

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 1

A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, February 20, 2003, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

PRESENT:	Ray Masayko	Mayor
	Pete Livermore	Supervisor, Ward 3
	Robin Williamson	Supervisor, Ward 1
	Shelly Aldean	Supervisor, Ward 2
	Richard S. Staub	Supervisor, Ward 4
STAFF PRESENT:	Andrew Burnham	Acting City Manager
	Alan Glover	Clerk-Recorder
	Kenneth Furlong	Sheriff
	Ann Beck	Human Resources Director
	Sally Edwards	Librarian
	Steve Kastens	Parks and Recreation Director
	Larry Werner	City Engineer
	Traci Haakinson	Deputy Library Director-Administrations
	Juan Guzman	Open Space Manager
	Kevin Ikehara	Sewer Operations Chief
	Melanie Bruketta	Deputy District Attorney
	Ron Johns	Sergeant
	Katherine McLaughlin	Recording Secretary
	Mary McAlister	Personnel Analyst Trainee

(B.O.S. 2/20/03 Tape 1-0035)

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, INVOCATION AND PLEDGE OF ALLEGIANCE - Mayor Masayko convened the meeting at 8:30 a.m. Roll call was taken. The entire Board was present, constituting a quorum. Rev. Gary Bowers of the First Christian Church gave the Invocation. Mayor Masayko led the Pledge of Allegiance.

CITIZEN COMMENTS (1-0059) - None.

1. APPROVAL OF MINUTES - OCTOBER 3 AND 17, 2002 (1-0062) - Supervisor Williamson moved to approve the Minutes of October 3, 2002, and the Minutes of October 17, 2002, as corrected on Pages 2, 3, and 4. Supervisor Livermore seconded the motion. Motion carried 4-0-1 with Supervisor Aldean abstaining as she was not on the Board at that time.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 2

2. **AGENDA MODIFICATIONS (1-0081)** - As there was only one item for the Consent Agenda, it had been placed in the regular agenda.

3. **SPECIAL PRESENTATIONS**

A. **PRESENTATION OF APPRECIATION PIN TO LARRY OSBORNE FOR HIS VOLUNTEER SERVICE AS PARKS AND RECREATION COMMISSIONER (1-0085)** - Parks and Recreation Director Steve Kastens - Mayor Masayko indicated that Mr. Osborne will be accepting Mr. Martel's pin as he was unable to attend the meeting. Mr. Osborne's terms as Chairperson and Vice Chairperson on the Commission were noted. Mayor Masayko thanked him for his six years of service to the community and presented him with a pin and his name plate. He noted that Mr. Osborne had volunteered to serve on the citizens panel that is evaluating the city manager candidates. Mr. Osborne thanked the Board for the recognition and indicated that it had been a pleasure to serve on the Commission and to work with staff and the fellow Commissioners. He felt that they had added a great deal to the City Parks. He looked forward to watching it on Public Access TV.

C. **PRESENTATION OF APPRECIATION PIN TO GLEN MARTEL FOR HIS VOLUNTEER SERVICE AS PARKS AND RECREATION COMMISSIONER (1-0131)** - Parks and Recreation Director Steve Kastens - Mayor Masayko explained that Mr. Martel had joined the Commission at the same time as Mr. Osborne had. Mr. Martel will continue to serve on the Utilities Advisory Committee. Mayor Masayko thanked him for his service to the community and presented the pin to Mr. Osborne.

B. **PRESENTATION OF APPRECIATION PIN TO RON PACHECO FOR HIS VOLUNTEER SERVICE AS AN OPEN SPACE ADVISORY COMMITTEE MEMBER (1-0142)** - Parks and Recreation Director Steve Kastens - Mayor Masayko explained his tenure on the Committee and thanked Mr. Pacheco for his service. He presented the pin and his name plate to Mr. Pacheco. Mr. Pacheco thanked the Board for his appointment and indicated that he had enjoyed his tenure on the Committee.

D. **ACTION TO ADOPT A RETIREMENT RESOLUTION COMMENDING JANET A. BACHMAN FOR HER SERVICE AS DEPUTY LIBRARY DIRECTOR-PUBLIC SERVICE FOR THE CARSON CITY LIBRARY (1-0168)** - Mayor Masayko thanked her for her 20 years of service to the community and read the resolution into the record. Supervisor Livermore moved to adopt Resolution No. 2003-R-9, A RESOLUTION COMMENDING JANET A. BACHMAN ON HER RETIREMENT. Supervisor Williamson seconded the motion. Supervisor Williamson thanked her for her service to the community. Her ideas and enthusiasm had been appreciated. Mayor Masayko indicated that whenever he had visited the Library or a Library event, Ms. Bachman had been there. Her vacancy will be difficult to fill. Her dedication and loyalty will be missed. The motion to adopt Resolution 2003-R-9 was voted and carried 5-0. Mayor Masayko read the retirement plaque and presented it to her. He wished her success in her future ventures. Ms. Bachman felt that the Carson City Library will be bigger and better in the future as a result of the staff that has been collected. She expected them to exceed the goals that had been accomplished during the last 20 years. She had enjoyed 20 fun years with the Library and serving with the staff.

E. **PRESENTATION OF LENGTH OF SERVICE AWARDS TO CITY EMPLOYEES (1-**

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 3

0258) - Mayor Masayko presented longevity awards for ten years of service to: Virgil E. Hammond; Ronald D. John; Milani G. McKinley, and Vince Petrilen. Longevity awards for 15 years of service were presented to: Victoria Carmack; Richard Dodds; Sheila R. Omodio; Kelvin Ikehara; Mary McAlister; and Steve Schuette. Longevity awards for 20 years of service were presented to Janet Baman and David Park. Longevity awards for 25 years of service were presented to Barbara Gayle McCulloch and David K. Miller. A longevity award for 35 years of service was presented to Colleen Glover. Mayor Masayko complimented all of the recipients on their dedication and service to the community. No formal action was taken or required.

