

CARSON CITY OPEN SPACE ADVISORY COMMITTEE

Minutes of the April 28, 2008 Meeting

Page 1

A meeting of the Carson City Open Space Advisory Committee was scheduled for 6:00 p.m. on Monday, April 28, 2008 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Steve Hartman
Vice Chairperson Dan Jacquet
Michael Fischer
Tricia Lincoln
Howard Riedl
Bruce Scott

STAFF: Roger Moellendorf, Parks and Recreation Department Director
Juan Guzman, Open Space / Property Manager
Vern Krahn, Park Planner
Ann Bollinger, Open Space Coordinator
Will Geddes, Senior Deputy District Attorney
Kathleen King, Recording Secretary

NOTE: A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the recording secretary during the meeting are public record, on file in the Clerk-Recorder's Office. These materials are available for review during regular business hours.

CALL TO ORDER AND DETERMINATION OF QUORUM (6:03:39) - Chairperson Hartman called the meeting to order at 6:03 p.m. A quorum was present. Member Perock was absent.

CITIZEN COMMENTS ON NON-AGENDIZED ITEMS (6:04:03) - None.

1. ACTION ON APPROVAL OF MINUTES (6:04:11) - None.

2. MODIFICATION TO THE AGENDA (6:04:14) - None.

3. AGENDA ITEMS:

3-A. ACTION TO MAKE RECOMMENDATIONS TO THE BOARD OF SUPERVISORS REGARDING THE ADMINISTRATION AND EXPENDITURE OF FUNDS FOR LANDS FROM THE OPEN SPACE DIVISION OF THE QUALITY OF LIFE FUND ESTABLISHED BY C.C.M.C. 21.07 FOR THE ACQUISITION, RESTORATION OF NATURAL RESOURCES, DEVELOPMENT AND CONSTRUCTION WHICH AFFORD PUBLIC ACCESS, EQUIPPING, IMPROVEMENT, MAINTENANCE, CONSERVATION PLANNING, AND MANAGEMENT OF REAL PROPERTY FOR OPEN SPACE (6:04:21) - Mr. Guzman provided background information and an overview of the format of this item. He noted that copies of a revised budget were distributed to the committee members and staff prior to the start of the meeting. He reviewed the staff report and the attachments in conjunction with the proposed budget.

CARSON CITY OPEN SPACE ADVISORY COMMITTEE

Minutes of the April 28, 2008 Meeting

Page 2

Mr. Moellendorf acknowledged that the Services and Supplies, ISC: General Fund line item is the “inter-agency” allocation. In response to a question, Mr. Guzman advised that the line item is automatically calculated by the Finance Department, based on an audit recommendation requiring the City to charge for services provided. He was uncertain as to the reason for the 50 percent increase. He agreed to provide the formula for review by the committee. Member Scott suggested the calculation should be exactly the same “for the other 40 percent of Question #18 for the parks side.” Following discussion, Chairperson Hartman suggested the amount should be less than the same line item in the Parks and Recreation Department budget. Mr. Moellendorf listed the general fund services included in the amount reflected. He assured the committee members that the formula would be provided.

Chairperson Hartman expressed a concern that the figures reflected on the Personnel Detail Worksheet (Exhibit 2) and the Budget Preparation Worksheet (Exhibit 1) don’t reconcile. He suggested that the allocation of Open Space Program funding to the Parks and Recreation Department appears to be approximately \$35,000, including benefits. He responded to questions of clarification regarding the need to reconcile the figures reflected on Exhibits 1 and 2. Member Scott suggested that park ranger participation in the Open Space Program will need to increase as the focus on management increases. In response to a question, Mr. Moellendorf explained the method by which benefits are calculated. He advised that benefits are 45 to 48 percent of the salaries line item. Chairperson Hartman discussed the need to carry over more funding for management. He noted the importance of being “out in front” of things such as passage of the federal lands bill “instead of coming from behind and trying to catch up.” He referred to previous comments that this is the committee’s purview to bring recommendations before the Board of Supervisors. Mr. Moellendorf referred to previous comments indicating the committee’s desire to begin the Open Space Program budget process much earlier in the year. He suggested beginning to develop budget recommendations in January in preparation for Internal Finance Committee meetings.

