

CARSON CITY BOARD OF SUPERVISORS
Minutes of the September 20, 2001, Meeting
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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, September 20, 2001, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

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

STAFF PRESENT: John Berkich City Manager
 Kit Weaver Assessor
 Alan Glover Clerk-Recorder
 Daren Winkelman Health Director
 David Heath Finance Director
 Steve Kastens Parks and Recreation Director
 Mark Forsberg Chief Deputy District Attorney
 Steve Mihelic Assistant Fire Chief
 Tom Minton Deputy Finance Director
 Juan Guzman Open Space Manager
 Scott Fahrenbruch Park Superintendent
 Tony Baker Safety/Loss Control Tech.
 Rob Fellows Senior Engineer
 Katherine McLaughlin Recording Secretary
 Justine Chambers Contracts Coordinator
(B.O.S. 9/20/01 Tape 1-0001)

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Board Action Request and/or supporting documentation. Staff members present for each Department are listed under that Department's heading. Any other individuals who spoke are listed immediately following the item heading. A tape recording of these proceedings is on file in the Clerk-Recorder's office. This tape is available for review and inspection during normal business hours.

CALL TO ORDER, ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE - Mayor Pro-Tem Plank convened the meeting at 8:30 a.m. Roll call was taken. A quorum was present although Mayor Masayko was absent. Rev. Dick Campbell of the First Presbyterian Church gave the Invocation. Mayor Pro-Tem Plank lead the Pledge of Allegiance.

CITIZEN COMMENTS (1-0048) - None.

1. APPROVAL OF MINUTES 8/2/01 (1-0052) - Supervisor Williamson moved to approve the Minutes of August 2, 2001, with the corrections on Pages 1, 21, and 22. Supervisor Livermore seconded the motion. Motion carried 4-0.

2. AGENDA MODIFICATIONS (1-0068) - None.

3. SPECIAL PRESENTATIONS - City Manager John Berkich

A. ACTION TO APPROVE A RESOLUTION COMMENDING GARY KULIKOWSKI, INTERNAL AUDITOR (1-0070) - Mr. Berkich wished Mr. Kulikowski a great future in his new employment and complimented him on his ability to work with City staff. Mayor Pro-Tem Plank indicated that he had missed Mr. Kulikowski and read the resolution into the record. Supervisor Livermore moved to adopt Resolution No.

2001-R-48, a RESOLUTION COMMENDING GARY KULIKOWSKI. Supervisor Williamson seconded the motion. Board comments complimented Mr. Kulikowski on his dedication, diligence, service, and support throughout his tenure with the City. The Board wished him success in his new job at the Legislative Council Bureau. Supervisor Plank read a plaque and presented it to him. The motion was voted and carried 4-0.

Mr. Kulikowski thanked the Board for having had the opportunity to serve the community. His duties had been challenging at times. City staff's ownership of the services provided for the community was described indicating their dedication. With the good leadership provided by the Board and Mr. Berkich, the community should remain proud of the employees. The Board again wished him success in the future.

B. ACTION TO APPROVE A RETIREMENT RESOLUTION COMMENDING ELIZABETH "BOBBE" PERRY, ACCOUNTING CLERK I (1-200) - Mayor Pro-Tem Plank described his personal encounters with Ms. Perry and read the resolution into the record. Supervisor Livermore moved to adopt Resolution No. 2001-R-49, A RESOLUTION COMMENDING ELIZABETH "BOBBE" PERRY ON HER RETIREMENT. Supervisor Williamson seconded the motion and described her personal contact with Ms. Perry. She thanked her for her service and dedication to the community. The Board wished her success in her future. The motion was voted and carried 4-0. Mayor Pro-Tem Plank read the plaque into the record. Ms. Perry thanked the Board for the recognition.

C. ACTION TO APPROVE A RETIREMENT RESOLUTION COMMENDING JAMES BETTER, SERGEANT (1-0265) - Mayor Pro-Tem Plank noted that Mr. Better was not present and read the resolution into the record. Supervisor Livermore moved to adopt Resolution No. 2001-R-50, A RESOLUTION COMMENDING JAMES BETTER ON HIS RETIREMENT. Supervisor Williamson seconded the motion. Mayor Pro-Tem Plank explained his personal relationship with and knowledge of Mr. Better and his family. The motion was voted and carried 4-0. Mayor Pro-Tem Plank read the plaque into the record.