4. BOARD OF SUPERVISORS

A. ACTION TO ADOPT REVISED BOARD GOALS FOR FISCAL YEAR 2003-04 (1-0400) - Mayor Masayko read each of the items into the record and described its purpose. Supervisor Livermore complimented Mayor Masayko on his wordsmithing ability. The importance of the economic vitality coalitions' efforts was stressed. The Subconservancy's agreement to extend a waterline to Lyon County and its value to the economic development of the Highway 50 corridor were limned. Comments indicated the need to accomplish all six of the goals and acknowledged the need to pursue economic opportunities wherever possible. The goals are the Board's document to the community outlining issues that the City needs to focus on in the coming year. When they are written down, they cannot be forgotten or overlooked. All of the goals, including No. 2, were felt to be obtainable. Supervisor Staub indicated that the Board is doing all that it can to fill the vacant building on North Carson Street and to raise the sales tax revenue. Comments noted that the decision to locate in Carson City or elsewhere is always made by outsiders over which the City has little control. The Board/City can only facilitate these business firms in their search process and welcome those who do come. The Board and staff are business oriented. They have little control over the property or a firm's bottom line. Staff was encouraged to be proactive and do what is necessary to avoid creating a negative atmosphere. Supervisor Williamson pointed out that Goals 3 and 6 are the only ones over which the Board has any control. The others require the establishment of partnerships built outside the media's view through negotiations and resolution of key issues. Such efforts can only be announced when finalized. Staff is continuing its efforts to work with the State to resolve any freeway issues which may be encountered that are within the City's limited funding ability. Daily progress occurs on the freeway. Supervisor Aldean explained the Chamber of Commerce and Board's unsuccessful efforts to retain Walmart. Unfortunately, the lease agreement had prohibited the sale of food items which was a business commitment that was made to another tenant in the mall. Walmart then elected to leave the City. Its decision was not based on anything Carson City, the Board, or the staff had done. Public comments were solicited but none were given. Supervisor Livermore moved to adopt the revised Board goals for fiscal year 2003-2004 as presented. Supervisor Aldean seconded the motion. Motion carried 5-0.

B. DISCUSSION AND POSSIBLE ACTION ON THE SELECTION OF A NEW CITY MANAGER INCLUDING APPOINTMENT OF MEMBERS FOR THE COMMUNITY AND CITY EVALUATION PANELS (1-0715) - Human Resources Director Ann Beck - The number of applicants for the panels was noted. Ms. Beck's process envisioned the Board ranking eight applicants as finalists. There had been 68 applications but only 51 were qualified. A supplemental questionnaire will be sent to the Board's selection. The panels will rank these responses. The top seven will be invited to the panel interviews. Both panel interviews will be conducted in public. The top candidates from this process will then be interviewed by the Board. The applicants

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 4

had been advised that their names will be public information. The Board was asked to select the committee members so that training and scheduling can occur. It was felt that the list of applicants for the panel positions was well rounded and contained excellent candidates. Human Resources had developed criteria on which the panel members could score the applicants. A similar process had been used to hire Ms. Beck and the Internal Auditor. The quality of the panel applicants was noted. It was felt that none of the panel applicants should be excluded from the process. Board comments thanked the applicants for applying. Discussion questioned whether anyone who is not a Carson City resident should be eliminated from serving on the panels. Board comments suggested that all of the applicants be placed on the panels. Those City employees who are not City residents can participate with the City panel members, however, should not have a vote. Individuals who cannot attend all of the training session(s) or the interviews will be asked to not participate any further. The panel meetings are to be subject to the Open Meeting Law. Mayor Masayko corrected the listing to indicate that Janice Ayres is with the Retired Senior Volunteers Program and not the Senior Center. Concerns were expressed regarding having so many individuals on the panels. It was felt that attrition could reduce the numbers. Supervisor Aldean's motion to appoint all of the applicants to their respective panels was rejected due to the desire to bifurcate the process. **Supervisor Livermore moved to accept the list of community evaluation panel applicants of 14 (13) names as presented to be on the interview panel for the selection of the new City Manager. Supervisors Williamson and Staub seconded the motion.** Public comments were solicited but none were given. **The motion was voted and carried 5-0.** Mayor Masayko read the list of applicants who were appointed. They were: Jim Kiernan of Builders Association of Western Nevada; James Bawden with Landmark Homes and Development; Don Bruce, owner of a manufacturing business; Robert Curtis, former Chair of the City of Petaluma Personnel Board; Dan Mooney, Redevelopment Advisory and C. Hill Foundation Member; Marv Teixeira, former Carson City Mayor; Larry Osborne, Chamber of Commerce Chief Executive Officer; Maxine Nietz, small business owner and on various selection committees; L. Lee Radtke, a retired manager; Franklin Steinberg, Nevada Dept. of Corrections Personnel Analyst; Craig Swope, Carson access Television Executive Director; John McKenna, School Board Member and other Service Organizations; and Isabel Young, Carson City Humane Society President.

(1-1205) Mayor Masayko limned the criteria for applying for the City panel. All of the categories had fielded multiple candidates except for the Unclassified City Employees. **Supervisor Aldean moved to accept the list of 16 (17) candidates on the City evaluation plan with the proviso that nonresident be advisory and non-voting participants. Supervisor Staub seconded the motion.** Supervisor Livermore indicated that if he did not support the motion because it only recognizes the 17 individuals who are to be seated. The motion makes three "great members" serve in an advisory capacity. Two of these individuals are with the Employees Association. None of the applicants are from the Sheriff's Office. He acknowledged that when volunteers are solicited, one must accept whoever applies. He felt that the vote should be for all the individuals and not just 17 of them. **The motion to appoint the 17 City residents as voting members and three non-City residents as advisory non-voting members for the City panel was voted and carried 3-2 with Supervisors Williamson and Livermore voting Naye.** Mayor Masayko reiterated the reasons for the split vote and read the list of individuals who were appointed to the City committee. They were: Charter Review Committee Member and Parks and Recreation Commissioner Donna Kuester DePauw; Storm Drainage Advisory Committee Member Charles DesJardins; Library Board Trustee Karen Grillo; Economic Vitality Committee Member Tom Keeton; Regional Transportation Commissioner Bob Kennedy; Storm Drainage Advisory Committee Member Tony Marangi; Member of the Advisory Board to Manage Wildlife Gilbert Yanuck; Redevelopment Authority Advisory Committee and City Downtown Advisory Panel

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 5

Member Linda Johnson; Fire Chief Louis Buckley; RSVP Executive Director Janice Ayres; Parks and Recreation Director Steve Kastens; Community Development Director Walter Sullivan; Justice of the Peace/Municipal Judge Robey Willis; Battalion Chief and Firefighters Association Member Stacy Giomi; Firefighter and Firefighters Association Member Mike Santos, Recording Secretary Kathleen King, and Chief Deputy District Attorney Anne Langer. Participants but non-voting members were: Acting City Manager/Development Services Director Andrew Burnham, City Manager's Management Assistant and CCEA Member Janet Busse; and Environmental and Training Specialist and CCEA Member Deborah Wiggins.

