

CARSON CITY BOARD OF SUPERVISORS

Minutes of the December 19, 2002, Meeting

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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, December 19, 2002, 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
	Rod Banister	Sheriff
	Steve Kastens	Parks and Recreation Director
	Mark Forsberg	Chief District Attorney
	William Callahan	Undersheriff
	Scott Burau	Chief Deputy Sheriff
	Jerry Mathers	Chief Deputy Sheriff
	Scott Fahrenbruch	Director of Operations
	Bob Keith	Senior Trades Coordinator
	Jay Ahrens	Senior Project Manager
	Larry Nair	Skilled Trades Technician
	Verne Krahn	Parks Planner
	Bev Moltz	Lieutenant
	Thomas Casey	Intelligence Officer
	Katherine McLaughlin	Recording Secretary
	Kathy Heath	Business Manager
	Justine Chambers	Contracts Coordinator

(B.O.S. 12/1/02 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 Masayko convened the meeting at 8:30 a.m. Roll call was taken. The entire Board was present, constituting a quorum. Rev. Bruce Henderson of the Airport Church of Christ gave the Invocation. Mayor Masayko led the Pledge of Allegiance.

CITIZENS COMMENTS (2-0012) (Tape 1 failed.) - Chamber of Commerce Executive Director Larry Osborne

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explained his desire to respond to a "Letter to the Editor" which recently appeared in the local newspaper. He had submitted a response to it, however, it had not yet been printed. The writer had indicated that the City had "run" Walmart out of town. He explained that the City staff and Chamber of Commerce had worked hard to find a new location for Walmart in Carson City and negotiate a compromise with Raleys. These efforts were unsuccessful. The prohibition against allowing a competitor to have a grocery store in the same shopping center had prevented Walmart from being able to expand at its location and to include grocery items. Therefore, as a business decision, Walmart elected to move to Douglas County. The City staff had not forced them to relocate. It had been a business decision which Walmart made. He was pleased with the City's participation in the attempts to retain Walmart. The Chamber looks forward to working with the City on economic development issues in the future. He thanked the Board for the opportunity to correct the record and looked forward to working with the City in the future. He wished all a Merry Christmas. Mayor Masayko thanked him for the correction and solicited additional comments.

Craig Hartman was advised that his questions should be held until the Consent Agenda Item on the energy retrofit program is heard. Mayor Masayko indicated that he would pull this item from the Consent Agenda so that discussion could occur. No additional comments were made.

1. APPROVAL OF MINUTES (1-0085) - Supervisor Plank pointed out that the Minutes indicate that the District Attorney's office had been directed to draft a resolution for consideration by the Board requiring appointees to receive training on the Open Meeting Law and ethics. Supervisor Plank then moved to approve the Minutes of the Carson City Board of Supervisors for August 1, 2002. Supervisor Williamson seconded the motion. Motion carried 5-0.

2. AGENDA MODIFICATIONS (1-0116) - Mayor Masayko indicated that Item 4-4, a resolution financing the cost of a building project, will be considered prior to Item 9, the 2001-2002 annual audit report, as the items are related and that Item 4-3A, the contract amendment with Viron, was pulled for discussion.

3. SPECIAL PRESENTATIONS (1-0133) - Humane Resources Director Ann Beck

A. ACTION TO ADOPT A RETIREMENT RESOLUTION COMMENDING KIT C. WEAVER FOR HIS SERVICE AS ASSESSOR FOR CARSON CITY - Mayor Masayko read the Resolution into the record. Supervisor Livermore moved to adopt Retirement Resolution No. 2002-R-65, A RETIREMENT RESOLUTION COMMENDING KIT C. WEAVER FOR HIS SERVICE AS ASSESSOR FOR CARSON CITY. Supervisor Plank seconded the motion. The Board members and Mr. Berkich thanked him for his service to the community, complimented him on his work ethic, and wished him success in the future. Supervisor Plank explained his knowledge of Mr. Weaver prior to his (Supervisor Plank's) involvement with City government. He felt that Mr. Weaver would be active on the golf course corporation's board. Supervisors Livermore and Staub apologized for missing his roast and retirement party. Mayor Masayko felt that it will be difficult for his successor to fill his shoes. Mr. Berkich thanked him for his support and wished him well in his future endeavors. The motion to adopt Resolution 2002-R-65 was voted and carried 5-0. Mayor Masayko read a plaque and presented it to him. Assessor Weaver noted that he was known for very brief comments and that it had been a great ride which he had appreciated every day. Mayor noted for the record that Lynn, his wife, was present.

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B. ACTION TO ADOPT A RETIREMENT RESOLUTION COMMENDING RODNEY B. BANISTER FOR HIS SERVICE AS SHERIFF OF CARSON CITY (1-0269) - Mayor Masayko read the Resolution into the record. Supervisor Williamson moved to adopt Resolution No. 2002-R-66, A RETIREMENT RESOLUTION COMMENDING RODNEY B. BANISTER FOR HIS SERVICE AS SHERIFF FOR CARSON CITY. Supervisor Plank seconded the motion. Board and Mr. Berkich's comments noted their personal involvement with him throughout his life, thanked him for his service to the community, and wished him success in his future endeavors. The motion to adopt Resolution 2002-R-66 was voted and carried 5-0. Mayor Masayko read and presented a plaque to him. Sheriff Banister indicated that the "ride" had not always been smooth, however, they had always been able to resolve the issues amicably and thanked the Board for its support during his tenure. He also indicated that he was looking forward to moving on with his life.

C. ACTION TO ADOPT A RETIREMENT RESOLUTION COMMENDING WILLIAM J. CALLAHAN FOR HIS SERVICE AS UNDERSHERIFF FOR CARSON CITY (2-0367) - Mayor Masayko read the resolution into the record. Supervisor Livermore moved to adopt Resolution No. 2002-R-67, A RETIREMENT RESOLUTION COMMENDING WILLIAM J. CALLAHAN ON HIS SERVICE AS UNDERSHERIFF FOR CARSON CITY. Supervisors Williamson and Plank seconded the motion. Board comments thanked him for his service to the community, professionalism, and work ethic. Their personal contact with him was described. Mayor Masayko also indicated, on a personal basis, that the V&T license plates are out and suggested that he get one for his restored truck. Board comments wished him well in the future and for a long and happy retirement. The motion to adopt Resolution No. 2002-R-67 was voted and carried 5-0. Mayor Masayko then read a plaque into the record and presented it to him. Mr. Callahan thanked both the community and City staff for their support as illustrated by his examples.

D. ACTION TO ADOPT A RETIREMENT RESOLUTION COMMENDING SCOTT L. BURAU FOR HIS SERVICE AS CHIEF DEPUTY SHERIFF FOR CARSON CITY (1-0475) - Mayor Masayko read the resolution into the record. Supervisor Williamson moved to adopt Retirement Resolution No. 2002-R-68, a RETIREMENT RESOLUTION COMMENDING SCOTT L. BURAU FOR HIS SERVICE AS CHIEF DEPUTY SHERIFF FOR CARSON CITY. Supervisors Plank and Livermore seconded the motion. Board comments complimented him on his dedication and efforts to make the community safer. They also acknowledged that it is not easy to run for office as he had done. The importance of his contact with the news media was explained. Mayor Masayko felt that his professionalism and diplomacy when dealing with the media had set a high standard for future public information officers. The Board wished him well in the future. The Board's personal interactions with Mr. Burau were also cited. The motion was voted and carried 5-0. Mayor read the plaque into the record and presented it to him. Mr. Burau thanked the Board for the opportunity to work with the Board and the community.