4. CONSENT AGENDA (1-0305)

4-1. TREASURER

A. ACTION TO APPROVE REMOVAL AND PARTIAL REFUND OF TAXES TO THE 2001-2002 REAL PROPERTY TAX ROLL DUE TO CARSON CITY TAKING OVER THE LANDFILL ON PARCEL 8-521-99

B. ACTION TO APPROVE REMOVAL OF TAXES TO THE 2001-2002 REAL PROPERTY TAX ROLL DUE TO ASSESSOR'S OFFICE CORRECTION ON PARCELS 8-024-01, 8-024-02, 8-024-03, AND 7-091-28

4-2. DEVELOPMENT SERVICES - ENGINEERING - ACTION TO ACCEPT AN IMPROVEMENT AGREEMENT BETWEEN CARSON CITY AND JAMES F. BAWDEN, PRESIDENT OF LANDMARK HOMES AND DEVELOPMENT, INC., REGARDING THE CONSTRUCTION OF PUBLIC IMPROVEMENTS RELATED TO PUD-MILLENNIUM AT STATE STREET, IDENTIFIED AS A PORTION OF ASSESSOR'S PARCEL NO. 2-441-19

4-3. PARKS AND RECREATION

A. ACTION TO APPROVE THE RECOMMENDATION OF THE CARSON RIVER ADVISORY COMMITTEE AND THE OPEN SPACE ADVISORY COMMITTEE TO NOMINATE PROPERTIES IN THE VICINITY OF THE CARSON RIVER TO BE PURCHASED BY THE BUREAU OF LAND MANAGEMENT AS PART OF THE SOUTHERN NEVADA PUBLIC LAND MANAGEMENT ACT, ROUND NUMBER 3

B. ACTION TO APPROVE USE AGREEMENTS BETWEEN THE CITY AND THE FOLLOWING GROUPS: 1. CLEAR CREEK BOWMEN; 2. CAPITOL CITY GUN CLUB; 3. CARSON RIFLE AND PISTOL CLUB; 4. CARSON TENNIS CLUB; 5. SIERRA IN-LINE HOCKEY ASSOCIATION; AND, 6. HIGH SIERRA RADIO CONTROL CLUB

4-4. DEVELOPMENT SERVICES - CONTRACTS - ACTION ON AWARD OF THE LINEAR PARK BIKE PATH - PHASE 3B IMPROVEMENTS PROJECT, CONTRACT #2001-021 TO (BIDDER NO. 2) PARAGON ASSOCIATES, INC., AS THE LOWEST RESPONSIVE AND RESPONSIBLE

BIDDER FOR A CONTRACT AMOUNT OF \$64,640 AND A CONTINGENCY AMOUNT OF \$6,464

4-5. ENVIRONMENTAL HEALTH - ACTION ON A RESOLUTION TO ESTABLISH A PETTY CASH FUND IN THE ENVIRONMENTAL HEALTH DEPARTMENT FOR THE LANDFILL GATEHOUSE OPERATION - Supervisor Williamson moved to approve the seven items on the Consent Agenda including the item for Environmental Health Division Resolution 2001-R-51, A RESOLUTION TO ESTABLISH A PETTY CASH FUND IN THE ENVIRONMENTAL HEALTH DEPARTMENT FOR THE LANDFILL GATEHOUSE OPERATION. Supervisors Livermore and Staub seconded the motion. Motion carried 4-0.

5. BOARD OF SUPERVISORS

A. ACTION ON A RESOLUTION SUGGESTED BY THE NATIONAL ASSOCIATION OF COUNTIES CONDEMNING THE TERRORIST ACTS ON SEPTEMBER 11, 2001; SUPPORTING THE ACTIONS OF THE PRESIDENT OF THE UNITED STATES IN RESPONSE TO THESE ACTIONS; AND SUPPORTING RELIEF EFFORTS BY GIVING BLOOD (1-0332) - Mayor Pro-Tem Plank read the resolution into the record. Supervisor Livermore moved to adopt Resolution 2001-R-52, A RESOLUTION SUGGESTED BY THE NATIONAL ASSOCIATION OF COUNTIES CONDEMNING THE TERRORIST ACTS ON SEPTEMBER 11, 2001; SUPPORTING THE ACTIONS OF THE PRESIDENT OF THE UNITED STATES IN RESPONSE TO THESE ACTIONS; AND SUPPORTING RELIEF EFFORTS BY GIVING BLOOD. Supervisor Williamson seconded the motion. Motion carried 4-0.