C. NON-ACTION ITEMS

i. **DISCUSSION ON LEGISLATIVE MATTERS (1-1326)** - Mayor Masayko explained that the Charter amendments will be heard by the Legislature tomorrow and invited the public to participate.

ii. **INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (1-1352)** - Mayor Masayko reported on the Convention and Visitors Bureau meeting and its activities; his TRIAD activities and its meeting; his participation in the Catholic Schools Week and St. Teresa School's tour of City Hall and commended them on their greetings/thank you/recognitions; and his participation with Sheriff Furlong at the Legislative Judicial Committee funding discussion on the Nevada Division of Investigation and the TRINET drug task force staff reductions. Supervisor Livermore reported on his participation in the Carson City Humane Society's fundraiser; Chamber of Commerce Manufacturers meeting; Carson-Tahoe Hospital Finance Committee meeting; Retired Military Officers meeting; the efforts to encourage the Post Office to find another location for a small postal service to replace the one that was at K-Mart; Carson City Economic Vitality Coalition meeting; Parks and Recreation Commission meeting; and the Subconservancy District meeting. He invited the public to attend today's 7 p.m. meeting at the Nevada State Library Conference Meeting Room to see the presentation to the Nevada State Human Resources Division on the Carson-Tahoe Hospital's regional hospital concept and its application for a certificate of need. Supervisor Staub solicited applications for the softball and baseball teams. He then reported on the Regional Transportation Commission meeting; the Senior Citizens Advisory Committee meeting; and Airport Authority meeting. He cited media reports indicating the move is on to relocate in Nevada due to California Governor Gray's plan to increase personal income taxes. He also noted that the former Penguin building had been razed and that the Arco AM/PM expansion is moving forward. He then described Assemblyman Ron Knecht's the "joke stops here" award. Supervisor Williamson reported that several theatrical groups had been visiting the City who were interested in movie theater projects. She thanked all of the participants who had worked with this group. She then reported on the Redevelopment Authority Advisory Committee meeting; the Economic Vitality Coalition's efforts; the employees Christmas event coordination and expansion efforts; WNCC's selection of a wildcat as its mascot and its efforts to develop a sports program without any funding from the Regents; her participation and Mary Walker's presentation to a Legislative subcommittee on Redevelopment issues; and the Subconservancy meeting. She announced the Open Space Advisory Committee's seminar on open space easements and her plans to attend next week's water conference in Sparks. Acceptance of the soccer shootout applications terminates on Saturday. Its attendance last year was described. Supervisor Aldean reported on her attendance at the WNDD meeting; the Economic Vitality meeting; and a meeting with TRPA Executive Director Juan Palma. She plans to attend the TRPA Governing Board meeting next week and the Legislature's meeting on the Charter amendments. She then explained Gottschalk's plan to sell its credit card division and her contact with its management indicates that the store will

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 6

remain in the community.

iii. STAFF COMMENTS AND STATUS REPORTS (1-2045) - None.

RECESS: A recess was declared at 10:10 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 10:20 p.m., constituting a quorum.

T. DEVELOPMENT SERVICES - ENGINEERING - ACTION TO APPROVE AN AGREEMENT BETWEEN THE NEVADA DEPARTMENT OF TRANSPORTATION AND CARSON CITY FOR THE ADJUSTMENT OF UTILITY FACILITIES FOR A PORTION OF THE CARSON CITY FREEWAY PROJECT PHASE 1B FROM EAST COLLEGE PARKWAY TO GENOA LANE (1-2055) - City Engineer Larry Werner described the location of Genoa Lane. Mayor Masayko indicated for the record that the completion of Phase 1B covers the area from the Highway 50 East crossing to the College Parkway location. The project has been fast tracked. Phase 1A covers the area between the northern terminus and College Parkway. Public comments were solicited. None were given. Supervisor Staub moved to approve an agreement between the Nevada Department of Transportation (NDOT) and Carson City for the adjustment of utility facilities for a portion of the Carson City Freeway Project Phase 1B from East College Parkway to Genoa Lane, fiscal impact is \$591,252 of which \$369,710 is subject to reimbursement by Nevada Department of Transportation, funding source is account no. 520-3505-435-7893 and 7894, 515-0000-434-7998 and 7999. Supervisor Livermore seconded the motion. Motion carried 5-0.

6. INTERNAL AUDITOR - ACTION TO APPROVE ON SECOND READING BILL NO. 103, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE CHAPTER 2.31 AUTOMATION SERVICES DEPARTMENT, SECTION 2.31.040 ORGANIZATION AND MEMBERSHIP OF COMMITTEE BY REMOVING THE CARSON CITY INTERNAL AUDITOR FROM SERVING AS A MEMBER OF THE COMMITTEE AND OTHER MATTERS PROPERLY RELATED THERETO (1-2125) - Mayor Masayko indicated for the record that he had not received any comments either pro or con on this ordinance since first reading. He noted the concern regarding having only six members. Acting City Manager Andrew Burnham indicated that the Committee had been operating with only six members for some time without experiencing any problems. It had not met to discuss the matter. Internal Auditor I. Steve Wolkomir was present. Public comments were solicited but none were given. Comments also suggested that the Committee's name be revised. Supervisor Staub moved to adopt Bill No. 103 on second reading, Ordinance 2003-4, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE CHAPTER 2.31 AUTOMATION SERVICES DEPARTMENT, SECTION 2.31.040 ORGANIZATION AND MEMBERSHIP OF COMMITTEE BY REMOVING THE CARSON CITY INTERNAL AUDITOR FROM SERVING AS A MEMBER OF THE COMMITTEE AND OTHER MATTERS PROPERLY RELATED THERETO; there is no fiscal impact. Supervisor Livermore seconded the motion. Motion carried 5-0.