E. ACTION TO ADOPT A RETIREMENT RESOLUTION COMMENDING JERRY A. MATHER FOR HIS SERVICE AS CHIEF DEPUTY SHERIFF FOR CARSON CITY (1-0585) - Mayor Masayko read the resolution into the record. Supervisor Plank moved to adopt Resolution No. 2002-R-69, A RETIREMENT RESOLUTION COMMENDING JERRY A. MATHER FOR HIS SERVICE AS CHIEF DEPUTY SHERIFF FOR CARSON CITY. Supervisor Williamson seconded the motion. Board discussion noted that he had been responsible for the jail and dispatch center as well as being a "soccer dad". Board comments

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explained and complimented him on his involvement at the Ron Woods Resource Center, the jail, the Public Safety Complex, the Dispatch Center, the Mental Health Coalition, the health improvements he had made at the jail, his interaction with the youth of the community, and his Nevada Day coordination efforts. The Board also commended him on his professionalism and work ethic. The Board felt that his youth outreach efforts will continue. The Board wished him success in his future ventures. The motion to adopt Resolution No. 2002-R-69 was voted and carried 5-0. Mayor Masayko read the plaque and presented it to him. Mr. Mather thanked the Board for its support of the jail and the Public Safety Complex. The Public Safety Complex had been the largest undertaking done by the City. He felt that it had "come out well". He also noted that the Tiburon system is up and running. He again thanked the Board for its support on these major undertakings.

F. ACTION TO ADOPT A RETIREMENT RESOLUTION COMMENDING THOMAS M. CASEY FOR HIS SERVICE AS INTELLIGENCE OFFICER FOR CARSON CITY (1-0720) - Mayor Masayko read the resolution into the record. Supervisor Plank moved to adopt Resolution No. 2002-R-70, A RETIREMENT RESOLUTION COMMENDING THOMAS M. CASEY FOR HIS SERVICE AS INTELLIGENCE OFFICER FOR CARSON CITY. Supervisor Williamson seconded the motion. Board involvement with Mr. Casey during his tenure at the Sheriff's Office was noted including his involvement with the Sheriff's Mounted Posse. The Board also complimented him on his professionalism and dedication and wished him well in his future endeavors. The motion to adopt the resolution was voted and carried 5-0. Mayor Masayko read the plaque and presented it to him.

4. CONSENT AGENDA (1-0841)

4-1. ASSESSOR - ACTION TO APPROVE THE REMOVAL AND REFUND OF THE TAXES ON APN 010-443-16, WHICH WAS ACQUIRED BY NEVADA RURAL HOUSING AUTHORITY ON OCTOBER 10TH, 2002, PER NRS 361.055

4-2. DEVELOPMENT SERVICES - ENGINEERING

A. ACTION TO APPROVE AN OFFER OF DEDICATION OF RIGHT-OF-WAY CONSISTING OF MOLLY DRIVE AND MILLENNIUM TERRACE, CONTAINING APPROXIMATELY 31,298 SQUARE FOOT, AS SHOWN ON THE RECORDED FINAL MAP FOR MILLENNIUM AT STATE STREET, A PLANNED UNIT DEVELOPMENT DATED AUGUST 2, 2001, IN BOOK 9, PAGE 2419 AS FILE NO. 265068

B. ACTION TO APPROVE AN OFFER OF DEDICATION OF ACCESS AND STORM DRAIN EASEMENT, CONSISTING OF A STRIP OF LAND CONTAINING APPROXIMATELY 10,320 SQUARE FEET, LOCATED AT THE SOUTHWEST CORNER OF MOLLY DRIVE AND CORBETT STREET OWNED BY MSB PROPERTIES, ASSESSOR'S PARCEL NO. 002-441-23

4-3. DEVELOPMENT SERVICES - CONTRACTS

A. ACTION TO ACCEPT THE PARKS DEPARTMENT'S RECOMMENDATION ON THE ENERGY CONSERVATION RETROFIT AGREEMENT - AMENDMENT NO. 1 (CONSTRUCTION IMPLEMENTATION PROJECT), CONTRACT NO. 2002-01, AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENT TO CMS VIRON ENERGY SERVICES, 12980 FOSTER DRIVE, SUITE 400, OVERLAND PARK, KANSAS 66213-2649 FOR A NOT TO EXCEED AMENDMENT AMOUNT OF \$779,956

B. ACTION TO APPROVE STAFF'S RECOMMENDATION ON THE FREEWAY

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RELOCATION PROJECT - PHASE 1B PROJECT, CONTRACT NO. 9900-172 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE CLAIM FORMS TO PBS&J, 5310 KIETZKE LANE, SUITE 101, RENO, NV 89511, FOR AN AMENDMENT NO. 6 COST OF \$53,800, AND AUTHORIZE THE CONTRACTS DIVISION THE ABILITY TO EXTEND THE CONTRACT TERM AS NECESSARY FOR THE COMPLETION OF THIS PROJECT

C. ACTION TO ACCEPT THE WORK AS COMPLETE AND APPROVE THIS RELEASE OF FINAL PAYMENT ON BREWERY ARTS CENTER - EXTERIOR REPOINTING, CONTRACT #2001-050 AS SUBMITTED BY DEVELOPMENT SERVICES TO SARTORIAL MASONRY, 1610 MAYBERRY DRIVE, RENO, NV 89509-2362 FOR A FINAL PAYMENT AMOUNT OF \$30,000 AND ACCEPT THE CONTRACT SUMMARY AS PRESENTED

4-4. FINANCE - ACTION TO APPROVE A RESOLUTION AUTHORIZING AN INSTALLMENT PURCHASE AGREEMENT IN AN AMOUNT OF UP TO \$802,500 TO FINANCE THE COST OF A BUILDING PROJECT; AND PROVIDING THE EFFECTIVE DATE HEREOF

4-5. PARKS AND RECREATION - ACTION TO SUPPORT A RESOLUTION THAT THE SALE OF PROPERTY, SPECIFICALLY THE 25-FOOT STRIP OF LAND ON THE WESTERN BORDER OF APN 8-118-01 EXTENDING 288 FEET FROM THE NORTHERN BORDER TO THE SOUTHERN BORDER OF THAT PARCEL, OWNED BY CARSON CITY, IS IN THE BEST INTEREST OF CARSON CITY AND DIRECTING THE CARSON CITY PARKS AND RECREATION DEPARTMENT TO OBTAIN AN APPRAISAL ON THE PROPERTY - Mayor Masayko indicated Item 4-4 requires a public hearing and should be considered with Item 9 and that he would pull Item 4-3A for discussion as requested by Craig Hartman. Supervisor Livermore requested the resolution regarding the sale of property under Item 4-5 be pulled for discussion. Supervisor Plank moved to approve today's Consent Agenda as presented with the exception of Item 4-3A which deals with a retrofit agreement, Item 4-4 which is an item from Finance and will be dealt with later, and Item 4-5, a Parks and Recreation issue on the sale of property. Supervisor Williamson seconded the motion. Mayor Masayko indicated the resolution had been pulled. The motion to approve the remaining Consent Agenda items was voted and carried 5-0.

4-3. A. (1-0882) - Craig Hartman indicated that there is nothing wrong with the energy retrofit program. It is a good idea, however, the contract should be drafted to ensure fairness. He alleged that there was no opportunity for the local businesses to participate in the contract. He explained a letter he had written to the Board regarding his contact with Viron which allegedly indicated that Viron had restricted the window film to one product which is supplied by only one firm. This is the same film as had been used on the State buildings. The contract should be written to make it fairer for locals.