B. ACTION TO SET DATE, TIME AND LOCATION OF THE GOAL SETTING SESSION FOR THE BOARD OF SUPERVISORS (1-0406) - Following discussion of several dates, Supervisor Staub moved to set the date of November 9th in the Sierra Room from 9 a.m. to 1 p.m. Supervisor Williamson seconded the motion. Motion carried 4-0.

C. DISCUSSION ON VOLUNTEER RECOGNITION DAY ACTIVITIES - OCTOBER 18, 2001 (1-0465) - Supervisor Williamson limned the recognition activities held in the past, its purpose, and estimated costs. She suggested that, instead of giving pins to the volunteers, a donation be made to the Red Cross in the name of the Carson City volunteers. Supervisor Livermore supported her suggestion and recommended that a resolution and a letter indicating the financial donation made to the organization in the name of the Carson City volunteers be given to each volunteer. Supervisor Staub supported the recommendations. Mayor Pro-Tem Plank indicated that he would not be able to attend the recognition lunch as he planned to be out-of-town on that date. He urged the Board to have the recognition without him. No formal action was taken. A resolution will be considered at the October 18th Board meeting.

E. STAFF COMMENTS AND STATUS REPORT (1-0545) (1-3165) - Continued to later in the meeting.

D. NON-ACTION ITEMS - INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (1-0548) - Supervisory reports included the following meetings/activities of: Supervisor Staub: Copper Point Chili Cookoff; his family vacation; Airport Authority; Storm Drainage Committee barbeque; and Community Council on Youth. Supervisor Livermore - Carson-Tahoe Hospital Development Team; Chamber of Commerce Manufacturers' meeting on Titles 17 and 18; City's Economic Development Team; Aquatic Facility Ribbon Cutting and congratulated Parks and Recreation Director Steve Kastens and his staff on the completion of this project; Eagle Valley Golf Course tour; Hospital Board of Trustees; tour of the Northeastern Nevada Regional Hospital in Elko; Firefighter's Mills Park fundraiser for the New York Firefighters and victims; and Storm Drain Committee tour. Supervisor Williamson - organizational development team; the employee continuing education program; Redevelopment Authority Citizens Committee; One Region; (1-0929) Lakeview Property Owners barbeque and informational meeting and thanked Utilities Manager Tom Hoffert, Assistant Fire Chief Steve Mihelic, City Engineer Larry Werner, and State Wildlife representatives for participating; and her family activities.

Mayor Pro-Tem Plank deferred his comments until later in the meeting.

Supervisor Staub announced the Tahoe Rim Trail dedication on September 27. Mayor Pro-Tem Plank described Supervisor Livermore's contribution to the Firefighter's fundraiser and thanked him for it. Supervisor Williamson announced the One Region Summit II and urged the Board to attend. She also announced the "Walk Your Child To School Day" scheduled for October 2 and asked Anne Macquarie to explain the program.

CITIZEN COMMENTS (1-0845) - Anne Macquarie described the international event and its purpose. She felt that between 800 and 900 walkers will participate. A survey will be conducted of the parents regarding the walk and sidewalk conditions and submitted to the City. An ad hoc committee is working to develop safe routes to schools. Its membership was described. She urged the community to participate. Discussion indicated that only the public schools and St. Teresa's is involved with the program this year. Ms Macquarie hoped that more private schools will participate next year. Supervisor Williamson indicated that the Sheriff's Office is providing additional patrol officers. She urged the public to participate.

