

CASON CITY BOARD OF SUPERVISORS

Minutes of the July 3, 2002, Meeting

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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Wednesday, July 3, 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
	Alan Glover	Clerk-Recorder
	Al Kramer	Treasurer
	Walter Sullivan	Community Development Director
	Steve Kastens	Parks and Recreation Director
	Cheryl Adams	Deputy Purchasing Director
	Scott Burau	Chief Deputy Sheriff
	Melanie Bruketta	Deputy District Attorney
	Lee Plemel	Senior Planner
	Clay Wall	Sergeant
	Katherine McLaughlin	Recording Secretary
	Jennifer Pruitt	Associate Planner
	Justine Chambers	Contracts Coordinator
	Pat Hughey	Management Assistant IV
	Rosemary Johnson	Management Assistant III

(B.O.S. 7/3/02 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. A quorum was present. Rev. Bruce Henderson of the Airport Church of Christ gave the Invocation. Mayor Masayko led the Pledge of Allegiance.

CITIZEN COMMENTS (1-0041) (1-1412) - Senior Center Governing Board Chairperson Bruce Scott explained the Board's intent to send the Supervisors a formal letter requesting termination of the architect who is working on the Center's expansion project. The letter will strongly support the Construction Manager and ask that a new architect be added to the design team. Justification for termination included: 1. A different building concept that may be able to expand the building without significant or any relocation of the seniors; and 2. It will be able to improve and remain on schedule without an unreasonable amount of open building. The design change is recommending a

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single story expansion. The request has been discussed with various City staff members and has their concurrence. Mayor Masayko thanked him for his comments.

1. APPROVAL OF MINUTES - 3/25/02 SPECIAL BUDGET SESSION (1-0045) - Supervisor Plank moved for approval of the Carson City Board of Supervisors Special Budget Meeting of March 25, 2002, in concert with the Parks and Recreation Commission. Supervisor Livermore seconded the motion. Motion carried 5-0.

2. AGENDA MODIFICATIONS (1-0062) - None.

3. SPECIAL PRESENTATIONS

A. ACTION TO APPROVE A RESOLUTION COMMENDING WILLIAM MALLY (1-0064) - Community Development Director Walter Sullivan - Mayor Masayko introduced Former Planning Commissioner William Mally and his wife. He read the resolution into the record. Supervisor Livermore, with an expression of honor, moved to adopt Resolution 2002-R-40, A RESOLUTION OF COMMENDATION FOR WILLIAM MALLY. Supervisor Plank seconded the motion and expressed his regret at losing Mr. Mally's common sense on the Commission. Each Board member thanked him for his dedication and service to the community and wished him success in the future. The motion to adopt Resolution 2002-R-40 was voted and carried 5-0. Mayor Masayko presented a copy of the resolution to him.

Mr. Mally remarked that he had been to many long evening meetings but this was the first occasion for one so early. He had enjoyed his tenure on the Commission. His parents had taught him to use common sense which he believed in doing. Mayor Masayko read the plaque into the record and presented it to him. Mr. Sullivan presented him with a badge so that he will be known as Mr. Planning Commissioner Emeritus. Mayor Masayko noted for the record that Planning Commission Chairperson Allan Christianson and Vice Chairperson Richard Wipfli were present. Chairperson Christianson expressed his honor at having served with Mr. Mally. They had attended lots of meetings together during which Mr. Mally had always been a source of common sense even when he had encountered health problems. Chairperson Christianson thanked him for serving and the Board for appointing Mr. Mally. Vice Chairperson Wipfli echoed his comments and complimented Mr. Mally on his common sense. Mayor Masayko also noted for the record that the Planning Commission's staff was present to wish him well. He thanked Mr. Mally for coming and guaranteed that the meeting would not go on to 2 a.m. on July 4th.

B. ACTION ON PROCLAMATION FOR RECREATION AND PARKS MONTH, JULY 2002 (1-0226) - Mayor Masayko read the proclamation into the record. Supervisor Plank moved to proclaim July as Recreation and Parks Month for this year 2002. Supervisor Livermore seconded the motion. Supervisor Plank expressed his belief that the City had wonderful parks and recreation programs. He thanked Mr. Kastens and his Department for their efforts. The motion was voted and carried 5-0. Mayor Masayko congratulated Mr. Kastens and his staff on their dedication and efforts.

C. ACTION ON PROCLAMATION FOR NATIONAL AQUATIC WEEK, JULY 14-20, 2002 (1-0284) - Mayor Masayko read the proclamation into the record. Supervisor Plank moved to authorize the Mayor to sign the Proclamation to authorize July 14 to 22, 2002, as National Aquatic Week. Supervisors

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Livermore and Staub seconded the motion. Discussion indicated that there are no swimming events scheduled for the week July 14 to 22. Supervisor Williamson complimented the community on the swimming facility and thanked staff on its endeavors to make a wonderful establishment. The motion to authorize the pro-clamation was voted and carried 5-0. Mayor Masayko gave the Proclamation to Mr. Kastens and complimented him on the world class facility. Mr. Kastens thanked the Board, Parks and Recreation Commission, Carson River Advisory Committee, and the Open Space Advisory Commission for their support of the facility.