Viron Representative Jay Johnson explained that they make every effort to use local contractors. They must analyze the products and subcontractors bids carefully for financial reasons to ensure that they will be able to meet their commitment regarding the energy savings that would be generated over the established payback period. This process requires a careful analysis of products and their technology for their applications. Mr. Hartman had allegedly been asked to bid on the window film. This film reduces incoming heat in the summertime and retains inside heat during the wintertime. It is required to have a high "E" rating and be reflective. They would have liked to have had Mr. Hartman as a subcontractor, however, his product does not meet the required specifications. In response to Mayor Masayko's question, Mr. Johnson indicated that it had not been the company's intent to narrow the field to eliminate

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competitive bidding. He agreed that it is a single source item. Mayor Masayko indicated that the technical requirements for the product could not be addressed by the Board due to a lack of knowledge about the supplier's product and its rating. He also pointed out that the market place usually responds well to competition which allows others with similar products to compete. Mr. Johnson reiterated that the company looks at the specifications in order to have the greatest payback. This one product does have a limited distribution. There is only one distributor in this area.

Supervisor Livermore reminded Mr. Johnson that he had promised that the specifications would be written to allow local contractors to participate even though Mr. Johnson had known at that time that the contract specifications would be restrictive and prohibit their participation. Mr. Johnson replied that it had been hoped that the local contractors would be able to meet the specifications. His firm is the general contractor. Supervisor Livermore felt that the Board had been manipulated. Mr. Johnson explained that they were using Sierra Window Tint from Reno. Supervisor Livermore indicated that future contracts should be written to allow local contractors to participate and obtain some of the subcontracts.

Mr. Johnson listed several other contractors from the Reno area who will participate in the project and indicated that the technicians would be from the Carson City/Reno labor pools. Supervisor Williamson reminded Mr. Johnson that he is in Carson City and not Reno. She also pointed out that he had guaranteed that a savings would occur with the use of these materials. The City must follow his recommendations to continue the agreement. Mr. Johnson agreed and indicated that the company had carefully analyzed all of the building needs and made recommendations that would make financial sense and guarantee a savings over a ten-year period. They then make the upgrades required to accomplish this savings.

Parks and Recreation Director Steve Kastens explained that the contract is driven by the specifications which staff helps provide. The products listed by Mr. Johnson were felt to be superior which restricts the field of bidders. The same process is used to purchase lawn mowers and irrigation systems. The specifications cannot be restricted to just Carson City. He felt that Viron had offered to consider alternates. He also noted for the record that Viron does not represent the film manufacturer. The specifications had determined the type of film which could be used. Mayor Masayko also pointed out that the project is a \$780,000 item with \$220,000 of project construction management, contingency and general administrative overhead and profit.

Supervisor Staub questioned the amount of upgrades which will be done to each facility; why the new Public Safety Complex was having its lighting upgraded and a new energy management system; and what is polarized refrigerant oil additive. Mr. Kastens explained that the Public Safety system originally acquired was thought to be adequate, however, it is not. Parts cannot be obtained for the system. Unfortunately the provider was a local contractor who has "fallen by the wayside". The provider now wants to purchase the City's control system in order to provide parts for the High School. Supervisor Staub felt that this unfortunate situation is always found with all public works projects. The lowest bidder is not always the best selection. Mr. Kastens agreed to provide the cost breakdowns.

Supervisor Plank explained that he had the same concern and had contacted Finance. The energy problems last year had forced the City to address its buildings. Mr. Kastens reminded the Board of the photographs illustrating the drawers full of parts which have had to be replaced at the Public Safety Complex. The Board should have been

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given the complete binders and not an abbreviated report. Supervisor Plank agreed that the Board had been told about the problem as he remembered the photographs.

Supervisor Livermore expressed his hope that local contractors with unsatisfactory products or services could be disqualified. Reasons for not using local contractors should be provided before they are disqualified. He had gone on the premise that local contractors would be used as much as possible. Documentation indicating their disqualification would have assisted him when talking to the local contractors.

Discussion indicated that this would be the final round of energy retrofit projects. Mayor Masayko indicated that he would not approve another contract until it starts at "ground zero" and discusses who, what, when, why, etc., of the savings. If the work is done, energy savings will occur regardless of the amount of overhead that is paid and who is hired. The overhead is quite high on these projects which is causing discomfort for him as it is slanted toward single source supplies. He also was not comfortable with the 20 to 25 percent "gross up" on the cost of doing the work. The premise is correct but he was not comfortable with the process. Additional public comments were solicited. None were given. Mayor Masayko pointed out that it will be a ten-year municipal lease to fund the \$779,956 project of energy savings which is guaranteed. Supervisor Staub pointed out that the City is not spending this amount as the money is financed overtime with guaranteed energy cost savings which is to exceed the cost of the financing. There is a \$10,000 expenditure from the capital budget. Mayor Masayko indicated that this would occur at the nine-year mark and included all of the overheads.

Supervisor Williamson moved to accept the Parks Department's recommendation on the Energy Conservation Retrofit Agreement Amendment No. 1, Construction Implementation Project, Contract No. 2002-001, and authorize Development Services to issue payment to CMS Viron Energy Services, 12980 Foster Drive, Suite 400, Overland Park, KS 66213-2649, for a not to exceed amendment amount of \$779,956 with the funding source being provided through a third party municipal lease. Supervisor Plank seconded the motion. Supervisor Williamson's original concern with the concept had been why the City was not doing the work itself. Staff does not have the expertise or know everything even though it is quite talented. Viron deals with it all the time. They have viewed the facilities and made recommendations to achieve the greatest savings. The City should use the expertise that is available to make improvements which can be afforded to make it as efficient and cost effective as possible. Mayor Masayko pointed out that this is not the only firm which can do the work. Supervisor Livermore reiterated his concern that local contractors and local businesses should benefit from the City contracts. They have City business licenses and pay the property taxes that afford the organization with the salaries and money for its operation. They should have some recourse to some of the contracts issued by the City. Supervisor Staub indicated that he did not "swallow it very easily". It is an obligation of \$800,000 that will be paid over a period of time. It is a roll of the dice as to whether the City will get any of its money back. It is not a guarantee when a third party is the one who will be making the payment. This party may not be around when the payment is required as indicated by the energy system at the Public Safety Complex. He would vote for the motion with a great deal of consternation as it is a liability that the City will assume with the contractual understanding that we will get energy savings that will exceed this amount with some guarantees behind it. He is a little cautious about the entire process. Mayor Masayko indicated that his vote in favor would also be reluctant. The motion to approve the contract was voted and carried 5-0.