6. BOARD OF SUPERVISORS - ACTION TO SUSTAIN OR REVERSE THE DECISION OF THE CARSON CITY SHERIFF TO DENY A WORK PERMIT FOR PAUL RANDY CLARK (1-0950) - City Manager John Berkich, Paul Randy Clark, Chief Deputy District Attorney Mark Forsberg - Discussion explained the reasons for having an appeal officer hear the appeals. Supervisor Livermore pointed out that the process allows citizens to appeal denials. This is the first case where the officer reversed the decision of the Sheriff's Department. Mr. Clark briefly described his reasons for appealing. He was looking forward to going to work for the Pinion Plaza. Mr. Forsberg pointed out that the Sheriff's Office had followed the rules when the denial was issued. Mr. Lumos had conducted a fair and reasonable hearing. It is a good example of how due process works. Supervisor Livermore moved to reverse the decision of the Carson City Sheriff to deny a work permit for (Paul) Randy Clark. Supervisor Staub seconded the motion. Supervisor Williamson wished him success in his future endeavors. This is a opportunity for an individual to put the mistakes of the past behind him/her and complimented him on those efforts. She hoped that Mr. Clark would reward the Board's thrust in him. Mr. Clark thanked the Board for the opportunity and promised not to let the Board down. Public comments were solicited. Supervisor Staub noted for the record that Mr. Clark had received four work permits and then was denied two work permits. Mr. Clark had not had any trouble since the 1990 incident. Supervisor Staub also commended him on turning around an unfortunate situation in his life. He had completed college and had been an exemplary citizen since then. He wished him well. Mr. Clark responded by expressing his intent to continue to be successful and work his way up. The motion to reverse the Sheriff's decision was voted and carried 4-0. Mayor Pro-Tem Plank wished him success.

7. FIRE DEPARTMENT - Assistant Fire Chief Steve Mihelic - ACTION TO ACCEPT TEN FEDERAL GRANTS TOTALING \$241,797 FROM THE STATE OF NEVADA DIVISION OF FORESTRY DURING FISCAL YEARS 2001 THROUGH 2003 WITH THE UNDERSTANDING THAT CARSON CITY IS TO PROVIDE A 50 PERCENT MATCH OF THE \$241,797 AND OTHER MATTERS PROPERLY RELATED THERETO (1-1075) - Assistant Fire Chief Mihelic gave a computer enhanced slide presentation illustrating the wildland fire concerns and how the grants would be used to mitigate/reduce the fire potential. Supervisor Livermore explained a discussion held in Ash Canyon on the amount of fire fuels on the hillside and in the canyon during the Storm Drainage Committee tour. He hoped that the grants would reduce this threat. Asst. Chief Mihelic's comments included a description of the funding, the purpose of the grants, and the in-kind services which will be used to match the grants. The program will involve the Forest Service, BLM, private property owners as well as the community. The plants and drought condition create an extreme fire danger requiring a different fire fighting technique from fires normally encountered by the Department. A map delineating where wildland fires had occurred in the Basin was displayed. The match for the grants can be in-kind service from both City staff, the property owners, volunteers, etc. The Nevada Forest Service letter indicates they will provide the match with services. (A copy is in the file.) As it is a community problem, Asst. Chief Mihelic urged the community and City staff to provide as much of the match as is possible. The meeting with the Lakeview Homeowners Association

was cited as an example of the educational program which has been developed and the City's ability to meet its share of the match. Landowners' input and assistance will be solicited. An aggressive work program was described which should commence within 30 days. It included both mechanical and hand work developing fire lines, replacement of vegetation with more fire resistant vegetation, area reseeding, etc. Only pile burning will be used if burning must occur. The program will commence this fall/winter and run through 2003. Brush "islands" will be retained for wildlife habitat. Perennial grasses will be used to replace cheat grass. The pros and cons of the program were described including the increased potential for dust and aesthetic impacts. The proposed treatment areas were illustrated on a map. The grant will be used for the area between Silver Oaks and Kings Canyon. A second series of grants has been requested for the area between Kings Canyon and Highway 50 West. This should provide a fuel break and stop western fires in Carson City. Slides illustrating the program in surrounding areas were shown and described. Asst. Chief Mihelic hoped that the program could be less intrusive than that used in Jacks Valley and will allow some of the wildlife habitat to remain. His concept was illustrated. The concept allows fuel treatment to occur before a fire and reduces the funding requirement for fire fighting. Future plans will manage the fuel supply more and includes working with BLM and the Forest Service. BLM has scheduled a fuel reduction program for next spring along Edmonds Drive. The funding potential may be reduced due to national events which occurred earlier this month, however, Asst. Chief Mihelic encouraged the Board to take advantage of the opportunity. The Board thanked him for the presentation. The public was encouraged to contact him at the Fire Department regarding the wildland interface program. Staff is available to assist the public in assessing their properties and developing a plan. Mayor Pro-Tem Plank asked him to look at airport property north of the airplane crash site and specifically along the Cedar fences. Discussion ensued on the amount of equipment which the City owns and that which may be acquired with the grants. Some of the work may be contracted. The majority of the grant considers only labor costs. Next year's grants include capital acquisition items. City Departments with the equipment have been involved in developing that program. Asst. Chief Mihelic indicated that he may seek additional funding during the budget process. The program needs to become a behavior training program and mind set change. It is an effort to "protect our environment from us and us from the environment by blending the two".