7. COMMUNITY DEVELOPMENT - PRESENTATION AND DISCUSSION ON PROJECTS FOR COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG) FUNDING FOR FISCAL YEAR 2003-04, AMOUNT OF FUNDS REQUESTED FOR EACH PROJECT, DESCRIPTION OF PAST PERFORMANCE RELATIVE TO CDBG PROJECTS IN CARSON CITY, AND OPENING OF TWO WEEK PUBLIC COMMENT AND APPLICATION REVIEW PERIOD (1-2183) - Community Devel-

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 7

opment Director Walter Sullivan - The Salvation Army had withdrawn its application due to the need for additional documentation. It intends to resubmit it next year. Its letter of withdrawal was read into the record. The applications were highlighted. The City will participate with the other rural applicants. It is hoped that Federal legislation will be effective next year designating the City as an "entitlement city" which will eliminate the need to approach the State for these funds. The City is allowed to submit one economic grant request and one planning grant request. The City has a planning grant but does not have an economic grant. Mr. Sullivan thanked Kathy Laster for her work on the grants. The Board will act on the applications in two weeks. Comments described the selection process. Mr. Sullivan committed to working with the Salvation Army on its application. Acting City Manager Andrew Burnham suggested that the Board prioritize all of the applications as there could be enough funds available for all of them. Mayor Masayko felt that the Congressional appropriations bill had included entitlement funds for Carson City. He also believed this will be the last year the City will have to request funding from the State. The criterion for a planning grant was described. The need to close open grants was noted. Comments also indicated that the applicants will state their case to the Board at the next meeting. Discussion explained that the Hot Springs road improvements had been submitted for an NDOT enhancement grant. These funds require a match which may hurt the City's ability to complete the project. If the CDBG grant is approved, the enhancement grant application may be withdrawn. Supervisor Staub suggested that a grant be submitted for funding for the Boys and Girls Club summer transportation program. Mr. Sullivan felt that it may qualify for the grant as it serves low and moderate income families. He agreed to research it, however, the City's application deadline was February 5th. Mayor Masayko noted that this is a City restriction and not a CDBG restriction. He felt that the submittal process could be amended to allow submittal of the application.

Boys and Girls Club Executive Director Kathy Blankenship described the HVAC problems the Club was having and its replacement cost. The building is owned by the State and leased to the City. They share the repair costs and have made \$150,000 in upgrades to the building. The grant was felt to be an opportunity for someone else to help pay for the system. Mayor Masayko felt that the grant was a better place to compete for funding than for a part of the City's budget. Supervisor Aldean explained that the City lease requires the tenant to be responsible for replacement and maintenance.

RSVP Executive Director Janice Ayres explained the pro bono legal work Lora Myles had been providing. The funding will allow her to receive some remuneration for these services. She agreed that there is no guarantee that future funding will be available for this program. She also indicated that she did not know how much longer Ms. Myles would be willing to continue to dedicate all of her time to senior legal issues. Benefits of the program for low income seniors were described. Unsuccessful efforts had been made to obtain funding from the State Division of Services for the Aging. She thanked the Board for allowing the application to be submitted. They had unsuccessfully sought assistance from Nevada Legal Services. She was not aware of any local attorneys who have offered to provide pro bono services. The Nevada Bar Association and private attorneys have referred cases to Ms. Myles. Efforts had been made to obtain some of the marriage license fees, however, the Nevada Legal Services has tied up all of these funds. Donations pay for the travel expenses and had converted a small area into an office for Ms. Myles. The clients have never been asked to pay for the service. Donations are solicited and are given to RSVP and not Ms. Myles. The Senior Center had taken 40 percent of the donations when the service was located at its facility. Ms. Ayres felt that 100 percent of the clients were unable to pay for the service beyond the donations that they make. Any clients who can afford attorneys are sent to them.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 8

Additional public comments were solicited but none were given. Mayor Masayko explained the procedure which would be followed in two weeks. All of the applications were carried forward to that meeting. This included the Senior Center dining room expansion which had been withdrawn last year. City Engineer Larry Werner explained that the Center had applied and received funding for an elevator. These funds had been returned as the expansion plans had changed from a two-story structure to expansion of the present single story building. The applications total \$436,650. Additional public comments were solicited but none were given. Supervisor Williamson moved to open the two-week public comment and application review period for projects for the Community Development Block Grant, CDBG, funding for fiscal year 2003-04, the amount of funds requested for each project and description of past performance relative to CDBG projects in Carson City commencing February 20, 2003 and ending March 5, 2003. Following a request for an amendment, Supervisor Williamson modified her motion to include the addendums and modifications that are on the record. Mayor Masayko indicated that the Salvation Army application was removed and that the Boys and Girls Club summer transportation program had been added. Supervisor Aldean seconded the motion. Motion carried 5-0. Supervisor Staub volunteered to help with the application and suggested that Pauline Kiser also be contacted.

8. DISTRICT ATTORNEY - Deputy District Attorney Melanie Bruketta

A. ACTION TO ADOPT ON SECOND READING BILL NO. 104, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE (CCMC) TITLE 4 LICENSES AND BUSINESS REGULATIONS, CHAPTER 4.08 ROOM RENTAL TAX, SECTION 4.08.120 DISPLAY OF NOTICE BY DELETING THE EIGHT PERCENT TRANSIENT LODGING TAX AND REPLACING IT WITH A TEN PERCENT TRANSIENT LODGING TAX AND OTHER MATTERS PROPERLY RELATED THERETO (1-3294) - Mayor Masayko indicated for the record that he had not received any comments on the ordinance since the first reading. He also indicated that the ordinance will bring the City Code into conformity with the tax that the Board imposed and was effective in January. Public comments were solicited but none were given. Supervisor Aldean moved to adopt on second reading Bill No. 104, Ordinance No. 2003-5, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE (CCMC) TITLE 4 LICENSES AND BUSINESS REGULATIONS, CHAPTER 4.08 ROOM RENTAL TAX, SECTION 4.08.120 DISPLAY OF NOTICE BY DELETING THE EIGHT PERCENT TRANSIENT LODGING TAX AND REPLACING IT WITH A TEN PERCENT TRANSIENT LODGING TAX AND OTHER MATTERS PROPERLY RELATED THERETO. Supervisor Livermore seconded the motion. Motion carried 5-0.

B. ACTION TO ADOPT ON SECOND READING BILL NO. 105, AN ORDINANCE AMENDING (ORDINANCE NO. 2002-39) TITLE 8 (PUBLIC PEACE, SAFETY AND MORALS) CHAPTER 8.04 (PROHIBITED CONDUCT) OF THE CARSON CITY MUNICIPAL CODE BY CHANGING SECTION NUMBER 8.04.128 TO SECTION NO. 8.04.131, (ACTS OR OMISSIONS CONSTITUTING CONTEMPTS), CHANGING SECTION NUMBER 8.04.129 TO SECTION NUMBER 8.04.132 (SUMMARY PUNISHMENT OF CONTEMPT COMMITTED IN IMMEDIATE VIEW AND PRESENCE OF COURT; AFFIDAVIT OR STATEMENT TO BE FILED WHEN CONTEMPT COMMITTED OUTSIDE IMMEDIATE VIEW AND PRESENCE OF COURT; DISQUALIFICATION OF JUDGE), AND CHANGE SECTION NUMBER 8.04.130 TO SECTION NUMBER 8.04.133 (PENALTY FOR CONTEMPT) AND OTHER MATTERS PROPERLY RELATED