4-5. (2-1468) - Supervisor Livermore questioned whether the proposal was in the best interest of

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the City as it will sell the buffer to the neighbors and that they will have to provide the landscaping for the buffer. There have always been noise issues between parks/schools and the adjacent residents. He was also concerned about the policy which will be established if this proposal moves forward. The Parks and Recreation Commission had discussed these issues. He felt that the park master plan needed to be revisited. The City had paid for the original master plan. The land appraisal should have included addressing the issues. He did not support the proposed sale. Mr. Kastens explained that the Commission had discussed the concept at two separate meetings. The park has not been developed. A similar buffer is provided along the eastern boundary. It was acceptable to both the eastern and western property owners until the plan to develop the park in phases was indicated. This was unacceptable to the Fischers. The cost to bring water to the site was estimated to be \$140,000. The immediate desire was to locate playground equipment at the site. This will allow the neighborhood children to begin playing there. This phase did not include the buffer at this time. The Fischers want the buffer before people begin to use the park. For this reason staff suggested that the area be sold to them and that they be required to provide the buffer. He was unsure whether neighbors will want to landscape the buffer at all of the City's parks. Supervisor Livermore felt that the fence along the utility easement, a rock garden or other material could be used as a buffer. Mr. Kastens explained that the Fischers could not provide the buffer as the fence is in the way. He felt that the landscaped buffer will be similar to the one the Fischers had installed on the north side. The staff will support the sale of the buffer when it is advantageous to do so. A well site in another location and the circle drive at Edmonds Park were sited as examples whose sales would not be advantageous for the City. Supervisor Livermore reiterated his concern that the concept will establish a bad precedence for other parks. The concept may solve the Fischers' concerns but does not address the City's. Staff should find another solution.

Supervisor Williamson disclosed that she had received a telephone call from Mary Fischer. Ms. Fischer could not attend the meeting.

Supervisor Plank suggested that a deed restriction be placed on the land that would restrict the use for any other purpose than as a buffer. He also pointed out that the area included a ten-foot utility easement. The Fischers will have to maintain the landscaping. They had purportedly agreed to the deed restriction. Mr. Kastens indicated that Deputy District Attorney Jason Woodbury had opined that the resolution of intent to sell did not have to include the deed restriction. The Commission's motion had included the deed restriction. Mayor Masayko felt that it could be a win for the City if the Fischers provide the same buffer as the City had originally planned in addition to the deed restrictions. Supervisor Livermore explained that the same goal could be accomplished if the Fischers run their water supply to the landscaping and the City pays for its usage. Either Mr. Fischer or the City could construct the landscaping. This does not require the City to sell the land. He could not support a resolution of intent to sell. Public comments were solicited but none were given.

Supervisor Plank explained, as the Board's representative to the Commission, that the Commission had unanimously supported the resolution. Supervisor Plank then moved that the Board support a resolution, number 2002-R-72, that the sale of property, specifically the 25-foot strip of land on the western border of Assessor's Parcel Number 8-118-01 extending 288 feet from the northern border to the southern border of that parcel, owned by Carson City, is in the best interest of Carson City and directing the Carson City Parks and Recreation Department to obtain an appraisal on the property with the intent to sell the property to the Fischers with deed restrictions to allow only plantings and maintenance of those as a buffer on that parcel as just described, fiscal impact is not to exceed \$4,000.

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Following Supervisor Williamson suggested amendment, Supervisor Plank amended his motion to include that the proceeds from the sale will go to the Ron Wilson Park. Supervisor Williamson seconded the motion. Chief Deputy District Attorney Mark Forsberg explained that the decision to sell the land could not be made at this time. Staff should be directed to do the appraisal. The intent to sell and the terms of the sale are to be developed at a future meeting. The decision to sell the property to the Fischers with various conditions could not be made today. Mayor Masayko felt that the resolution should indicate the intent to sell to the Fischers and the purpose to which the land could be used. He did not feel comfortable going beyond that point at this time. Supervisor Plank explained that the property may be worth the cost of the appraisal. He also expressed a willingness to defer action on the proposal until all of the issues have been addressed. Mayor Masayko's dislike for bifurcated procedures and for there to be any misunderstandings regarding the intent and purpose of the sale was explained. He suggested that the process and the appraisal be brought back for discussion by the Board. It may be that the Fischers are not the only ones interested in acquiring the property. Therefore, their names should not be included in the resolution. Supervisor Plank pointed out that the deed restriction may impact the appraisal and the value of the land. Mayor Masayko felt that if the property is sold, the buyer must be willing to develop it as a buffer. Mr. Forsberg explained that his intent had been to ensure that the resolution of intent complies with the Statutes and includes whatever terms and conditions the Board wishes placed on the property. He also felt out that there would be little risk in selling the land to anyone other than the Fischers as it is a size which is not appropriate for any other purpose or use, however, the resolution cannot be restricted to just the Fischers. Mayor Masayko explained the need to revise two of the "whereas" in the resolution. Discussion ensued concerning the direction which should be given to staff and whether to bifurcate the process. Supervisor Livermore reiterated his objection to the sale of the property to anyone. Mr. Forsberg explained that the resolution does not indicate that the property will be sold to the Fischers. The purpose of his statements had been to explain the process required to offer the property for sale. Mayor Masayko felt that the conditions should be developed at this juncture as they could impact the property's value. The discussion had extensively modified the resolution of intent which had not been agenzized. Supervisor Plank then withdrew his motion and directed staff to come back with a different format that includes the Board's intent regarding the restrictions and the impact on the appraisal. Supervisor Williamson concurred. Supervisor Livermore pointed out that the master plan for the park had included the buffer zone. The plan had not considered its potential sale. At that time it had not been the Parks Department's decision to make the land available for purchase by a neighbor or anyone else. He was not objecting to the proposal. The buffer should be there. If the Commission thinks that the City should sell the property, the Board could develop a policy to do so, if desired. Mayor Masayko indicated that he understood Supervisor Livermore's concern. He felt that the Board should be able to make a decision based on the record. He then ruled that the item had been withdrawn based on the information on the record. He directed staff to bring it back, but not on the Consent Agenda, with a resolution so that full and proper notice can be given on how the Board will proceed with the terms of the sale and the use of the proceeds. Supervisor Plank felt that it would not be necessary for the issue to be returned to the Commission. Mayor Masayko agreed. The Commission had already recommended restrictions on the property which require the master plan to be developed. The Board needed to have the proper documentation and legal support to ensure that the master plan will occur. Mayor Masayko then ruled the item withdrawn from the agenda and directed staff to return with an amended resolution which reflects the Board's discussion. No formal action was taken.

5. BOARD OF SUPERVISORS - NON-ACTION ITEMS - A. INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS; AND, B. STAFF COMMENTS AND STATUS

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REPORTS (2-2139) - Continued.

RECESS: A recess was declared at 10:26 a.m. The entire Board was present when Mayor Masayko reconvened the meeting at 10:38 a.m., constituting a quorum.

6. CARSON CITY MUNICIPAL GOLF CORPORATION - President Mark Sattler - STATUS REPORT ON OPERATIONS AT THE EAGLE VALLEY GOLF COURSES (2-2145) - Mr. Sattler introduced the other Board and staff members who were present. He then read his letter into the record. (A copy is in the file.) He described the damage that had occurred on the course during Saturday's wind storm and the tree replacement plan. Mayor Masayko thanked him for the report and indicated that it was similar to the comments he had been receiving from the public. The courses are attractive and are receiving a lot of play. He had not personally received any complaints during the year. He complimented the Corporation on its efforts to provide affordable golf. He acknowledged the need to increase the fees. He did not feel that the proposed rates would jeopardize the number of rounds nor reduce the number of players. He had not received any feedback from the users regarding the notice of intent to increase the fees. Supervisor Plank explained that his personal experience indicated that the food and service at the club house are good. The directional sign for the golf course needs to be relocated, however, NDOT controls the location of directional signs along Highway 50. He suggested that an additional sign indicating "Eagle Valley Golf Course" be located in the vicinity. He asked President Sattler to meet with him and Street Operations Manager John Flansberg regarding the sign. President Sattler agreed. Mayor Masayko supported his suggestion due to the fact that other signs include the name. The plan to replace the destroyed trees was discussed and indicated the need to have an annual tree replacement program. Supervisor Plank reminded the Corporation that rabbits love to chew on small trees and suggested that they take steps to protect the trees until they are larger. President Sattler wished everyone a good holiday season and indicated that the Corporation would return whenever the Board wished or for its annual report. Additional comments were solicited but none were given. No formal action was required or taken.