Supervisor Williamson pointed out Gardeners Reclaiming Our Waysides' need for chipped material along the freeway and suggested he meet with them. Asst. Chief Mihelic explained the transportation needs which could be a limiting factor. The risks involved with burning the material were noted.

Mr. Berkich described the conditions under which Asst. Chief Mihelic had submitted the grant applications and congratulated him on his success.

Discussion indicated that the work would not be done by the Fire Fighters. The City does have an operator who can run the brush hog. Some of the private property owners can operate the equipment. Others cannot. Some contracting may occur. The grant is flexible enough that it can be used for blade sharpening, fuel, etc. Prison labor may be used. Funding had been included for it.

Supervisor Staub suggested that a fee schedule be developed for private property owners. The grants should be used for public property. This would require a property owner to participate in the program. Asst. Chief Mihelic reiterated that the grants could only be used in the designated area. Consideration for a match is included. The property owner could meet the match with his time, etc. As the City is required to match the grant on a 50/50 basis, the same would be requested of the property owner. His time at the Board meeting will be used to offset the grant match.

Supervisor Staub explained a television program he had watched prior to the meeting regarding the amount of habitat that had burned since 1999. Comments noted that the sustained damage could be more expensive than the fire fighting.

Supervisor Williamson moved to accept ten Federal grants totaling \$241,797 from the State of Nevada Division of Forestry during Fiscal Years 2001 through 2003 with the understanding that Carson City is to provide a 50 percent match of the \$241,797 and other matters properly related thereto; fiscal impact is revenues received totaling

\$241,797; acceptance of the grants is based upon a 50 percent match including soft dollars and in-kind services; and the funding source is the U.S. Dept. of Agriculture through the Nevada Division of Forestry. Supervisor Livermore seconded the motion. Clarification indicated that there are ten individual projects with each project receiving its own grant. Asst. Chief Mihelic explained that when he submitted the applications, he had no idea that he would obtain all of them. He originally felt that only one or two would be funded. The projects are all individual concepts, however, all of them are linked together. It will cover the entire area proposed. Clarification indicated that the Forest Service letter had referenced ten projects. The motion to accept the grants as indicated was voted and carried 4-0.

BREAK: A recess was declared at 10:18 a.m. A quorum of the Board was present when Mayor Pro-Tem Plank reconvened the meeting at 10:30 a.m. Mayor Masayko as absent as previously indicated.

8. FINANCE - Director David Heath - REVIEW OF FISCAL YEAR 2000-2001 FINANCIAL SUMMARY (1-1865) - City Manager John Berkich - Mr. Heath used computer enhanced slides to highlight the financial summary. (A copy of the slides is in the file.) Discussion noted the fluctuation in motor vehicle sales tax and questioned whether the sales tax generated by leases is being correctly reported/transferred. Mr. Berkich indicated that a report will be given to the Board once this research is completed. Mr. Heath also indicated that staff is researching the difference between the Quality of Life and road maintenance sales tax. A slide illustrated the room tax. Discussion explained its fluctuation. Comments questioned the reasons the volume of gasoline has not increased. A slide indicating the cemetery fund had recovered from last year's slide was shown. The ambulance revenue chart illustrated the net revenue. Slides also illustrated the assessed value and the population figure of 53,000. Additional discussion ensued on the gas tax report and reasons it had levelled off. This appeared to be occurring throughout the region and not just in Carson City. Discussion indicated that sales tax will not continue to grow at a ten percent rate. Medical and utility costs were increasing. Walmart will be leaving. The Internal Finance Committee is meeting weekly. As revenue had exceeded estimates by approximately \$2 million, Mr. Heath suggested that all of these monies not be placed in the CIP fund and that some of the funds be used to "soften the blow" created by the loss of Walmart. Lowes will help mitigate the loss. There is \$3.5 million in the stabilization fund. This fund had been established to reduce the volatility of the sales tax and its fluctuations. Some of these funds could also be used to reduce the loss of Walmart. The worldwide economic situation will impact the City and tourism. Mr. Heath also predicted that the State coffers will take a hit and that the State legislators will again be looking for the counties to share more of the burden for State programs. It will be a challenging period.