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 9

THERETO (1-3400) - Mayor Masayko indicated for the record that he had not received any comments either pro or con on this ordinance. Public comments were solicited but none were given. Supervisor Staub moved to adopt on second reading Bill No. 105, Ordinance No. 2003-6, AN ORDINANCE AMENDING (ORDINANCE NO. 2002-39) TITLE 8 (PUBLIC PEACE, SAFETY AND MORALS) CHAPTER 8.04 (PROHIBITED CONDUCT) OF THE CARSON CITY MUNICIPAL CODE BY CHANGING SECTION NUMBER 8.04.128 TO SECTION NO. 8.04.131, (ACTS OR OMISSIONS CONSTITUTING CONTEMPTS), CHANGING SECTION NUMBER 8.04.129 TO SECTION NUMBER 8.04.132 (SUMMARY PUNISHMENT OF CONTEMPT COMMITTED IN IMMEDIATE VIEW AND PRESENCE OF COURT; AFFIDAVIT OR STATEMENT TO BE FILED WHEN CONTEMPT COMMITTED OUTSIDE IMMEDIATE VIEW AND PRESENCE OF COURT; DISQUALIFICATION OF JUDGE), AND CHANGE SECTION NUMBER 8.04.130 TO SECTION NUMBER 8.04.133 (PENALTY FOR CONTEMPT) AND OTHER MATTERS PROPERLY RELATED THERETO; no fiscal impact. Supervisors Williamson and Livermore seconded the motion. Motion carried 5-0.

10. DEVELOPMENT SERVICES - City Engineer Larry Werner - DISCUSSION ON AND DIRECTION TO STAFF TO SUBMIT THE CARSON CITY NOTICE OF INTENT TO FILE FOR A NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PHASE II STORM WATER PERMIT WITH THE NEVADA DEPARTMENT OF ENVIRONMENTAL PROTECTION (2-0008) - Comments on the program have been solicited but none have been received to date. Discussion suggested that the Storm Drainage Advisory Committee be used as the steering committee. If a committee is part of the program, it becomes mandatory and must be maintained. The Board then directed that the committee be eliminated from the report. The Board could in the future, if desired, establish one as an option but it would not be mandated. It was also indicated that if the plan includes the use of committees or commissions presently established by the Board instead of a steering committee, these committees/commission will be mandated in the future. Mr. Werner recommended that the committee(s) proposal be removed from the plan and that it be used by the Board as an option when needed. Consensus supported his recommendation. The plan is to be amended to spell out "stream stewardship". Mayor Masayko felt that the staffing for this program should be optional. He did not want to develop a bureaucracy with a funding demand. Mr. Werner explained that the plan must include a meaningful stream stewardship program or a program of similar nature. He agreed to research the requirements for data gathering to see if another process could be used. Clarification indicated that the program is different from that provided by the Subconservancy and Conservation Districts. Supervisor Livermore suggested that he research the possibility of using their data for the program. Mr. Werner agreed to check into it. He was also unsure whether Mr. Hoffert and his staff could serve as the contact person and "water cops". The program anticipated requiring two or three new staff persons and one contracted individual. The plan mandates these positions. The City will have to pay for the positions regardless of whether it is a staff person or not. Mayor Masayko indicated that the \$3.05 per month fee would have to pay for the staffing. Discussion indicated that the School District is interested in providing an educational service as a trade off for its utility costs. Mr. Werner explained that there are 43 pages identified in the elements that must be done. Staff is attempting to develop the programs addressing those elements. The italicized items must be developed. The proposed program is the best that staff can develop at this time. The Feds and NDEP may reject the plan. If less detail is provided, they may dictate what will be done. The plan is staff's attempt to provide what they need. The streams will be monitored. Illicit or post construction dumping could pose problems. Mayor Masayko reiterated his concerns with the establishment of a bureaucracy to comply with mandatory Federal

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 10

and State regulations. Mr. Werner indicated that he would research the requirements further and attempt to soften those that could be changed. Mayor Masayko asked that a synopsis be created rather than have the Board read the entire 43 page document. Supervisor Williamson explained that Clear Creek's problem is the lack of monitoring. She could not conceive having a high school class perform this monitoring. She felt that it would be necessary to hire an individual or contract with someone to do the work. The need for runoff information was stressed. Board comments encouraged Mr. Werner to consider outsourcing the work wherever possible. Mr. Werner explained that Senior Engineer John Givlin has been performing some of the duties. His services are paid for with RTC funds. Justification for the use of these funds for storm drainage monitoring was provided. Mr. Werner agreed to use contractors wherever possible. Mayor Masayko encouraged staff to be more creative. Supervisor Aldean expressed concerns about the milestones such as the hot line. If the City is in compliance and no calls are received, the City will not have any information to report and could miss the milestone. Mr. Werner explained that Engineering currently receives such telephone calls. The City must recognize the need and function. Someone must be assigned to handle such calls. Once the call is taken, there are no other options but to identify it, determine the location and how to handle it. The position must have 24/7 coverage. Hazardous wastes could be part of the program. It could be handled by dispatch after hours through the use of an on-call position. This would not add to the workload or cost. Efforts are being made to keep the costs down. Adjacent Counties, their GIDs, and the Washoe Tribe that are within the designated urban area are actively pursuing permitting their erosion control programs. Discussion indicated that the building permit fee structure should include fees for this program. The fee has not been developed due to the lack of knowledge regarding the service needs. The plan commits the City to finalizing its permitting process by September 2004. Clarification indicated that the hot line program/complaint clearinghouse is to be implemented by year four of the plan. A lot of the plan items will be submitted to the Board due to the need to develop ordinances/resolutions/regulations to implement the various programs. It may be possible to use contracted individuals to annually/semiannually monitor the building sites for compliance. Year one required establishment of the utility and its rates. This should occur in March and April. Ordinances are to be developed during year two and adopted in year three. Good housekeeping requirements were limned. This includes street runoff, street sweeping programs, park fertilization programs, etc. These programs must be developed in year one. Carson City's program needs additional details. The Clear Creek program requires fewer details. The inspection programs will be implemented in year four. (2-0575) Discussion pointed out legal concerns regarding the right of entry onto private property to comply with the requirements. Mr. Werner felt that Building Code could be used to address these issues. Justification for needing such ordinances were noted. Mayor Masayko felt that the sewer discharge ordinance also addresses this issue. Businesses will be required to comply with the regulations through the building permit process. Building permits must be obtained for any building modifications or expansions. Supervisor Livermore described a business license issue in the Single Family One Acre zone. Mr. Werner indicated that if one acre or more is disturbed, it would be required to obtain an erosion permit unless there is an illegal discharge. The program will allow the City to "chase down" any violations which occur in the future and are created by today's development. The Building Department does not review all business licenses unless there is an EPA regulation related to the operation, such as a vehicle storage area. Supervisor Livermore explained that the business he had cited now has 7 or 8 vehicles with different functions stored on the lot. Mr. Werner indicated that his issue had not been considered but may have to be in the future. Discussion also indicated that the City's program will be the standard for the urban area. The State will enforce the standards. Mr. Burnham explained that Douglas County has been given a copy of the program and invited to meet on it. They have failed to respond to date. Mr. Werner indicated that NDOT is obtaining its own permit but will contract with the City for the public education program and other work within

