closed Session had been fairly deliberative and lengthy regarding the proposed action. The Board was prepared to take action this afternoon. Supervisor Staub moved to defer authorization to Counsel for the City who represents the City in the action to challenge in the Courts of the United States the dismissal by final administrative action of the Department of the Interior of Carson City's protest of competitive sale N-75369 and instruct staff to investigate potential avenues and resolutions with BLM and Douglas County with a report back to the Board by the next meeting on July 17. Supervisor Livermore seconded the motion. Discussion indicated the July 17 agenda item will be similar to the listing for today's agenda and that other options could be included depending on what options are discovered by staff. The motion was voted and carried 5-0. Mayor Masayko noted that this will give the City two weeks to develop a response.

There being no other matters for consideration, Supervisor Livermore moved to adjourn. Supervisor Aldean seconded the motion. Motion carried unanimously. Mayor Masayko adjourned the meeting at 4:32 p.m.

The Minutes of the July 3, 2003, Carson City Board of Supervisors meeting

	ARE SO APPROVED ON November 6, 2003.
	/s/
	Ray Masayko, Mayor
ATTEST:	
<u>/s/</u>	
Alan Glover, Clerk-Recorder	