Mr. Berkich reported on the discussions at NACO regarding the economic situation and the sales tax concerns. The news at this time does not indicate that the City should be more aggressive in reporting the estimated amount in the next budget. The tentative budget will continue to be conservative.

Supervisor Staub voiced his endorsement for a conservative approach. He was certain that last week's terrorist acts will have an impact on businesses and finances in the United States. He encouraged staff to take the "windfalls" and save them. Empty airports are only the beginning. The stable gas tax revenue may be the result of the fact that it is expensive and people are driving less. The Board should be cautious with the budget particularly in view of the Federal allocations which are being made and the impacts they will create. The next nine to 12 months may be a shock to the City's economy as result of these impacts. A conservative approach should be taken.

Discussion indicated that Mr. Heath was unsure what the amount of funding would be for the CIP program. The tradition had been that \$2 million would be available. The requests average between \$5 million and \$6 million. Efforts are being undertaken to fund the Sheriff's administrative facility. The Community Center could also use help. There are parking needs. The Board's priorities will be the indicator of how the funds should be allocated. Supervisor Livermore encouraged Mr. Berkich and Mr. Heath to start developing a list of CIP needs and circulate the list through the Board for comments. This process will determine the level of funding which should be provided for the CIP program. Mr. Heath explained that a five year CIP plan is filed with the State Department of Taxation. A copy will be furnished to the Board. Supervisor Livermore acknowledged the need to fund the

Sheriff's administrative facility. He supported it as the highest priority and questioned the Community Center's needs. Mr. Heath then explained the energy retrofit analysis which may help reduce the utility costs. He hoped that the energy savings will provide funding for mechanical system upgrades. He also thanked the Board for its conservative budget approach over the years.

Supervisor Williamson noted that it is easier to say there is a \$2 million growth in unanticipated revenue than to try to find a way to reduce costs. There are also a lot of opportunities for future investments in additional desks, buildings, streets, etc. There will be massive public works projects commencing. Hopefully, Nevada will benefit from some of those projects. She noted her vacation plans to illustrate the need for individuals to continue with their lives by being optimistic while prudent in our selections. Mr. Heath agreed that the United States is a strong country and will recover. No formal action was required or taken.

9. DISTRICT ATTORNEY - Chief Deputy District Attorney Mark Forsberg - ACTION ON A RESOLUTION REQUESTING ASSISTANCE FROM THE ATTORNEY GENERAL IN THE CRIMINAL PROSECUTION OF CLAUDIO ORTIZ-RODRIGUEZ, CARSON CITY SHERIFF'S DEPARTMENT CASE NUMBER 2001-7665 (1-2470) - Supervisor Livermore moved to adopt Resolution No. 2001-R-53, A RESOLUTION REQUESTING ASSISTANCE FROM THE ATTORNEY GENERAL IN THE CRIMINAL PROSECUTION OF CLAUDIO ORTIZ-RODRIGUEZ, CARSON CITY SHERIFF'S DEPARTMENT CASE NUMBER 2001-7665; fiscal impact is unknown; funding source is the General Fund. Supervisor Williamson seconded the motion. Motion carried 4-0.