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 11

Carson City. NDOT will pay the City for this work. Indian Hills Improvement District supports the program and is willing to contract with the City to do the work. Neither the Washoe Tribe nor Lyon Counties have indicated what they plan to do. Staff is willing to support a waiver opting Lyon County out. Reasons for this recommendation were noted. Mr. Werner felt that Douglas County will file for its permit on March 10. He was unsure what the level of filing it will be. Discussion noted New York City's snow removal program as an example of the control the program had. It has been debated since 1972 and is part of the Clean Water Act of 1973. Mayor Masayko noted that the Board had vocalized its concerns. Some modifications were indicated. It is a program which the City may not like in the future. The minimum requirements should be maintained. Public comments were solicited but none were given. **Supervisor Williamson moved to direct staff to submit the Carson City Notice of Intent to file for an NPDES Phase II Storm Water Permit as modified with the Nevada Department of Environmental Protection; fiscal impact is an estimated \$280,000 per fiscal year; and the funding source is the proposed Storm Water Utility. Supervisor Livermore seconded the motion.** Mr. Werner indicated that he would provide copies of the modifications before submittal. Supervisor Livermore elaborated on the comments concerning future drainage requirements. Mr. Burnham indicated that the same requirements are being mandated for the freeway. Mayor Masayko cautioned the Board to wait for the arsenic removal requirements. Supervisor Williamson pointed out that the City did not have any options regarding the mandated Federal requirements. Mayor Masayko agreed that it is not worth going to jail for, however, there is always the possibility that the regulations may be modified in the future. The motion to direct staff to submit the revised Notice of Intent to file for an NPDES Phase II Storm Water Permit was voted and carried 5-0.

9. FINANCE - Director David Heath - REVIEW OF FISCAL YEAR 2002-03 FINANCIAL SUMMARY AND POSSIBLE ACTION ON DIRECTION TO STAFF; ACTION TO PROVIDE DIRECTION TO STAFF ON THE ASSUMPTIONS TO BE USED IN PREPARING AND BALANCING THE UPCOMING FISCAL YEAR 2003-2004 BUDGET (2-0745) - Acting City Manager Andrew Burnham, Human Resources Director Ann Beck, Sheriff Ken Furlong - Discussion indicated that the December results are not "in our pocket" at this time. The graphs displayed the results of the first five months of the fiscal year. Actions which had reduced the revenue projections for this year's budget were limned. The revenue shortage for this period was \$700,000. The loss of K-mart will further impact the City. Concerns were expressed that additional losses will be compounded when the General Fund expenditures are increasing by at least \$1 million a year. After next year the City will not have any reserves on which to draw to make up for the loss. Mr. Heath used computerized slides to display and discuss the financial summary. Mayor Masayko felt that the estimated projections for the remainder of the year were not valid due to the lack of sales tax information for December. Board comments indicated a need to analyze the Parks Construction Tax and the Room occupancy rates. The increase in employee benefits, including the impact of the PERS increase and the heart and lung liabilities, were described.

Mayor Masayko felt that the Board was not willing to increase the ad valorem rate by 15 cents. Other options should be considered before this occurs. He urged the Board to send a message to staff that help is needed to make it through the year. It is not prudent to spend all of the reserves and CQI in one year. He suggested a vacancy management policy that holds off on refilling all positions until after June 30 with the exception of the City Manager's and police and fire positions which are the direct line service positions. If these positions are open and being advertised, they should be worked out with the Acting City Manager. Critical positions should also be discussed with the Acting City Manager with appeals being made to the Board. Staffing levels for next year should be

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 12

discussed during the budget process. Although the budget process had been streamlined, he felt that it was necessary that all Departments should justify their allocations. He then suggested that all capital project spending be curtailed except for those under construction or for public safety items such as the purchase of police vehicles and for the freeway, which are flood and utility issues. All other operational expenditures should be minimized including travel, publications and other items which can be deferred. For the moment, employee education and training should be exempt. He hoped to avoid the necessity of cutting everyone's budget by three percent. He asked the Department Heads and Acting City Manager to get on board and keep a running total of the reductions. He then suggested that the CQI expenditures be frozen including the capital allocations and any funds held by Departments that have not been committed. These funds may be needed for payroll in the future. He asked the Acting City Manager and staff to provide a monthly report detailing what actions have been taken and the estimated results. Justification for these reductions at this time was limited. Efforts should be made to protect service level allocations. The unpredictable economic situation and its continued spiral downward were noted. Until the free fall stops, its total impact is unknown. Times warrant implementing the discipline necessary to survive.

Mr. Burnham pointed out that the graphs illustrate the General Fund expenditures are below predictions. Mayor Masayko responded that this is due to the fact that vacant positions require time to fill. Clarification by Mayor Masayko indicated that he wished to capture the savings and build on them. Discussion indicated that the Sheriff's Department vacancy ratio had provided savings of approximately \$370,000 annually for each of the last three years. The City's vacancy ratio saves approximately \$1 million a year. These savings have been used by the Capital Improvement Program. Mayor Masayko pointed out that there is a five cent

capital projects assessment that could be used for this program. Freezing any vacant positions will provide additional funds for future needs. Mr. Burnham agreed to seek relief from the freeze if deemed necessary for critical position(s).

Supervisor Williamson expressed her belief that the budget process requires a lot of Board time. She felt that the employees should be given an opportunity to find savings. This would allow the Departments and staff to work together and avoid any "fighting" as well as the ability to continue to provide the highest level of service possible with reduced revenue. Mayor Masayko was skeptical about the ability of this process to provide the necessary funding level at this time.

Supervisor Aldean felt that the challenge required utilizations of all possible budget reductions. If the Departments/staff fail to cooperate, then the Board could make the final decisions. She asked Mr. Burnham to provide details indicating what positions are vacant now and the need for these positions. This report is to include all vacancies and not just those at the Sheriff's Office. Ms. Beck indicated that there are three Public Communication Operator positions and two or three Deputy Sheriff positions vacant at this time. She also indicated that the vacancy report could be provided.