7. COMMUNITY DEVELOPMENT - Director Walter Sullivan

A. ACTION TO APPROVE A RESOLUTION ADOPTING FEES FOR SERVICES PROVIDED BY THE PLANNING COMMISSION AND THE PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT (FILE NO. A-02/03-5) (2-2465) - Chamber of Commerce Chief Executive Officer Larry Osborne, Builders Association of Western Nevada (BAWN) Executive Officer Richard Demar - Mayor Masayko stated for the record that the resolution will increase certain Planning and Community Development fees. Discussion indicated that a business impact statement is not required as it is exempt under NRS 278, Planning regulations. Mr. Sullivan's introduction included complimenting Ms. Pruitt and Mr. Plemel on their work on the fees. Mayor Masayko explained the Board's direction to the staff to look at all fees and determine whether there is a subsidy being provided by the General Fund for those services. The users should pay for the services which benefit the user directly. Justification for the fee schedule was provided. The fees equate to approximately 40 percent of the service costs. The inflation clause will provide for incremental increases during the next two to three years. At that time another fee increase may be warranted. The fees are a compromise and do not contain a hidden agenda. Mayor Masayko did not wish to have the Department become an enterprise fund but the fees should be adequate to provide the services needed. He directed that the Board be reminded of the figures during the budget sessions.

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Mr. Sullivan explained the intent to have the fees recover less than 40 percent of the service costs. It was felt that the original fees had recovered less than five percent of the service costs. Mayor Masayko agreed that this is the policy that will be established if the resolution is adopted. Examples and reasons for granting nonprofit entities with 501c3 standings and low income individuals a fee waiver were provided. The Commission will review the applications for the fee waiver. Discussion indicated that the Hospital could apply for a waiver as it is a 501c3 corporation. Discussion pointed out the variation in Sparks' fees and indicated that Sparks may adjust the fees at some point in time. There did not appear to be any justification for its fees. Its fees had not been used in the proposed fee formula. Justification for the public's \$25 appeal fee was provided. Next year's fee will be \$50. The applicant does not have to pay for an appeal as it is included in the application fee. The continuance fee of \$150 was created due to the volume of work created by continuations at the last minute and the need to renote the item. It was suggested that the fee be increased to make it cost prohibitive as it may eliminate the need for continuations. Mr. Sullivan explained the Commission's recommendation on timelines for processing applications. It is hoped that this process will eliminate last minute continuations. The continuation fee should be assessed when the applicant requests it but not when the item is continued at the Board or Commission's request. Discussion also indicated that the Board could ask to consider any items without an additional fee being assessed. Public comments were solicited.

Mr. Osborne explained the Chamber's support for the fee increase. He thanked staff for allowing them to participate in the process. The Chamber had originally opposed the increase, however, after working with the staff had reached a compromise on the fees. They had asked that the phase in period be two or three years and not staff's recommendation of five years. He felt that the fee increase will make the City competitive with the surrounding communities/counties. The resolution includes a formula and procedure for future increases and will eliminate the need to redo the fee structure for some time. He committed to working with Community Development to address any issues. Mayor Masayko thanked him for his comments and acknowledged that the process will work for the short term. He thanked the individuals/businesses who had worked with the staff to develop the fees.

Mr. DeMar supported Mr. Osborne's comments and thanked the Department/City for including them in the process. The fees will have an impact on his members. They appreciated the cooperation and the opportunity to participate. Mayor Masayko thanked the members for their willingness to participate in the process and understanding of the need to address the service level and fee issues. Additional public comments were solicited but none were given.

Supervisor Livermore moved to adopt Resolution 2002-R-71, A RESOLUTION ADOPTING FEES FOR SERVICES PROVIDED BY THE PLANNING COMMISSION AND THE PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT, FILE NO. A-02/03-5, fiscal impact is relative to somewhere in the neighborhood of \$130,000 annually after the second year. Mr. Sullivan indicated that he had estimated the increase as being approximately \$150,000 per year. Supervisor Williamson seconded the motion. Motion carried 5-0. Mayor Masayko thanked the Chamber, BAWN, and staff for working together and avoiding contentious issues. Supervisor Livermore pointed out that the process had allowed them to support a compromise provided through the professional partnering of agencies. He hoped that this process will be used again in the future. Mr. Sullivan complimented Maximus Representative Chad Wohlford, Ms. Pruitt and Mr. Plemel for their participation in the process.

B. ACTION TO INTRODUCE ON FIRST READING AN ORDINANCE EFFECTING A

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CHANGE OF LAND USE FROM MULTI-FAMILY APARTMENT (MFA) TO GENERAL OFFICE (GO) AND CONSERVATION RESERVE (CR) ON APPROXIMATELY 7.9 ACRES OF LAND LOCATED ON MOSES STREET, APN 009-151-50, AND EFFECTING A CHANGE OF LAND USE FROM MULTI-FAMILY APARTMENT (MFA) TO GENERAL OFFICE (GO) ON APPROXIMATELY .21 ACRES OF LAND LOCATED AT 531 MOSES STREET, CARSON CITY, NEVADA, APN 009-515-49, AND OTHER MATTERS PROPERLY RELATED THERETO (2-3395) - Senior Planner Lee Plemel, Applicant's Representative Dennis Smith, McCall Realty Realtor Sal Mancusho - Discussion between Mayor Masayko and Mr. Plemel explained that the .21 acre site was developed to its maximum potential. The efforts to reach Mr. Best, who owns this parcel, were described. It was felt that Mr. Best may have a representative present and had been in contact with the applicant/owner of the larger parcel. The zone change will bring the parcels into compliance with the Master Plan. Mr. Sullivan explained a drainage problem which had occurred on the parcel sometime ago which had created concerns about the original plan to develop the site as a multi-family apartment complex. The large parcel has not been developed. Discussion explained the permitted uses allowed on the split zoned large parcel.

Mr. Smith explained the reasons for the application and the City's consideration of an apartment complex on the property. It was denied based on the lack of water and sewer services to the area at that time. The utilities presently serve the area. Mr. Best had developed the small parcel and then decided to return the larger property to the financier. The applicant's intent was described. He felt that the triplex is an inappropriate use for the property. The steep hillside cannot be developed. For this reason they supported retaining the CR zoning or having an easement dedicated for conservation. Mr. Smith had allegedly talked with Mr. Best. He did not want the zone change for his property. His representative will read Mr. Best's letter. Mr. Smith had described the proposed office use for the larger parcel to Mr. Best. Mr. Best had allegedly agreed with the project.

Mayor Masayko noted for the record that his information indicates that the small parcel is owned by the Lloyd B. Austin, DDS, Ltd, Profit Sharing Trust. Mr. Sullivan assured the Board that staff had sent a minimum of three registered letters to them. He had personally call all of the Bests listed in the telephone book. Mr. Smith's efforts to contact Mr. Best had been extensive. Prior to today's meeting Mr. Sullivan had been informed that Mr. Best had responded.