10. CITY MANAGER - John Berkich

A. ACTION TO APPROVE THE LIABILITY INSURANCE REQUIREMENTS SET FORTH IN THE PREVIOUSLY APPROVED LEASE AGREEMENT BETWEEN CARSON CITY AND THE COMMUNITY COUNSELING CENTER FOR THE PROPERTY LOCATED AT 915 EAST MUSSER STREET, CARSON CITY, NEVADA (1-2525) - Marsh Inc. Representative and City Insurance Advisor Gary Roberts described his firm and the impact the terrorist attack had had on his firm, its New York office, and the insurance industry. He felt certain that insurance brokers would no longer provide aviation coverage for acts of terrorism and war. He then explained the impact on Carson City may be a premium increase of 15 to 20 percent. There will undoubtedly be more exclusions. The City's current program has been "well put together". Its insurers and reinsurers have been approved by the Willis Group, who is a major competitor to Mr. Roberts' firm, and his firm. He committed to notifying Mr. Berkich the instant something different appears on the horizon. The insurance pool representative, Wayne Carlson, will also be included in the discussions. The actual impact the increased premiums will have on the City could not be determined due to the amount of self-insurance the City provides. Both he and Mr. Carlson felt that the City's \$1 million liability requirement for the City's tenants is sufficient at this time. This is the standard used by other entities in the vicinity. If additional risk is involved, the City may wish to consider increasing the amount. One of the tenants has \$1 million in primary coverage and \$1 million in excess coverage. It does not cost the tenant to name the City as an additional insured on the policy. This is also an industry standard. He encouraged the City to require inclusion as an additional insured on any policies and particularly on those with more than \$1 million in coverage. The City also has \$10 million in coverage through the pool which could be used if the tenant's coverage is exhausted. Discussion ensued between Supervisor Staub and Mr. Roberts concerning the amount of coverage which would be adequate for a tenant who has between 500 and 1,000 children participating in its programs. Mr. Roberts admitted that he, personally, would prefer to have at least \$5 million or more in liability coverage, however, the cost for this additional coverage must be considered by the tenant. The City must also consider the cost versus liability issue and the amount of public service which is being provided by the tenant. The City's additional \$10 million coverage through the pool was again noted. Mr. Roberts also noted that the defense limits for comprehensive general liability coverage is outside of \$1 or \$2 million. Mr. Roberts thanked the Board for the opportunity to discuss the coverage and for reappointing him as the City's broker. He expressed a willingness to discuss insurance issues with any Board member at any time.

Supervisor Staub explained his request to reconsider the coverage issue. He asked that the record be perfectly clear regarding the reasons for his question. He had not intended to create a financial burden upon the entity. His intent had been to ensure that the City is properly covered and protected. He believed that this should be the responsibility of the tenant and not the landlord. The landlord should have coverage to protect himself as the landlord. This includes contingent liability which may occur because of the tenant. He had asked that the tenant "see what the cost is for additional coverage". "If it is not a prohibitive cost", then he recommended that they "entertain" providing additional coverage. The Boys and Girls Club had indicated that to provide an additional \$5 million in coverage would increase the cost by \$2700 annually. He had wanted the tenants to perform due diligence regarding what they are currently paying and what they could afford. He felt that the question regarding affordability had not been answered. He was, however, willing to act on the three items. He reiterated for the record his advice to the tenants to research the issue next year, or whenever the contracts are to be reconsidered, and increase the coverage sufficiently and adequately to cover the liability pursuant to expert advice from individuals such as Mr. Roberts that can be afforded. Mr. Berkich agreed to communicate this to all of the tenants and monitor their work to ensure that it is the maximum amount of coverage that they can afford in a changing market. Mayor Pro-Tem Plank supported this program and noted that the contracts for consideration could be amended if the tenants are able to increase the coverage.

Supervisor Staub moved to approve the liability insurance requirements set forth in the previously approved lease agreement between Carson City and the Community Counseling Center for the property located at 915 East Musser Street, Carson City, Nevada; fiscal impact is revenue of \$1.00 annually; and the funding source is to the General Fund. Supervisor Williamson seconded the motion. Motion carried 4-0.