LIQUOR AND ENTERTAINMENT BOARD - Mayor Masayko recessed the Board of Supervisors session and immediately convened the Liquor and Entertainment Board. The entire Board, including Sheriff's Representative Scott Burau, was present, constituting a quorum.

4. SHERIFF AND TREASURER - Treasurer Al Kramer and Chief Deputy Sheriff Scott Burau - **ACTION TO CONSIDER WHETHER AN ORDER TO SHOW CAUSE SHOULD BE ISSUED TO REVIEW LIQUOR LICENSE FOR RUMORS AND DETERMINE WHETHER THAT LICENSE SHOULD BE REVOKED OR CONDITIONED BASED ON INVESTIGATION FROM SHERIFF (1-0348)** - Sgt. Clay Wall - Discussion explained that the purpose of the meeting is to determine whether a show cause hearing should be held to determine if the license should be revoked. This is the first step in the revocation process. The ordinance giving the Sheriff permission to enter an establishment during its open hours and at reasonable times was cited. The Licensee's defense may be whether the request was made at a time which was reasonable. The Sheriff's Office had been called to the establishment in response to a domestic dispute. While at the establishment, access was denied. An arrest has been made, however, it has not yet completed the due process proceedings. Chairperson Masayko indicated for the record that the need to enter the establishment at that time was due to information that was given to the Deputies regarding a violation of another section of the Code, which is not part of the Liquor and Entertainment Codes.

Shawn and Renee Blocker were present. Chairperson Masayko indicated that their statements would be on the record. Ms. Blocker indicated that she would have let them in if they had told her she had to do it. Mr. Blocker indicated that they were not aware of the Sheriff's ability to enter at any time. The incident had occurred outside the bar. The news article was a fabrication. The incident has been blown all out of proportion. The item did not have anything to do with him. There were witnesses there. The informer is a known methamphetamine user who owes him \$550 and wants to harm someone doing well in the community.

Discussion among the Board Members reviewed the history of their license and the number of calls for assistance from the Sheriff's Office. The arrests made at the time of the domestic dispute were limned. The Board is to consider only the issue of the denial of entry and not the other arrests. Deputy District Attorney Melanie Bruketta reviewed the Codes which should be used for revocation of the license. Discussion indicated that having a liquor license is considered a privilege. Violations of other Codes or Statutes should be grounds for revocation of the license after the due process proceedings are completed. The Board may wish to bring the matter back after these proceedings are completed. Member Staub felt that the Board may be premature in acting at this time as the other issues have not been finalized. He also felt that Ms. Blocker should have been cognizant of the ordinances, which she claims she did not know. Discussion pointed out that CCMC Section 4.13.130 was referenced on the Board Action Request Form and that CCMC Section 4.13.140 should also be included. Chairperson Masayko felt that

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a liquor licensee should be cognizant of the laws the same as an individual with a driver's license is required to know them. He also was willing to delay the process until the other issues are resolved with the understanding that, if any other incidents or service calls for any out of the ordinary things occur, the show cause hearing will be held immediately. Member Staub felt that CCMC Section 4.13.140 Sub 2 and Sub 6 should be added to CCMC Section 4.13.130. It references a "public nuisance" or "disorderly house or place" which goes beyond the denial of access. The character of the operation must be considered. Member Livermore pointed out that every applicant is asked if they understand the laws and codes. He was certain that if the Minutes and tapes are checked when they were issued their temporary license they had been asked the same questions. He took exception to their claim that they had not been aware of the Sheriff's ability to enter. The Minutes and tapes should be made available for the show cause hearing.

Member Staub moved to defer action on whether to order a show cause hearing and review the liquor license for Rumors until the criminal justice process which these individuals, the owners of Rumors, are involved in has been resolved and at that time again consider whether this Board should issue such order of show cause. Chairperson Masayko restated the motion as being to defer action pending the outcome of the criminal justice procedures and then to ask to show cause again based on what is on the record at that time. **Member Livermore seconded the motion.** Discussion indicated that the timeframe for the court hearings was unknown at this time. Member Bureau felt that to tie the process to the court proceedings could make it a laboring process. Chairperson Masayko felt that the Blockers were on notice that, if there is another incident or a call for service out of the ordinary, the issue will be moved forward. The Board was not tying the show cause to the one Code section. A suspension of the license cannot be considered until the show cause hearing is held. Ms. Bruketta felt that as the arrests were misdemeanors it may take as long as a year to complete the court process. Member Williamson indicated a willingness to support the motion if the deadline for consideration is set at 90 days. The Board tells the applicants that they are to know the laws. The license is a privilege. It is important to us in Carson City. They are not to run drugs or have disturbances or situations where the residents are not safe in the establishment. The laws are important. They are not denying anyone right of being innocent until proven otherwise. A safe variety of entertainment options in the community is necessary. **Members Staub and Livermore agreed to amend the motion to include a 90-day time limit.** Clarification indicated that it is not necessary for the Board to have a conviction before conducting the show cause hearing. The Board's motion is to allow the due process to work. Chairperson Masayko indicated that the reconsideration would occur in 90 days pending the outcome in the criminal justice system on this order of show cause and that he would automatically reagenize the issue in 90 days regardless of the status of the arrests. Member Plank pointed out that the motion does not allow the Board the ability to show immediate support for the Sheriff's Office. Chairperson Masayko agreed and indicated a desire to not go into the issues regarding the terms "immediate and reasonable times". The motion was voted and carried 4-1. Supervisor Plank voted No. A request for a designation by Member Bureau regarding his vote was not immediately answered. He indicated that there are other issues which the Board should consider and urged them to look at them before the 90 day show cause hearing. The issues before the Board were the lack of admittance and the arrests. The activity is contrary to what the community wants to see. The Board should explore them. If additional investigation is needed, the Department will do so and return within 30 to 45 days with the answers. There are other issues which should be investigated further before the Board considers what to do with the license. Chairperson Masayko indicated that these items should be brought forward once the investigation is completed. Another show cause consideration could be held at that time based upon that information. The Sheriff's Office should bring forward any