Mr. Mancusho explained that he was attempting to sell the triplex for Mr. Best. He would have to inform any potential buyers of the Board's action. Mr. Best's letter of objection was read into the record. He felt that the zone change would destroy the value of the property and prohibit his ability to sell the triplex. His tenants will not want to live adjacent to the office use. He urged the City to buy his property and convert it to commercial uses. (A copy of the letter was given to the Board and Clerk. A copy is in the file.) Mayor Masayko indicated his response is that the Board should reject his arguments. Discussion indicated that buyers are looking at the triplex and that it is on the market. Supervisor Staub also felt that the allegation that Mr. Best will be unable to the sell the property "did not hold water". Mr. Mancusho agreed.

Discussion between Mr. Sullivan and Mayor Masayko explained that if the small parcel is left with its present zoning, it will be considered spot zoned. The proposed uses cannot be used to obtain the Board's vote for the zone change. Mr. Sullivan indicated that the Board could support the zone change and leave the remaining parcel as currently

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zoned. Mayor Masayko directed staff to attempt to change the zoning on the small parcel in the future. Mr. Mancusho was asked to tell any buyer(s) that the City would be willing to consider a zone change if desired. Supervisor Plank moved to introduce on first reading Bill No. 146, AN ORDINANCE EFFECTING A CHANGE OF LAND USE FROM MULTI-FAMILY APARTMENT (MFA) TO GENERAL OFFICE (GO) AND CONSERVATION RESERVE (CR) ON APPROXIMATELY 7.9 ACRES OF LAND LOCATED ON MOSES STREET, APN 009-151-50, AND OTHER MATTERS PROPERLY RELATED THERETO; File No. Z-02/03-1. Following a request for an amendment, Supervisor Plank amended his motion to indicate that the motion does not include the .21 acres of land. Supervisor Williamson seconded the motion. Motion carried 5-0.

8. PARKS AND RECREATION - Director Steve Kastens - ACTION TO AUTHORIZE STAFF TO MOVE FORWARD WITH THE FUJI PARK USERS COALITION REGARDING THE DEVELOPMENT OF THE FAIRGROUNDS AND FUJI PARK (3-0400) - Michael Hoffman, Users Coalition President Jack Anderson - Mayor Masayko supported having the coalition participate in the development of the Fairgrounds and Fuji Park plan. He cautioned the participants that they should understand that no commitment was being made that any or all of the plan will be developed. He also pointed out that the election process had raised several questions about the Fairgrounds. These issues included Clear Creek, the users, and safety items. He urged Mr. Kastens to address these items in the planning process. Supervisor Williamson explained that there are questions concerning whether the Open Space Advisory Committee should participate in the process. It was felt that there will not be a lot of open space at the Fairgrounds except for that involved with the ecology of the creek. People must be able to continue to use it. Mr. Kastens acknowledged the concern and indicated that the Storm Drainage Advisory Committee is also working with the coalition. He also agreed that the Parks and Recreation Commission should review the plan and select its priorities. Supervisor Livermore pointed out that the procedure re-enforces the advisory vote taken at the November General Election. He was committed to honoring the vote and felt that his vote on this item will clearly show that he concurred with the statements regarding the Commission's role in the process. He looked forward to the seeing the final product. Supervisor Plank expressed his desire to remain on the Commission and complimented staff on its work on the Fuji Park and the Fairgrounds. He felt that the Storm Drainage Advisory Committee and the master plan needed to include consideration of the southern slope and how to protect it. Supervisor Williamson felt that either the developer/Douglas County or the City could address it under the discharge permit process. It is an important ecological system which must be protected. Supervisor Staub asked staff to analyze all of the commitments that had been made at the time of the sale of property to Costco to ensure that all of the commitments that were made at that time have been or will be kept. The Commission should also remember its commitments. Mayor Masayko supported his comments. He pointed out the dynamic changes occurring in that area and that the City had agreed to financially contribute to the development of a regional plan or market study with Douglas County. He urged Mr. Kastens and the users coalition to actively participate in this process. Mr. Kastens agreed to track it as it could impact the improvements which are made at the Fairgrounds. He did not want to have either a conflict or a duplication of services.

Mr. Hoffman explained that he had received a number of telephone calls from people who had supported the election outcome. He concurred with the Board's comments regarding the need to actively support the election results. He felt that the process had been a good lesson in civics. He indicated his intent to cooperate with the users coalition and staff on the planning process.

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Mr. Anderson explained that a meeting had been scheduled for January 6 to reprioritize the needs which will include the fairgrounds as well as the park. He invited the public to attend and participate in the process. Mayor Masayko thanked him for his efforts and dedication to the project.

Supervisor Livermore moved to authorize staff to move forward with the Fuji Park Users Coalition regarding the development of the Fairgrounds and Fuji Park. Supervisor Plank seconded the motion. Motion carried 5-0.

10. CITY MANAGER ITEMS (3-0590) - Mayor Masayko indicated that these items will be heard later in the afternoon.

4-4. (3-0600) - Mayor Masayko explained the public notice given on this item. Finance Director David Heath explained that the financing will be by La Salle Bank. It is a ten-year obligation. The total amount is \$802,000 of which \$20,000 is for financial and bond counsel items. Public comments were solicited but none were given. The purpose of the bond was limned. Public comments were again solicited without any being given. Supervisor Williamson moved to adopt Resolution No. 2002-R-72, A RESOLUTION AUTHORIZING AN INSTALLMENT PURCHASE AGREEMENT IN AN AMOUNT OF UP TO \$802,500 TO FINANCE THE COST OF A BUILDING PROJECT; AND PROVIDING THE EFFECTIVE DATE HEREOF. Supervisors Livermore and Plank seconded the motion. Supervisor Staub explained that, for the reasons he had previously stated, he would reluctantly support the motion. Mayor Masayko indicated that he would support the motion due to the need to do it and noted his reluctance to approve it. The motion was voted and carried 5-0.

9. FINANCE - Director David Heath - ACTION TO ACCEPT THE CARSON CITY FISCAL YEAR 01-02 COMPREHENSIVE ANNUAL FINANCIAL REPORT (3-0675) - Mr. Heath introduced Kafoury, Armstrong Representatives Felicia O'Carroll and Kristen Burgess. Ms. O'Carroll explained the reasons for making the presentation. The opinion was clean and unqualified. The Compliance Report was summarized. The financial statements were felt to be fairly presented. The Independent Auditor's Report was summarized. It included a notation that the Airport Authority and the Convention and Visitors Bureau's budgets are an element of the City's budget, however, they had not audited them as other independent auditors had performed this function. Kafoury, Armstrong's work was based on their audits. Discussion indicated that both had been found to be in compliance with the Government Auditing Standards. Slides showing graphs of the City's funds and financial status were explained and discussed. (Copies of these graphs are included in the file.) Discussion indicated that depreciation funds are not included for General Fund items, however, the Enterprise and internal funds do contain depreciation. Mayor Masayko indicated that the record should show that both revenues and expenditures have increased over the last five years. Ms. O'Carroll explained the reporting difference which the Board will see in future. She also explained the need to submit a written statement to the Department of Taxation indicating how the City will avoid a repeat of the three violations cited on Page 34 of the report. The violations were limned. Page 48 pointed out the fund equity shortage found with the Sewer Enterprise Fund and the Commissary Special Revenue Fund. These funds will have to be monitored carefully next year to avoid having a compliance problem. She urged the City to be cognizant of and follow the State and Federal requirements when using Federal monies on City projects. These requirements include monitoring contractors to ensure compliance to the Davis-Bacon Act's wage requirements. The City's Recreational Trails Program had created this concern. She felt that the City had established controls, as indicated on Page 203, and that the concern would not recur in the future. She then explained next year's

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need for the City to comply with GATSBY 34, which will create a large change in the City's accounting procedures. The City's revenue determined when the City must convert to this accounting process. She thanked the Finance Department for its assistance. Staff had been professional and they had worked well with Kafoury, Armstrong's staff. Mayor Masayko thanked her for the report and the compliments. He asked that they be relayed to staff. Public comments were solicited but none were given. Supervisor Williamson moved that the Board of Supervisors accept the Carson City Fiscal Year 01-02 Comprehensive Annual Financial Report. Supervisor Plank seconded the motion. Motion carried 5-0.