In reference to Exhibit 2, Mr. Guzman noted a correction to the figure reflected for the “hourlies” line item to \$25,000.00. He provided background information on the recommendation from Parks and Recreation Director of Operations Scott Fahrenbruch. He explained the mechanism for subsidizing the Parks and Recreation Department budget for services performed on Open Space properties. In response to a question, Mr. Guzman explained the reason for reflecting the cost under the salaries and wages line item rather than the management and maintenance line item. Chairperson Hartman noted the \$25,000 figure in the management and maintenance line item. Mr. Moellendorf noted the importance of more sophistication in the budgeting of management and maintenance. He anticipates that management and maintenance allocations will be converted into seasonal or part-time salaries because the costs will be associated more with labor than materials and supplies. Chairperson Hartman referred to previous discussions regarding the possibility of utilizing NDF crews as a resource. Mr. Guzman advised that the City has entered into a contract with the Nevada Division of Forestry for a dedicated crew. Utilization of the crews is charged against the specific City department, and Mr. Guzman advised that the Open Space Program took advantage of the opportunity last year. He further advised that NDF crews are already working to reduce fuels on the west side. Following discussion, Chairperson Hartman suggested further breaking out the management and maintenance line item. Mr. Guzman explained the method by which Finance Department staff allocates Open Space Program charges. In response to a question, Mr. Moellendorf expressed the belief that utilities charges are augmented at the end of the year.

CARSON CITY OPEN SPACE ADVISORY COMMITTEE

Minutes of the April 28, 2008 Meeting

Page 3

Mr. Guzman referred to the Parks and Recreation Department Organizational Chart, attached to the staff report as Exhibit 3. In response to a question, Mr. Moellendorf advised that the Parks and Recreation Department salaries, outside of the Open Space Program, are close to \$3 million. Mr. Moellendorf provided an overview of the Budgeted Vacant Positions for FY 09, Exhibit 4. He advised of ancillary support which carries over from various Parks and Recreation Department divisions. Because of vacancies, he advised of a reduction in level of service which will likely have a minor effect on the Open Space Program. He acknowledged that all the suspended positions are due to attrition; there have been no layoffs to date. He advised that additional budget cuts may require eliminating existing positions and the possibility of layoffs.

Mr. Moellendorf provided an overview of the FY 2008 Estimated and FY 2009 Tentative Quality of Life Budgets, Exhibits 5 and 6, respectively. In response to a question, he pointed out the Open Space Program debt service, reflected as \$357,156 in the Operating Transfer Out expenditures line item. In response to a question, Mr. Guzman advised that the principal amount of the bond was \$3.1 million. He expressed the belief that it will be paid in 2014. The interest was approximately 3 percent in 2004. Member Riedl pointed out a discrepancy in the salary figures depicted on Exhibits 2 and 6. Chairperson Hartman reiterated a request to begin the budget process in January or earlier.

In response to a question, Mr. Guzman expressed the understanding that interest is calculated “on the total pot” and then allocated based on the 40 / 40 / 20 formula. Chairperson Hartman expressed an interest in reviewing the actual figures. Mr. Moellendorf and Chairperson Hartman reviewed reconciliation of figures between Exhibits 6 and 7. Mr. Guzman discussed the purpose of the Question #18 Open Space Budget Recap, Exhibit 8, and reviewed the same. In response to a question, Mr. Guzman explained that since grant funding is specific, a budget line item is established and closed once the funds are expended. Grant funding doesn’t appear in the budget as projected income until it has been accepted by the Board of Supervisors and a contract has been signed. Discussion followed, and Mr. Guzman reviewed the committee’s direction.

Chairperson Hartman requested staff to agendize an item, every other month, to document revenues and expenditures. Mr. Moellendorf advised that Management Assistant Daria Petrenko is tracking revenues on the same basis as expenditures. Chairperson Hartman entertained a motion. **Vice Chairperson Jacquet moved to recommend to the City Manager and the Board of Supervisors approval of the fiscal year 2008 and tentative fiscal year 2009 budgets for the Open Space special revenue fund account. Member Fischer seconded the motion.** Mr. Guzman acknowledged the committee would be provided with supplemental information. Chairperson Hartman called for a vote on the pending motion; **motion carried 6-0.**

(6:57:29) Mr. Guzman reviewed the Open Space Work Program portion of the staff report. He discussed the C-Hill property which Dwight Millard has offered for consideration. In reference to the acquisition properties listed on the work program matrix included in the agenda materials, Member Riedl noted the importance of considering that maintenance and operations costs will be higher for some than for others. Mr. Guzman reminded the committee members that proposed acquisitions will be reviewed and approved by the committee prior to presenting them to the Board of Supervisors. Member Riedl noted the importance of considering the “true cost” of an acquisition. Mr. Guzman advised that staff always provides to the