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issues related to health, welfare and safety at any time. Clarification indicated that this could occur earlier than the 90 day timeline. Member Burau indicated that the allegations in the report will be investigated. The matter is not closed. Chairperson Masayko indicated that the vote to defer the item for 90 days was 4-1-1 with Member Plank voting Naye and Member Burau abstaining. Chairperson Masayko reiterated that the motion had delayed action regarding the show cause hearing until either the Sheriff's investigation is completed or the court proceedings are finalized. This could occur as early as in two weeks. He also reminded the Blockers that this is a serious matter and that if another incident occurs at the establishment, they will be right back in front of the Board in two weeks.

BOARD OF SUPERVISORS (1-0996) - There being no other matters for consideration by the Liquor and Entertainment Board, Chairperson Masayko adjourned it and immediately reconvened the Board of Supervisors session. (The entire Board was present, constituting a quorum.)

5. CONSENT AGENDA (1-0999)

5-1. DEVELOPMENT SERVICES - CONTRACTS

A. ACTION TO ACCEPT THE WORK AS COMPLETE AND APPROVE THIS RELEASE OF FINAL PAYMENT ON COLD MILL AND OVERLAY OF WEST COLLEGE PARKWAY, CONTRACT NO. 2001-130, AS SUBMITTED BY DEVELOPMENT SERVICES TO SIERRA NEVADA CONSTRUCTION, INC., P. O. BOX 50760, SPARKS, NV 89435 FOR A FINAL PAYMENT AMOUNT OF \$87,099.82 AND ACCEPT THE CONTRACT SUMMARY AS PRESENTED

B. ACTION TO APPROVE AMENDMENT NO. 4 OF THE PHASE 2 OF THE CARSON CITY BYPASS - CONSULTING SERVICES AGREEMENT, CONTRACT NO. 2000-007 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE A CLAIM FORM TO TRANSPORTATION, INC., 3819 PARADISE VIEW, CARSON CITY, NV 89703 FOR AN INCREASE TO THE CONTRACT OF \$12,000 AND TO ISSUE ADDITIONAL AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$6,000

C. ACTION TO APPROVE A REQUEST FOR CONTRACT APPROVAL FOR THE ROOP STREET WIDENING - ALTERNATIVE CORRIDOR ANALYSIS, CONTRACT NO. 2001-133 TO CAPITAL ENGINEERING, P. O. BOX 3750, CARSON CITY NV 89702 FOR AN AMENDMENT COST NOT TO EXCEED \$30,786 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE ADDITIONAL AMENDMENTS FOR A NOT TO EXCEED COST OF \$5,000

5-2. PURCHASING AND CONTRACTS - ACTION TO APPROVE THE AWARD OF CONTRACT NO. 0203-020 TRAILER MOUNTED VACUUM EXCAVATION UNIT TO PACIFIC TEK, INC., AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO NRS CHAPTER 332 FOR A TOTAL COST OF \$24,990

5-3. FIRE DEPARTMENT - ACTION TO ADOPT A RESOLUTION AUTHORIZING THE BOARD OF SUPERVISORS TO DETERMINE THAT A 1988 FORD AMBULANCE #3003 VIN #1FDKE30M0JHC06527 HAS REACHED THE END OF ITS USEFUL LIFE AND IS THEREBY DONATED TO THE WESTERN NEVADA COMMUNITY COLLEGE EMT/PARAMEDIC PROGRAM, A GOVERNMENTAL ENTITY

5-4. COMMUNITY DEVELOPMENT - ACTION TO APPROVE A REQUEST FROM JANE CAROL STAEHLI FOR HISTORICAL TAX DEFERMENT ON PROPERTY LOCATED AT 503 WEST ROBINSON STREET, APN 003-232-06 (FILE NO. H-01/02-16)

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5-5. DEVELOPMENT SERVICES - ENGINEERING - ACTION TO APPROVE A NOTICE OF SATISFACTION OF A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND SIERRASPRINGS APARTMENTS, LTD., REGARDING ASSESSOR'S PARCEL NO. 2-051-04 AND 2-051-02 FOR OFFSITE IMPROVEMENTS

5-6. CLERK-RECORDER - ACTION TO ADOPT A RESOLUTION ESTABLISHING THE REASONABLE VALUE OF THE PUBLIC GUARDIAN'S SERVICES AT \$150 PER HOUR