Sheriff Furlong explained the vacancy factor experienced at the Department when he took office and his efforts to recruit additional Deputies and fill those positions. Due to his change in employment criteria, he was not experiencing the difficulty a former administrator had encountered in recruiting and filling the positions. The applicants are qualified and can perform the duties. He had been advised at a briefing yesterday that all five of the Public Communications

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 13

Operator positions had been filled. He had streamlined their training program which allows them to take over the duties sooner. He had intended to give this information to the Board in a different setting. Discussion indicated that only one vacant administrative position occurred as the result of the new administration. It was a lieutenant's position. He had promoted an individual to that rank. This created rolling vacancies for lower administrative positions. Yesterday recommendations were made to replace a sergeant who was promoted through this process. This may open a deputy position. He then explained his policy to hire new deputies and place them in detention. Discussion indicated that Sheriff Furlong found the previous administration's vacancy factor of ten percent to be unacceptable. The turnover factor had as high as 50 percent during the last two years. He felt that this was an inoperable position to have. His position is that if the Board funds it, he will fill it. All of his positions are needed as the work is there. He did not want to have any vacant positions.

Discussion between Sheriff Furlong and Mayor Masayko explained the status of the mobile data terminals. Mayor Masayko clarified his direction as being that if the items are under contract or the project is underway and the money is "scoped" and spent during this fiscal year, it can go forward. He also pointed out that if it is possible to show that the mobile data terminals provide a cost efficiency/savings, it should be allowed to proceed. Clarification explained Sheriff Furlong's policy of placing new recruits in detention and rotating those deputies into the field.

Supervisor Livermore suggested that staff be asked to develop alternative budgets. It was his understanding that the budget which had been prepared by staff was one that holds the line. He believed that the economy would not be depressed for long. He agreed that all the budgets should be considered including those for CIP. He challenged Mr. Burnham to find \$700,000 in savings. Mayor Masayko hoped that the economy would turnaround soon. He also pointed out that some budgets can develop savings while other small ones may not be able to do so. He encouraged those that could to do so. Discussion indicated that the service level should be maintained if at all possible. This may avoid staffing cuts next year. Comments indicated that reductions may have to be made in the community support funding.

Supervisor Staub stressed the need for people to understand that some funding had been placed in reserves to meet a shortfall, however, it is not adequate to meeting the estimated shortage. Former City Manager John Berkich's efforts to begin the reduction process were limned. Supervisor Staub also commended staff on its effort to become more efficient and make reductions wherever possible. His support for Mayor Masayko's five suggestions and Supervisor Livermore's sixth suggestion was explained. He agreed that CQI should be frozen. In two years it may be possible to return it.

Discussion ensued on the request for Board direction indicating the amount of an overall reduction desired for an alternate budget. Discussion also indicated that there is approximately \$800,000 of the Costco funds for Fuji Park that have not been spent. There are three parcels which have been identified for disposal. The time required to consummate a sale of these properties was felt to be four to six months. Supervisor Aldean encouraged the Board to suspend all improvements at Fuji and reserve the funds. Discussion indicated that this may create a legal program.

Supervisor Williamson suggested that staff evaluate refinancing the Public Safety Complex Bond. She also encouraged staff to inform the community service agencies that the Board may not be able to financially afford the

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 14

\$300,000 that had been allocated last year from one shot funding for them. The Board will have to absorb the funding requirements for the Silver Springs regional juvenile facility and for public transit. She hoped that the MPO will be able to provide supplemental funding for transit. Mayor Masayko questioned whether the Board should increase the ad valorem rate to generate new revenue. Supervisor Williamson explained that during her campaign for office she had been told repeatedly that the public wanted to save Fuji Park and the Fairgrounds and would support an increase in taxes to do it. Mayor Masayko felt that the question should be asked again and the statements reiterated. Supervisor Livermore pointed out that the last survey had not received any comments regarding higher taxes. It indicated a desire to protect open space and Fuji Park. If the same service level is desired, the revenue sources must be considered. They should all work together to enhance sales tax revenue. The last election had supported the bicycle lane, open space, and other amenities. The people who want to pay more for these items must be in the majority in order to continue funding them.

Discussion indicated that the Board should determine the level which staff should cut from the budget. At this time neither the Internal Finance Committee nor Human Resource Director Ann Beck are popular with the Department Heads/staff as they are holding the line on budgets and staffing. Position vacancies are to be scrutinized and frozen unless an absolute priority/necessity. Board comments had supported these restrictions. Although the Board could increase fees and taxes, it was felt that during times of economic depression justification for those increases must be provided. Cuts should be made before increases are approved. Mr. Heath explained the unknowns encountered in attempting to estimate at this moment the amount of funding which could be saved by freezing vacant positions and the CIP and CQI funds. Savings of \$500,000 to \$600,000 in CQI funds and a possible \$200,000 in freezing vacant positions may be provided. Discussion then explained that the ad valorem rate had dropped. Mr. Heath suggested that the needed increase for next year would be nine cents and six cents the following year. Mayor Masayko indicated that the Board's direction had been provided. There are six items which the staff is to pursue and that a report is to be provided at the next meeting. Cost saving programs and the addition of the Costco funds are to be included in the six items.

Board direction was then solicited regarding the 2003-04 budget. Supervisor Williamson asked staff to look at the recycling program as there could be a savings between \$200,000 and \$300,000 from the landfill. She felt that recycling is only producing a one percent savings at this time. With more emphasis additional savings could be created. Supervisor Aldean explained that the survey referenced by Supervisor Livermore had been contradictory. If businesses are additionally burdened, some more may be forced out of business. This reduces the sales tax revenue. It is a cause and effect. The Board should look at the integrated process. Discussion explained that the electorate approved tax override for Fire Station 1 had never been implemented. The Board had elected to use sales tax revenue to pay the bond used for its construction. Supervisor Aldean explained that the Chamber of Commerce Manufacturing Association is quite concerned about the projected 15-cent ad valorem tax increase being debated at the Legislature. Two bankruptcies in a mall were cited to illustrate the business concerns regarding the depth of the recession. Sierra Pacific could pass on the half-cent tax to the users as a franchise fee. Reasons the Board had not imposed the ad valorem tax rate for the Silver Springs Regional Juvenile Center were limned. Mayor Masayko stressed that by using General Fund monies the Board had provided a better method of fiscal control. Mr. Heath agreed that the ten percent park and recreation user fees could be assessed. He also indicated that other user fees could be increased. He agreed to begin the process of refinancing the Public Safety Complex Bond. An administrative charge for the storm water utility and its \$3 service fee were noted. An increase to the one stop shop fees may be warranted.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 15

Mayor Masayko then indicated that an increase in the ad valorem rate should be considered as an option although he wanted it to be the final restricted option. There are not to be any new positions in next year's budget. All spending should be reduced by four percent (which he later reduced to three percent). Mr. Heath indicated that a four percent reduction would produce a savings of approximately \$1.5 million. Mayor Masayko indicated that this is the desired amount. He agreed that refinancing of the Public Safety Complex Bond should occur. Permanent savings reductions should be developed. He could support an increase to the ad valorem rate of four cents but not anything higher. He also felt that the \$2 million in reserves should be held as it could be needed in the future as the economic dip may remain for more than one year.