B. ACTION TO APPROVE AN AGREEMENT WITH THE BOYS AND GIRLS CLUB OF WESTERN NEVADA FOR USE OF CERTAIN FACILITIES AT THE FORMER NORTHERN NEVADA CHILDREN'S HOME (1-3068) - Discussion noted that this lease relates to the question regarding the number of children and amount of coverage. Mr. Roberts had adequately addressed Supervisor Staub's point that the coverage should be \$5 million as there is more than 50 children on site on a daily basis. Supervisor Staub again expressed his willingness to pass on the contracts as written with the strong recommendation to staff to pursue, and specifically the Boys and Girls Club, looking at additional coverage. Risk/Safety Control Technician Tony Baker indicated that the City is currently listed as an additional insured on the Club's \$2 million liability policy. Supervisor Staub moved to approve an agreement with the Boys and Girls Club of Western Nevada for use of certain facilities at the former Northern Nevada Children's Home; fiscal impact is included in the budget for utility costs pursuant to the terms of the lease with the State of Nevada; and the funding source is the Community Support Services, General Fund. Supervisor Livermore seconded the motion. Motion carried 4-0.

C. ACTION TO APPROVE AN AGREEMENT WITH NEVADA HISPANIC SERVICES FOR USE OF CERTAIN FACILITIES AT THE FORMER NORTHERN NEVADA CHILDREN'S HOME (1-3125) - Supervisor Staub moved to approve an agreement with Nevada Hispanic Services for use of certain facilities at the former Northern Nevada Children's Home; fiscal impact is included in the budget for utility costs pursuant to the terms of the lease with the State of Nevada; and the funding source is the Community Support Services, General Fund. Supervisors Livermore and Williamson seconded the motion. Motion carried 4-0.

11. BOARD OF SUPERVISORS - CONTINUATION OF NON-ACTION ITEMS

STAFF COMMENTS AND STATUS REPORTS - CONTINUED (1-3165) - Mr. Berkich's report on the NACO conference indicated a lot of focus was on preparations for the next legislative session and a "debriefing" on the last session. He committed to briefing the Board in more detail on the conference. Election of officers is the final item considered by NACO. Mr. Berkich felt that the current First Vice President would become the President and that Lyon County Chairperson Leroy Goodman should be the new President. Mr. Berkich indicated that he would copy the materials he had picked up for the Board.

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS - CONTINUED (1-3225)

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- Mayor Pro-Tem Plank reported on his activities/meetings of the: TRPA Local Government Committee; Ron Woods Outreach Center Trustees; Community Development Director Walter Sullivan regarding Planning Commission items which may be discussed further with the Commission during a workshop; RTC; the ribbon cutting for the Aquatic facility and explained the "muffler" which had been placed on the HVAC system; Storm Drainage Committee tour and barbeque; Senior Citizens Advisory Council; Parks and Recreation Commission; Street Operations Manager John Flansberg's presentation on the three year street maintenance program to the Sertoma Club and encouraged the Board to look at these maps; Northern Nevada Railway Foundation; the Senior Center Building Committee and its architects. Mayor Pro-Tem Plank explained the cancellation of the Planes, Trains, and Automobiles event and the delay in the recycled grindings program. He also announced the groundbreaking ceremony for the Senior Center Expansion Project would be held at 11 a.m. tomorrow at the Center. His son-in-law had been sent by the Forest Service to assist in the disaster activities in New York City.

Supervisor Williamson explained that she and Mayor Pro-Tem Plank had been receiving complaints regarding heavy truck traffic on Deer Run Road. Apparently, on Friday, five City trucks had made deliveries to a chip sealing site on Mexican Dam Road. On Saturday, as a result of the River and the Silver Saddle cleanup activities, BLM had numerous trucks traversing Deer Run Road. She hoped that this project would be viewed as a public/community project and should not have generated complaints. On Sunday, truck traffic had occurred between Butti Road and Carson River Road. These trucks had specifically attempted to avoid the Deer Run Road area.

Supervisor Williamson encouraged the public and Board to participate in the October 2 "Walk Your Child to School" program and expressed the hope that the parents and children would find it a fun event with good weather.

There being no other matters for consideration, Supervisor Williamson moved to adjourn. Supervisor Livermore seconded the motion. Motion carried 4-0. Mayor Pro-Tem Plank adjourned the meeting at 11:35 a.m.

The Minutes of the September 20, 2001, Carson City Board of Supervisors meeting

ARE SO APPROVED ON ___October_18___,

2001.

_____/s/_____

Ray Masayko, Mayor

ATTEST:

_____/s/_____
Alan Glover, Clerk-Recorder