5-7. PARKS AND RECREATION - ACTION TO APPROVE THE REQUEST TO ADVERTISE A REQUEST FOR PROPOSAL TO QUALIFIED ENERGY SERVICES COMPANIES TO EVALUATE POSSIBLE ENERGY COST SAVINGS TO THE FOLLOWING CITY FACILITIES: PARKS SHOP, PARKS OFFICES, VEHICLE MAINTENANCE SHOP, HEALTH DEPARTMENT OFFICE, STREETS SHOP, STREETS OFFICE, STREETS TRUCK BARN, WATER UTILITY OFFICE SHOPS, WATER UTILITY SHOPS, DOG POUND OFFICE, CITY HALL GARAGE, FIRE STATION 1, JUVENILE DETENTION OFFICES, JUVENILE DETENTION, JUVENILE ANNEX, JUVENILE PROBATION, FIRE STATION 3, FUJI PARK EXHIBIT HALL, DOG KENNELS, FIRE STATION 2, FIRE STATION 2 CLASSROOM, HEALTH NURSE OFFICE, SENIOR CENTER, SENIOR CENTER THRIFT, LIBRARY, KID'S KLUB, PONY EXPRESS PAVILION, CITY HALL, QUILL WATER TREATMENT PLANT, ALL STREET LIGHTS OWNED BY CARSON CITY, ALL TRAFFIC SIGNALS OWNED BY CARSON CITY, BREWERY ARTS CENTER, ROBERTS HOUSE, CHILDREN'S MUSEUM, AND THE WUNGNEMA HOUSE - Supervisor Livermore pulled Item 5-7 for discussion. Supervisor Plank moved for approval of the first eight items on today's Consent Agenda which includes Resolution 2002-R-41, AUTHORIZING THE BOARD OF SUPERVISORS TO DETERMINE THAT A 1988 FORD AMBULANCE BE DONATED TO THE COMMUNITY COLLEGE and Resolution 2002-R-42, ESTABLISHING THE REASONABLE VALUE OF THE PUBLIC GUARDIAN'S SERVICES. Supervisor Staub seconded the motion. Motion carried 5-0.

5-7. (1-1042) - Supervisor Livermore explained his concern about using out-of-town contractors and the inability of local contractors to be involved with City projects when out-of-town contractors are used. Although he did not wish to require preferential treatment for local contractors/companies, he asked that the bid documents include a statement indicating that local companies wish to participate and can do the work. Mr. Kastens explained that this information had been given to the previous contractor. There are only two firms who can perform the work. They are responsible for hiring the subcontractors. The successful bidder was advised that we wanted them to use local contractors as much as possible. The successful bidder for this project will be advised of the same desire. He pointed out that the City could not tell them whom to hire. The bidders are both large companies who work throughout the country. Mayor Masayko explained that if the bid document does not include the request, the bidders can ignore the verbal request. Clarification by Mayor Masayko indicated that the bid document should be revised to indicate that proof of their consideration of local firms may be requested if a question arises. Mr. Kastens described the last energy retrofit contract as having the company front the costs and guarantee the savings. The contract indicates that both the amount of usage and the energy costs are less. Discussion pointed out that utility costs increase when the usage is lower and questioned whether it would be possible to have both. Concern was also expressed regarding how the City would be paid back the retrofit costs if a savings is not incurred. The firm selected to perform these tasks should be prepared to respond to these questions. Supervisor Livermore gave an example of a local firm who had been locked out of the last contract and expressed his intent to oppose any contract unless

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local contractors are provided with access and opportunities to participate. He repeated his desire to have the bid documents include a statement indicating preference for local contractors. Discussion indicated that such concerns will be evaluated in the future. Supervisor Livermore moved to approve a request to advertise a request for proposals to qualified energy service companies to evaluate possible energy cost savings to the following City facilities: Parks Shop, Parks Offices, Vehicle Maintenance Shop, Health Department Office, Streets Shop, Streets Office, Streets Truck Barn, Water Utility Office Shops, Water Utility Shops, Dog Pound Office, City Hall Garage, Fire Station 1, Juvenile Detention Offices, Juvenile Detention, Juvenile Annex, Juvenile Probation, Fire Station 3, Fuji Park Exhibit Hall, Dog Kennels, Fire Station 2, Fire Station 2 Classroom, Health Nurse Office, Senior Center, Senior Center Thrift, Library, Kid's Klub, Pony Express Pavilion, City Hall, Quill Water Treatment Plant, all street lights owned by Carson City, all traffic signals owned by Carson City, Brewery Arts Center, Roberts House, Children's Museum, and the Wungnema House. Supervisor Plank seconded the motion. Discussion explained that the kennels are separated from the Animal Services Office. The list of facilities is to include all of the City owned buildings not listed in the first energy retrofit. The Senior Center buildings includes all the buildings not involved with the model. The motion was voted and carried 5-0.

6. BOARD OF SUPERVISORS

A. ACTION TO APPROVE RECLASSIFICATION OF THE INTERNAL AUDITOR

POSITION (1-1260) - City Manager John Berkich - Concerns were expressed that the salary range may not be adequate to obtain a qualified individual. Supervisor Plank moved to approve the reclassification of the Internal Auditor's position from a Grade 124 to a Grade 126. Supervisor Livermore seconded the motion. Supervisor Plank explained his concern that a Grade 126 may not be adequate. Mayor Masayko indicated a desire to discuss the status of the recruitment efforts after the vote is taken. The motion to approve the reclassification was voted and carried 5-0.