RECESS: A recess was declared at 12:33 p.m. A quorum of the Board was present when Mayor Masayko reconvened the meeting at 1:35 p.m. Supervisor Staub was absent due to another commitment.

11. HUMAN RESOURCES - Director Ann Beck - Mayor Masayko explained that Supervisor Staub was in Reno on a court matter and hoped to return by 3 p.m. If the Board becomes deadlocked on an appointment, he planned to continue the item until after Supervisor Staub returns.

A. ACTION TO APPOINT ONE APPLICANT TO SERVE AS A VOLUNTEER ON THE REGIONAL TRANSPORTATION COMMISSION FOR A TWO YEAR TERM (3-1128) - The Board interviewed the following candidates: Charles Des Jardins; (3-1535) Tom Farrer; (3-1819) Ron Kendall; (3-2055) Howard Tooley; and (3-2389) Steve Reynolds. Mayor Masayko thanked each for applying. Michael Zola was not able to attend the meeting. The applicants' qualifications were discussed. Mayor Masayko suggested that Charles Des Jardins be assigned to a role on the MPO. Supervisor Plank moved to reappoint Steve Reynolds to serve as a volunteer on the Regional Transportation Commission for a two-year term. Supervisor Livermore seconded the motion. Motion carried 5-0.

RECESS: A recess was declared at 2:58 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 3:05 p.m., constituting a quorum. Supervisor Staub was still absent.

C. ACTION TO APPOINT ONE APPLICANT TO SERVE AS THE RECREATIONAL ISSUES VOLUNTEER ON THE CARSON RIVER ADVISORY COMMITTEE (3-2888) - Discussion explained the difficulty encountered attempting to fill the position which had been vacant since July 2001. The term of office is three years. Once the unexpired portion of the appointment is completed, the appointment will return to the three-year cycle. The Board interviewed: (3-2962) Tom Farrer; (1-3096) Paul Pugsley (Supervisor Staub returned during this interview.); and (3-3343) Brent Richmond. Mayor Masayko thanked each for applying. Donna Curtis was not able to attend the interview. Discussion ensued on the applicants' qualifications. Supervisor Staub indicated that he would participate in the appointment and vote. The Board members each nominated an individual for the position. Supervisor Williamson moved that the Board of Supervisors appoint Paul Pugsley to serve as the Recreational Issues volunteer on the Carson River Advisory Committee and that the term expires in July 2005. Supervisor Livermore seconded the motion. Motion carried 5-0. Mayor Masayko congratulated him on his appointment and reiterated the Board's comments that the remaining individuals should reapply when the next vacancy occurs.

B. ACTION TO APPOINT ONE APPLICANT TO SERVE AS THE CITIZEN-AT-

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LARGE VOLUNTEER ON THE REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE FOR A THREE YEAR APPOINTMENT (4-0098) - Ms. Beck explained that Mr. Nicosia had not responded to staff's efforts to contact him. The Board interviewed: (4-0106) Tom Farrer; (4-0214) Larry Messina; (4-0316) Fritz Schlottman; (4-0535) Howard Tooley; and (4-0650) Sally Zola. Stacy Wilke had withdrawn her application. Board comments suggested the requirements for appointment to the Authority be revised to allow additional citizens-at-large appointments. Discussion ensued on the applicants' qualifications. Comments also pointed out the quorum difficulties encountered particularly when one or more of the Committee Members are involved with a project. Supervisor Williamson moved that the Board of Supervisors appoint Sally Zola to serve as the Citizen-At-Large volunteer on the Redevelopment Authority Citizens Committee for a three-year appointment. Supervisor Plank seconded the motion. Motion carried 5-0.

12. DISTRICT ATTORNEY - Chief Deputy District Attorney Mark Forsberg

A. ACTION TO ADOPT ON SECOND READING BILL NO. 145, AN ORDINANCE AMENDING TITLE 4 LICENSES AND BUSINESS REGULATIONS, CHAPTER 4.08 (ROOM RENTAL TAX) OF THE CARSON CITY MUNICIPAL CODE BY CHANGING SECTION NUMBER 4.08.080 (IMPOSITION AND RATE OF TAX) BY ADDING PARAGRAPH 3, ADDING A TAX OF TWO (2%) PERCENT OF THE GROSS RECEIPTS FROM THE RENTAL OF LODGING IN CARSON CITY UPON ALL PERSONS IN THE BUSINESS OF PROVIDING LODGING TO BE USED PRIMARILY FOR THE VIRGINIA AND TRUCKEE RAILROAD RECONSTRUCTION PROJECT AND OTHER MATTERS PROPERLY RELATED THERETO (4-0905) - Mr. Forsberg opined that a business impact statement was not required as the tax is not on the business but the patrons. This does not impact the business's ability to start or operate. Mayor Masayko disclosed that he is the Board's appointee to the Convention and Visitors Bureau as well as to the Nevada Commission to Reconstruct the V&T Railway. He is the Chairperson of the Nevada Commission to Reconstruct the V&T Railway. He does not receive a financial gain as a result of these appointments nor will he as a result of the Board's decision on this ordinance. He had supported the proposal at both entities and will continue to support the reconstruction of the V&T Railway. He also indicated for the record that he had not received any input on the ordinance between first and second readings. Bureau Executive Director Candy Duncan was present to answer questions. Bureau Chairperson Dwight Millard had been present at the last meeting to answer any questions. Public comments were solicited but none were given. The Municipal Code and Nevada Statutes mandate that the effective date will be February 1 if adopted today. At this time the proposal does not include obtaining a bond. Supervisor Plank moved that the Board of Supervisors adopt Bill No. 146 on second reading, Ordinance No. 2002-42, AN ORDINANCE AMENDING TITLE 4 LICENSES AND BUSINESS REGULATIONS, CHAPTER 4.08 (ROOM RENTAL TAX) OF THE CARSON CITY MUNICIPAL CODE BY CHANGING SECTION NUMBER 4.08.080 (IMPOSITION AND RATE OF TAX) BY ADDING PARAGRAPH 3, ADDING A TAX OF TWO (2%) PERCENT OF THE GROSS RECEIPTS FROM THE RENTAL OF LODGING IN CARSON CITY UPON ALL PERSONS IN THE BUSINESS OF PROVIDING LODGING TO BE USED PRIMARILY FOR THE VIRGINIA AND TRUCKEE RAILROAD RECONSTRUCTION PROJECT AND OTHER MATTERS PROPERLY RELATED THERETO; the fiscal impact that is the Board's concern is none. Supervisor Livermore seconded the motion. Mayor Masayko indicated that the fiscal impact will be a revenue source of approximately \$220,000 for the Convention and Visitors Bureau. The motion was voted and carried 5-0. Mayor Masayko indicated his intent to continue to involve the neighbors and

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try to obtain similar contributions.