CARSON CITY OPEN SPACE ADVISORY COMMITTEE

Minutes of the April 28, 2008 Meeting

Page 4

Board of Supervisors information regarding the fiscal impact to the City of an Open Space Program acquisition, the balance of the acquisition budget following a purchase, and the costs associated with maintenance. Member Scott suggested considering a workshop on the overall acquisitions. He expressed concern there are more potential acquisitions on the list than should be retained as active. He expressed additional concern with regard to conducting appraisals without serious potential for acquisition. He suggested paring down the work program to begin considering a management overview and the corresponding funding which needs to be set aside. Chairperson Hartman suggested some of the listed properties may lend themselves to clustering. He discussed the benefit of clustering which accomplishes the goal of balancing economics with preserving open space. Vice Chairperson Jacquet noted the opportunistic nature of the Open Space Program, and expressed concern over limiting opportunities by paring down the work program list.

In response to a question, Chairperson Hartman explained appraisal methods. Discussion followed, and Mr. Guzman noted that many open space values don't translate in an appraisal. Chairperson Hartman advised of a large appraisal data base, and noted the importance of comparisons in appraisal. In response to a question, Mr. Guzman advised that the Open Space Program uses approximately five appraisers. He reviewed their various specialties and expertise. Chairperson Hartman noted the requirement of a review appraiser in any federal transaction. Mr. Guzman related a suggestion by Member Scott for a potential willing seller to conduct their own appraisal from the list of appraisers used by the City. Chairperson Hartman advised that lending institutions will not allow a private property owner to select the appraiser. In response to a question, Mr. Guzman described the tax incentive information provided to potential willing sellers. Member Scott suggested requesting potential sellers to provide appraisals ensures they are "reasonably serious." An MAI review appraisal or an independent appraisal would then be required. This would assist the committee in determining an order of magnitude value which could then be prioritized as to whether or not to move forward. Mr. Guzman advised of a suggestion by Member Fischer to request the potential seller to pay at least half the cost of the appraisal if the transaction doesn't go through. He further advised that appraisals currently cost \$3,500 to \$10,000.

Mr. Guzman summarized the discussion, and Member Scott reviewed staff's recommended action. In response to a comment, he suggested that the C-Hill / Dwight Millard property could become more of a priority. Chairperson Hartman and Mr. Guzman reviewed the open space opportunities matrix. Following discussion, Chairperson Hartman entertained a motion. Regarding land transactions, **Vice Chairperson Jacquet moved to accept the properties mentioned above as a high priority and instruct staff to continue to work diligently toward finalizing those transactions. Member Fischer seconded the motion.** Chairperson Hartman clarified that the properties referenced were those listed as the western opportunities map and the Carson River map. He called for additional questions or comments and, when none were forthcoming, a vote on the pending motion. **Motion carried 6-0.**

Mr. Guzman reviewed the Non-Acquisition Projects portion of the staff report. In response to a question, Ms. Bollinger provided a status report on the Mexican Ditch bridge project. In response to a question, Mr. Guzman explained the Open Space Program printing and advertising expense. Member Riedl expressed support for hiring a consultant to develop the open space fiscal impact report. He discussed the importance of the fiscal impact report in providing presentations to the Board of Supervisors and in assisting the

CARSON CITY OPEN SPACE ADVISORY COMMITTEE

Minutes of the April 28, 2008 Meeting

Page 5

committee with future decisions. He expressed concern that sufficient funding is allocated to this project. Discussion followed, and Chairperson Hartman suggested contacting Jeff Winston, of Winston & Associates, as a resource. Chairperson Hartman entertained a motion. **Member Riedl moved to adopt the priority projects, as shown and recommended by staff, and to encourage staff to utilize internal staff and other consultant resources. Member Scott seconded the motion. Motion carried 6-0.**

4. NON-ACTION ITEMS:

STATUS REPORTS AND ANNOUNCEMENTS FROM STAFF (7:42:41) - Ms. Bollinger reported on workshops and councils to which she has recently been invited to provide presentations regarding the sheep grazing projects in Carson City. Chairperson Hartman commended the results of the sheep grazing project in Ash Canyon.

MEMBERS' ANNOUNCEMENTS AND REQUESTS FOR INFORMATION - None.

5. FUTURE AGENDA ITEMS (7:44:43) - Mr. Guzman acknowledged he would schedule a workshop. Chairperson Hartman suggested agendaizing the federal lands bill as part of the workshop.

6. ACTION ON ADJOURNMENT (7:45:49) - Member Fischer moved to adjourn the meeting at 7:45 p.m. Member Scott seconded the motion. Motion carried 6-0.

The Minutes of the April 28, 2008 Carson City Open Space Advisory Committee meeting are so approved this 16th day of June, 2008.

STEPHEN D. HARTMAN, Chair