Mr. Berkich explained that the ad campaign will now commence. Recruitment had not been started pending the Board's action on the salary range. The position will be advertised for three weeks. The selection process will follow that period. Mayor Masayko did not want to delay the process and directed that the process be discussed at the next Board meeting. Mr. Berkich explained his intent to circulate a memo on the process to the Board. The salary level and qualifications should be considered in three weeks. Discussion indicated that if there are no applicants or the quality of the applicants is not adequate, the grade level will be reconsidered. Concerns were voiced about the length of time without an Internal Auditor and the Grand Jury's comments 12 years ago regarding the Board's failure to have one.

B. NON-ACTION ITEMS - INTERNAL COMMUNICATIONS AND C. STAFF COMMENTS AND STATUS REPORTS (1-1478) (2-0300) - Supervisor Staub announced the Little League All Stars games commence on Saturday at noon and invited the public to attend. Mayor Masayko indicated he would be there.

BREAK: A recess was declared at 10 a.m. The entire Board was present when Mayor Masayko reconvened the meeting at 10:15 a.m., constituting a quorum.

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7. DEVELOPMENT SERVICES - UTILITIES - ACTION TO APPROVE THE UTILITY RATE STUDY OBJECTIVES AS SUBMITTED BY THE CARSON CITY UTILITIES ADVISORY COMMITTEE (1-1489) - Finance Director David Heath, Committee Chairperson Ron Knecht, Vice Chairperson Glen Martel, City Engineer Larry Werner - Discussion

acknowledged the presence of Committee Member Larry Osborne. Discussion between Mayor Masayko and Mr. Heath indicated that the recommendations are to be presented this fall with the final recommendations being considered by the Board in November. The study is to be completed within the calendar year. Adjustments will be made during the winter and not next summer when the impact will be higher. Supervisor Livermore pointed out the concern that residents and business owners/operators have that the utility rate study and the storm drain advisory plan are an indication that there will be new rates/fees that will be harmful to the community's ability to sustain itself. Although the newspaper has been positive regarding the approach and studies, he urged staff to move cautiously and to remember the total impact. He also supported having any fee increases implemented during the wintertime. Discussion explained that a utility rate study was last conducted 12 years ago. Not all of its recommendations were implemented. There had not been any rate increase for several years. The City must meet the requirements of the Safe Water Act and keep up with inflation. The biggest concern at this time is that rate shock should not occur. Mr. Heath hoped that the final results are phased, reasonable, and understandable. Supervisor Williamson expressed her concerns that the study should make much sense and about the fact that the individual performing the study was the same individual who had done the Washoe County study. She questioned whether the plan is to conserve water by making it more expensive due to the concerns about the water quantity. Will the residential and commercial rates be the same per gallon. Will the rates reflect costs and projected increased costs. Connection fees may be illegal. She urged the Board to indicate the goals desired and give more direction to the Committee. Mr. Heath indicated the Committee's desire to have more direction. The City currently has a tiered rate with some conservation. It is possible to do a straight commodity charge, if desired. The Committee supports this approach. This method was used before the last rate study. The rate could be phased to avoid shock. It should be a rational, reasonable, and systematic. He acknowledged that the consultant had worked on Washoe County's rates. City staff had worked with him before which had been a good experience. Supervisor Williamson pointed out that in Washoe County individuals with large yards are being assessed three and four times the rate their water bills had been. Washoe County is penalizing and charging higher rates when more than a set usage is used. Carson City is not in the same situation. Mr. Heath agreed and pointed out that with conservation the City could avoid expansion of the facility and limiting the supply. It may also be possible to avoid the conservation-based system.

Mayor Masayko felt that the discussion is laying out the principles. Before this occurs, all of the information should be made available so that the discussion could be done in an open meeting. He also felt that the City should phase the rates. It is important that the Board take an interim step whereby the philosophy can be shown. This should include the ability to pay, conservation issues, the appearance of the future system, the ramifications of the federal requirements, and the hookup equity. This will provide a two-step process whereby the public can learn and understand. The philosophy should be cost based with a margin that operates the system and makes sure the utility is healthy and can provide service into the future. The philosophy beyond that should be discussed now. The need to complete the study soon was explained. The media's participation in the process was encouraged as it will provide information to the general public and feedback.

Supervisor Plank questioned the reasons commercial water usage is not based on the winter usage like the residential

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usage is. Commercial lots have landscaping and need to participate in the conservation programs during drought years the same as the residential lots. They should not be required to pay for extra sewer usage due to irrigation. A separate irrigation meter is too expensive in some cases to be a viable alternative. A Shadetree community needs to maintain its trees and landscaping. Mayor Masayko supported his position.

Discussion explained that the meetings are held at the Cooperative Extension conference room. Supervisor Livermore explained his desire to have them, as well as all other City committees/commissions, conduct their meetings in the Sierra Room so that they could be televised. Mr. Berkich agreed to move the meetings to the Sierra Room as much as is possible and reiterated the request for clear direction from the Board regarding the process and philosophies.