Supervisor Livermore supported having staff cut expenditures. He did not wish to increase taxes beyond what is absolutely necessary. Vacancy management should include consideration of a reduction in work hours. The budget must be built on revenues which can be seen and not those that are hoped for.

Supervisor Staub felt that savings could be found. If not, the Board should be informed as quickly as possible. He also supported debt restructuring. The Governor's tax plans had diminished their ability to increase taxes. He could not support an increase to the ad valorem rate that is any higher than that equated to the CPI rate. Parks and recreation user fees should be increased. He supported selling assets (the three parcels) as it decreases the City's liability. The highest and best use of the properties lies with private development. As an agreement had been made on the Costco proceeds, they should not be touched. Supervisor Livermore then explained that the Parks and Recreation Commission is analyzing how the remaining Costco funds should be spent at Fuji Park and the Fairgrounds. Safety issues had been indicated which need to be addressed. These items and the road construction will use all of the remaining funds. Supervisor Aldean explained that she had not been involved with the decision regarding the Costco funds allocated to Fuji Park and the Fair-grounds. Her intent when the funds are placed in the General Fund included an understanding that when economic conditions improve the Costco funds could be reimbursed.

Supervisor Williamson explained that the Board had been fiscally conservative. The City has the lowest tax rate in the State. Suggestions are listened to and adopted when appropriate. Efforts will be made to continue to reduce expenditures while maintaining the current service level. She was not willing to draw a line and indicate that ad valorem taxes will not be increased. Efforts should be made to reduce the impact of the cuts and increases as much as possible.

Mayor Masayko directed that there be a flat budget with no new manpower. He also wanted to see a budget with cost savings, a three percent overall reduction, a four-cent ad valorem increase, refinancing of the Public Safety Complex, and freezing the CQI funds and the labor budget. The CIP funds are from the CQI program and its own sales tax revenue source. Conditions may not be as dire as projected, however, only time will tell. He encouraged staff to develop a one page spread sheet containing this information and property tax options. Community support services should be advised that the one shot funds will not be available for additional support. Their ongoing funding will be maintained. Mr. Heath indicated that ongoing funding for community support services totals \$500,000. Mayor Masayko indicated that there had been an additional \$200,000 in one shot funds for them last year. Discussion indicated that the budget could not be finalized until after the Legislature adjourns. Mr. Heath suggested that the budget discussions occur in April as additional time will provide a better understanding of the economic

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 20, 2003, Meeting

Page 16

situation. Supervisor Aldean reiterated her request for a listing of positions that have been filled and the ones that are currently vacant. Mayor Masayko asked that the list cover the last two years. Discussion then indicated that the budget hearings should be delayed 30 days and that funding for the next item was already included in the budget. If additional discussion/direction on the budget is needed, the item should be ajenized. Mayor Masayko noted for the record that Treasurer Al Kramer and Deputy Finance Director Tom Minton were present.

11. HUMAN RESOURCES - Director Ann Beck - ACTION ADOPTING A PAY INCREASE OF TWO PERCENT EFFECTIVE JULY 1, 2002, FOR REGULAR, UNCLASSIFIED EMPLOYEES WHO WERE NOT PREVIOUSLY GRANTED AN ACROSS-THE-BOARD BASE SALARY INCREASE IN FISCAL YEAR 2002-2003 (2-3263) - Ms. Beck explained that alternatives had been considered. A performance-based application had not been included in the process. The recommendation is for an across-the-board application. Mayor Masayko voiced his objection to such a program as he felt it should be performance based. Ms. Beck explained that there are approximately 90 employees in the unclassified group. (3-0010) Mayor Masayko and Ms. Beck described the Bell curve that this number should create and the Bell curve that the present program creates. Ms. Beck promised to bring revisions to the program to the Board in July. Discussion pointed out that these employees could be fired at-will. The 2002-03 budget includes \$140,000 for this program. There is a potential that the unclassified employees may unionize but a threat to do so has not been made. Unclassified employees at the Fire and Sheriff's Departments have already been given their increases. Mayor Masayko felt that the right thing to do is to grant the two percent raise even though he found it distasteful that it was not performance based. Supervisor Aldean indicated her support for the increase as it is less than the CPI. Discussion indicated that the CPI had grown at a rate that ranged between 1.6 and 2.5 percent. The budget also included funding for the elected officials, however, the Legislature has failed to provide an increase for them. This savings will be permanent. Public comments were solicited but none were given. Supervisor Williamson moved to adopt a pay increase of two percent effective July 1, 2002, for regular, unclassified employees who were not previously granted an across-the-board base salary increase in fiscal year 2002-2003; funding source is various fund sources and that the fiscal impact is a two percent across-the-board increase for all, current regular unclassified employees except those unclassified managers in the Sheriff's Office and Fire Department effective July 1, 2002, which has an estimated cost of \$145,000 that was budgeted in FY 02-03, and that the new salary schedule is attached. Mayor Masayko seconded the motion. Supervisor Livermore suggested that the motion be amended to provide the increase on July 1, 2003. He could not support the July 1, 2002, date. Mayor Masayko felt that the right thing to do was to support the motion as indicated. He could not support the revision. The motion as made was voted and carried 3-2 with Supervisors Staub and Livermore voting Naye.

There being no other matters for consideration, Supervisor Livermore moved to adjourn. Supervisor Williamson seconded the motion. Motion carried 5-0. Mayor Masayko adjourned the meeting at 2:12 p.m.

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

ARE SO APPROVED ON May 15, 2003.

CARSON CITY BOARD OF SUPERVISORS
Minutes of the February 20, 2003, Meeting
Page 17

/s/
Ray Masayko, Mayor

ATTEST:

/s/
Alan Glover, Clerk-Recorder