B. ACTION TO RECESS INTO CLOSED SESSION PURSUANT TO NRS 288.220 TO MEET WITH MANAGEMENT REPRESENTATIVES (4-1025) - Mayor Masayko indicated that the Closed Session was to discuss the collective bargaining agreement with the City Employees Association. He intended to reconvene the meeting after the discussion and take action on the contract. Supervisor Livermore moved to recess into Closed Session pursuant to NRS 288.220 to meet with management representatives. Supervisor Williamson seconded the motion. Motion carried 5-0. Mayor Masayko recessed the open session at 4:20 p.m.

Mayor Masayko reconvened the Open Session at 5:20 p.m. The entire Board was present constituting a quorum.

C. ACTION TO APPROVE A COLLECTIVE BARGAINING AGREEMENT WITH THE CARSON CITY EMPLOYEE'S ASSOCIATION (4-1078) - Mayor Masayko briefly explained the discussion which had occurred in closed session relating to the direction that had been given to staff regarding the need to hold employee wages and benefit package to \$851,000. The packet offered in the collective bargaining agreement totals \$974,000. Some of this difference is made up in the second year. The Board is not comfortable with that offer. The Board was not telling the Association where the funds should be spent but was restricting the funding. Discipline should have been used to hold the line at the original target for the first year. He agreed that changing the first year's figures will cause the second year's figures to change. Management has been instructed to negotiate fairly with the employees within the financial parameters as directed by the Board. He urged management and the Association to meet and iron out the terms as quickly as possible. He acknowledged that the entire contract was being reopened for negotiation as a result of the Board's direction. It is a matter of choices which were to be developed in the negotiations. There had been a slight misunderstanding and the Board is not prepared to fund the contract in the first year. He admitted for the record that the assumptions made in the second year make the contract close to the target but the numbers need to be reworked with management. At this time there is an impasse.

Association President LeAnn Warne expressed the Association's appreciation for Mr. Berkich and Mr. Forsberg's efforts. She had not been aware of the fact that the contract was that far out of line with the Board's direction. They had worked diligently to stay within the Board's guideline. They felt that the contract had succeeded in that effort. They also felt that they, the employees, should be considered as more than just dollar signs. They provide the services for the community and Board. Every time an employee issue is brought to the Board, the employees are compared to spinach and dollar signs. The employees need to feel appreciated and respected by the Board. This need is the most important thing to her as an individual. The negotiations had attempted to stay within the guidelines. There were only three items that had been changed. It was felt that the Association had finally achieved some equality with the other groups which has not been there for several years. The need for equality with the Fire and Sheriff's employees was stressed. They should all be considered one team who work together to provide the best possible service to the community and Board.

Mayor Masayko indicated that for himself there had not been anything said at the meeting that changed the value of the employee group or to the attempts to equalize the salaries between the different employee groups. They want to achieve it. The management team had misunderstood the direction given by the Board. The negotiation process needs to be fairly tightly monitored on the latitude that is given. The Board does not want to enter into the

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negotiations regarding one single item in the contract. The employees should be treated as valuable resources and not discuss whether one or the other obtains the longevity pay or merit raises. The Board has obligations to the community to provide services at the fairest cost, which the Association helps provide. The electorate looks to the Board to provide this type of service at a reasonable cost.

Supervisor Staub indicated that all of the Board member including himself appreciate the work that staff, Fire and Sheriff employees do daily. The Board also recognizes the need to provide services to the community which requires having a quality staff. The Board, as pointed out by the Mayor, has an obligation to the citizens of Carson City to be fiscally prudent and make sure that NRS budgetary requirements are meant. None of the Board Members had compared any one member of the staff, which includes Ms. Warne, to spinach. The spinach comment is made as he does not like it. His mother, however, says that he should eat it as it is good for him. Therefore, he eats it but does not like it. When dollars and cents and the need to have and maintain a fiscally prudent process are considered, he does not like it but it is "good for him". It was never meant for the term to be pointed at a person or an individual's personality on the staff. The staff is exemplary and better than most. The fiscal audit was just finished today indicating that the City is doing a good job fiscally. We should all be proud of that as it indicates the Board is being fiscally responsible.

Mayor Masayko felt that the Board needed to "balk" at approving the contract in order to reopen negotiations under the instructions given to staff. Supervisor Williamson then moved to approve the collective bargaining agreement with the Carson City Employees Association. Supervisor Plank seconded the motion. Mayor Masayko explained his dislike for voting down motions or forcing people who make seconds to vote against their seconds. He twice requested another second on the motion to approve the contract. He then requested another motion to not approve the contract.

Supervisor Livermore moved to not approve the collective bargaining agreement with the Carson City Employees Association as presented and to instruct the management representatives to negotiate within the parameters provided by the Board. Supervisor Staub seconded the motion. Motion carried 4-1 with Supervisor Williamson voting Naye. Mayor Masayko felt that there had been a misunderstanding which could be worked out relatively reasonably. He apologized for the misunderstanding.

D. ACTION TO ADOPT A RESOLUTION ADOPTING A PAY INCREASE OF TWO PERCENT FOR FISCAL YEAR 2002-2003 FOR REGULAR UNCLASSIFIED EMPLOYEES NOT PREVIOUSLY GRANTED AN INCREASE (4-1355) - Supervisor Livermore moved to table this issue. Mayor Masayko indicated that this motion was in order due to the action just taken on the CCEA contract. Supervisor Staub seconded the motion. Motion carried 4-1 with Supervisor Williamson voting Naye.

10. CITY MANAGER - John Berkich

A. ACTION TO RECESS INTO CLOSED SESSION PURSUANT TO NRS 241.030 TO CONSIDER THE PROFESSIONAL COMPETENCE OF THE CITY MANAGER (4-1375) - Supervisor Livermore moved to recess into Closed Session pursuant to NRS 241.090 to consider the professional competence

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of the City Manager. Following a request for a correction to the referenced Statute, Supervisor Livermore amended his motion to be pursuant to NRS 241.030. Supervisor Staub seconded the motion. Motion carried 5-0.

RECESS: A recess was declared at 5:40 p.m. The Mayor Masayko reconvened the meeting at 5:45 p.m. in Closed Session. The Closed Session was recessed at 6 p.m. Mayor Masayko immediately reconvened the Open Session. The entire Board was present, constituting a quorum.

B. ACTION REGARDING BOARD REVIEW OF THE CITY MANAGER'S PROFESSIONAL COMPETENCE AND SETTING OF COMPENSATION; AND C. ACTION TO APPROVE THE DESIRED OUTCOMES FOR THE CITY MANAGER FOR FISCAL YEAR 2002-2003 (4-1404) - Mayor Masayko indicated that the Board had a short Closed Personnel Session with Mr. Berkich. Some items of mutual interest had been discussed. Given the lateness of the hour, however, it was felt that both of these items should be deferred in fairness to both parties.

5. BOARD OF SUPERVISORS - NON-ACTION ITEMS - INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (4-1428) - Mayor Masayko indicated that the reports were also deferred. Supervisor Williamson indicated that all of the Redevelopment Authority Citizens Committee Christmas ornaments had been sold.

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 6:03 p.m.

The Minutes of the December 18, 2002, Carson City Board of Supervisors meeting

ARE SO APPROVED ON March 17, 2003.

/s/
Ray Masayko, Mayor

ATTEST:

/s/
Alan Glover, Clerk-Recorder