Mayor Masayko explained to Chairperson Knecht the need to have more joint meetings. Chairperson Knecht indicated that there will be a lot of information coming from the Committee. He also thanked them for appointing the individuals who had been selected to the Committee as they are dedicated, hard working, intelligent individuals. They have not had any problems with having a quorum. They are on schedule and plan to remain there. The City staff has been outstanding. He appreciated their support. They have been working in good faith to represent the constituency and provide unanimity on the cost-based proposal which drove the formation of the committee. They agree about the concern over rate shock and the impact the bills will have and will continue to emphasize these concerns. The political impact views will be contained in the final report. Issues to be included in the consideration include the cumulative impact, the affordability, the cost that is to be passed on, the cost level, etc. The desire is to keep the rate as low as possible. Ms. Orcutt will be invited to attend the next meeting so that the Committee can understand the commercial issues. They are attempting to work together to find the balance point for submittal to the Board in November. Meetings have been held in the Sierra Room in the past. Efforts will be made to have more meetings in the Sierra Room in the future.

Mayor Masayko explained his concern that the final date for approval of November 21 will not be reached and require a lot of decisions to be made at one time. He urged the Committee to bring forward any policy making issues or any other items that create problems before that time. Mr. Knecht indicated that he did not intend to bring in the final figures for the Board to vote up or down in November. He would continue to personally consult with the Board on any issues. Mayor Masayko noted that the Board members could be contacted one by one but that a true policy could not be made except in the open meeting forum. Mr. Knecht expressed a willingness to routinely agenzize the need to have another meeting with the Board on his agendas so that a meeting could be held as often as felt necessary.

Supervisor Williamson explained that she had read their Minutes and thanked them for their efforts. Her goals were to have rate stability, equity and gradual rate shifts. It is also important that the Committee adhere to the Open Meeting Law. The residential subsidy should be identified and analyzed. Any great shift from the residential subsidy should occur gradually. It is not legal to charge more than the cost to provide the service. She also preferred that only one final recommendation be submitted. She encouraged the Committee to look at the different methods by which the figures could be worked. The final recommendation should be unanimously supported by the Committee. Chairperson Knecht indicated that he would discuss her comments with the Committee. Mayor Masayko indicated that there should be more than one rate for the Board to vote up or down in November. There will be milestones in between which the Board must consider regarding the process.

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Supervisor Plank explained his discussion with CAT-10 General Manager Craig Swope regarding the need for more flexibility in the airing/filming of committee/commission meetings. He indicated his intent to work toward accomplishing the flexibility. The Committee should center its attention on the rate issues and CAT-10 should make every effort to attend the meetings. Chairperson Knecht indicated that City staff had been good at attempting to accomplish these logistics.

Supervisor Staub pointed out that the City is in the utility business and needs to act like one. The Board had decided on December 6 to evaluate the utility, its economic standing, the type of charges required to sustain the current system and meet the future infrastructure requirements. He and the other Board Members appreciated the Committee's work and felt certain that the final product will be well-thought out. It will consider the impact on both the residents and the commercial sectors. The Board's concerns should not be considered as a "kick in the shins". He looked forward to their recommendations. Mr. Knecht indicated that he did not consider the discussion as a "kick in the shins". The Committee will continue to work hard to justify the Board's confidence.

Mayor Masayko indicated that the Board's comments recognize the fact that the Committee members are volunteers, the need to maximize their efforts and accomplishments, and to synchronize their efforts. The information should flow freely and be easily accessible and available. The Committee is not expected to make the hard decisions. The Board should provide feedback. He thanked the Committee members for their efforts.

Vice Chairperson Martel thanked the Board for its feedback. The Board's points had been discussed by the Committee previously. The work schedule was reviewed to explain the timeframe for completion of the issues and suggested that the Committee meet with the Board on September 5 to review its status. Discussion between Vice Chairperson Martel and Mayor Masayko also supported having a meeting on the philosophy before the rates are established and iterated the need for the utilities to be self-sustaining. Mayor Masayko also emphasized the need for the Board to make the final decisions.

Both Mayor Masayko and Supervisor Plank supported the Committee's objectives as submitted with the directions as provided today. Supervisor Williamson reiterated the need to include rate stability, equity, phased rate shifts, capitalization charges, and a change in the language to indicate that the rate to be charged will equal that required to serve. Mr. Heath explained the EPA requirements and rate caps. The City is not charging for future costs other than sewer connection fees for hookup to the system which provides the expansion which is necessary to serve. Mayor Masayko explained that the philosophy for these items should be discussed at the September 5th meeting. Supervisor Williamson felt that the goals/objectives should be established in the beginning. Mayor Masayko explained the timetable for considering the rate structure and methodology. These issues will include the rate design and equity items. Supervisor Williamson reiterated her desire to have it included in the objectives and to remove the public input from the list of objectives. Supervisor Plank pointed out that more than one rate model will be discussed/considered. He felt that the Committee should provide more than one model when the rate structure is discussed. The Committee should also be prepared to indicate which model is felt to be the best. The Board could then "tinker with it", if desired.

Public comments were solicited. Mr. Werner asked if there were any minor tuneups to the objectives that should be added at this time. Clarification by Mayor Masayko indicated that there should be commercial winter averaging

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included in the study. He also suggested that the O&M for extra meters be included in the study and that the objectives be numbered. Supervisor Livermore asked staff to develop a flow chart connecting the Utilities to the storm drainage. Mayor Masayko supported his request and asked that the Board see the winter averaging for both residential and commercial before the rate design is developed. This will allow the Board to provide the Committee with feedback on the design before one is developed that the Board could not support. These items should be addressed at the September meeting. Clarification indicated that the wastewater is considered a part of the study. Supervisor Plank moved to approve the Utility Rate Study objectives with the addition of commercial to the winter averaging, which is bullet number six, and to return with a report on September 5, and at that time to also give the Board some revenue requirements in addition to everything that is submitted as a Utility Advisory Committee today. Clarification indicated the joint meeting date would be September 5 as indicated. Supervisor Livermore seconded the motion. Motion carried 4-1 with Supervisor Williamson voting emphatically No.

8. PARKS AND RECREATION - Director Steve Kastens - ACTION ON RESOLUTION ADOPTING AN INCREASE IN FEES CHARGED AT LONE MOUNTAIN CEMETERY (1-2645) - City Manager John Berkich, Deputy District Attorney Melanie Bruketta - Mayor Masayko explained his concerns regarding static analysis and lessening of demand created by competition which could impact the cemetery. He asked that during the budget sessions historical information regarding the services and their charges be provided. A comparison with the competitors had been made and was included in the packet. Justification for increasing the cremation fee was provided. A business impact statement was not required as it does not impact the formation/creation of local businesses. The services do compete with local businesses. The fee increase is not passed on to businesses in the community and, therefore, does not create an impact on local businesses or their operation. Mayor Masayko reiterated his request for the historic information. He also indicated that it did not have to be in "40 categories" but should be in the "gross categories". Supervisor Williamson moved to adopt Resolution No. 2002-R-43, A RESOLUTION ADOPTING AN INCREASE IN FEES CHARGED AT LONE MOUNTAIN CEMETERY to be effective August 1, 2002. Supervisor Plank seconded the motion. Mayor Masayko indicated that the resolution included fee increases for 2002 and 2003. Motion carried 5-0.

9. ALTERNATIVE SENTENCING - Chief Matthew Fisk - ACTION TO APPROVE AMENDMENT OF RESOLUTION NO. 1996-R-62 INCREASING THE FEE WHICH THE DEPARTMENT OF ALTERNATIVE SENTENCING IS AUTHORIZED TO CHARGE FROM \$30 TO \$40 FOR PROBATIONERS SUBJECT TO ADVANCED SUPERVISION (1-2837) - Clarification indicated the fee increase was not part of the issue related to the personnel conversion. The intent is for the probationer to pay for the crime rather than the taxpayers. At this time community service individuals are not paying a fee. The increased fee will only be assessed against new probationers. Those currently on probation will continue to pay the \$30 fee. Discussion indicated the intent to consider these fees on an annual basis. Comments supported having the probationer pay for the service rather than the taxpayers. Mr. Fisk was not sure of the cost for the service, however, Douglas and Lyon Counties and the State assess the \$40 fee for their parole and probation services. Mayor Masayko suggested that the gross number, embedded costs, and probation caseloads be provided to justify the fee. It should be a simple report providing rate stability and not require a lot of analytical work. Public comments were solicited but none provided. Supervisor Plank moved to adopt Resolution No. 2002-R-44, A RESOLUTION AMENDING RESOLUTION NO. 1996-R-62 INCREASING THE FEE WHICH THE DEPARTMENT OF ALTERNATIVE SENTENCING IS AUTHORIZED TO CHARGE FROM \$30 TO \$40 FOR

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PROBATIONERS SUBJECT TO ADVANCED SUPERVISION. Supervisor Livermore seconded the motion. Motion carried 5-0.

10. ENVIRONMENTAL HEALTH/HUMAN SERVICES - Health Administrative Assistant Kathy Wolfe, Health Director Daren Winkelman - **ACTION TO APPROVE THE SUBMITTAL OF AN APPLICATION TO THE STATE'S SUPPLEMENTAL FUND FOR THE 50/50 COUNTY MATCH PROGRAM RELATIVE TO LONG TERM CARE REQUESTING SUPPLEMENTAL FUNDS FOR THE REMAINDER OF FISCAL YEAR 2001-02 (1-3044)** - Mayor Masayko disclosed his attendance at a meeting with City and NACO staff regarding the issue. As a result of the questions he had asked at that meeting, a spread sheet had been developed illustrating the impact. (A copy was distributed to the Board and Clerk. It is in the file.) He also explained the sticker shock which has been created by the spiraling costs for long-term care. Discussion indicated that if the funding is not provided, a supplemental request will be submitted for emergency funding. It is estimated that \$115,700 is needed to complete the fiscal year. NACO Executive Director Bob Hatfield could not commit to being able to provide the funding. State and Federal funding for this care was described. If the interlocal agreement fails, the care and funding will be returned to the Counties. The spreadsheet indicated that this is not the only welfare costs funded by the City. Long-term care is approximately two-thirds of the City's overall welfare match. The application was conditional as it may be possible to increase the tax to provide the necessary funding. Other Counties facing the same funding problem were cited. Some of these Counties are already at the ad valorem cap of \$3.60. They will be forced to reduce services and layoff staff if NACO cannot provide any assistance. Carson City is not in this position as it can either increase the ad valorem tax or use its ending fund balance. Additional information is being requested so that the State Board of Trustees will understand the issues. Some of the funding requests may not be approved. This may be the case with Carson City's request. The long-term issues are neither easy nor pleasant to make. The State should take over the program but will not without a funding mechanism. The rural Counties cannot afford the program. It was uncertain whether Carson City could afford the program. The larger Counties have different concerns, however, if the system fails in one area, it fails everywhere in accordance with the terms of the interlocal agreement. Carson City provides more than \$100,000 for its long-term care which is not part of this program. Staff needs to continue to examine the individual's ability to pay. If the individual is not able to afford the service, then they are to receive welfare as Federally required. The City received \$105,000 from the fund last year. The City has flexibility as it can increase the ad valorem rate to provide an additional funding capacity. The application should be submitted to show that there are additional concerns which need to be addressed. Carson City's current funding level is quickly being outstripped by the inability to adequately project the service level. For this reason Mayor Masayko supported using the spread sheet and not increasing the tax levy beyond that required for the 50-50 match as mandated by the Legislative intent.

Discussion explained that Ms. Wolfe had requested a detailed monthly report of the individuals and their status from the State. Problems with the State program were noted. Supervisor Williamson supported taking care of the needy but did not wish to have the City taken advantage of. Mayor Masayko indicated that NACO plans to ask the 2003 Legislature for emergency funding. Carson City will spend its entire allocation.

Discussion explained the process used to determine if an individual is a Carson City resident which is based on the "individual's intent" and makes it possible for an individual to be declared a Carson City resident even though he/she has only resided in the community for a day. The facility caring for the individual does not have to be located in

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Carson City. It can be anywhere. The number of individuals supported by Carson City was compared to that of Las Vegas. Comments indicated that Las Vegas had incurred an influx of individuals within the last month which illustrated the dynamics of the situation. The alternatives were felt to be worse than the dilemma. Reasons for the difference in County costs was explained. Discussion also hinted at Clark County's malpractice liability concerns to illustrate that it has more problems than it may be aware of. The intent of the program had been to provide a 50-50 match and not to bailout the entire welfare program. Mayor Masayko reiterated his desire to submit the application to illustrate the growing concerns. The City is currently \$115,700 short of having an adequate funding source even though the entire amount allowed for this purpose has been assessed.

Mr. Winkelman indicated that the program may be transferred to the State and noted various issues of concern with such a program. The solution should be analyzed very cautiously to ensure that there are no loop holes in the process. Mayor Masayko pointed out that the State has the same constituency as the City. The money will be coming from Carson City. Supervisor Williamson moved to approve the submittal of a conditional application to the State's Supplemental Fund for the 50-50 County Match Program relative to long-term care requesting supplemental funds for the remainder of fiscal year 2001-02 and the fiscal impact is in the attached financial report that the application is for \$115,744. Supervisor Livermore seconded the motion. Motion carried 5-0. Mayor Masayko indicated his intent to attend the meeting on the application.

11. CITY MANAGER - John Berkich - ACTION TO APPROVE A THREE YEAR CONTRACT WITH THE CITY MANAGER (2-0065) - Discussion indicated that smaller counties do not have contracts with their managers and questioned the amount of severance which should be provided per year of service. The contract caps the severance at six months. Mayor Masayko supported having 90 days notice for voluntary termination and severance pay. Supervisor Plank felt that Mr. Berkich's 30 day notice of intent to terminate may be short notice, however, the City has adequate subordinate staff to fill the void until a new City Manager is selected. He also felt that the cap was appropriate and the severance is an insurance policy for Mr. Berkich which he could support. Supervisor Staub felt that the six-month severance was too much, however, in his experience with renegotiating employee contracts, the employees do not lose ground. These items and the suggestion that it be a verbal contract should be discussed and negotiated with the next manager and not Mr. Berkich. The information which had been provided comparing contracts with other entities and the history behind the provisions indicates the items are reasonable. Under the current circumstances it is not reasonable to change the deal and remove a benefit and security provision that Mr. Berkich feels is important. He then indicated his support for the contract as written based on Schedule C. He also felt that the 30-day voluntary termination is short and that Supervisor Plank was correct that other staff members could fill the temporary void. Discussion reiterated that the severance provision had been included in the original employment agreement. Mr. Berkich had been with the City for 12 years. Even though the Board could change the terms, it should not as Mr. Berkich would be losing ground if the benefits are reduced/eliminated.

Supervisor Plank moved to approve a three-year contract with the City Manager as presented. Supervisors Staub and Williamson seconded the motion. Mayor Masayko indicated that he could have supported the contract due to Schedule A as fair and right should prevail, however, the severance is beyond the norm and is paid if he is dismissed without cause by the Board. The motion to approve the contract was voted and carried 4-1 with Mayor Masayko voting Naye. He explained that he did not have a hidden agenda. The information had been provided as requested.

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He had reviewed it and based on it, he changed his vote to “Aye beyond the philosophy of the matter”. The motion carried 5-0.

There being no other matters for consideration, Supervisor Livermore moved to adjourn. Mayor Masayko seconded the motion. Motion carried unanimously. Mayor Masayko adjourned the meeting at 12 noon.

The Minutes of the Carson City Board of Supervisors July 3, 2002, meeting

ARESO APPROVED October 17, 2002.

/s/
Ray Masayko, Mayor

ATTEST:

/s/
Alan Glover, Clerk-Recorder