

CARSON CITY BOARD OF SUPERVISORS

Minutes of the April 19, 2012 Meeting

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A regular meeting of the Carson City Board of Supervisors was scheduled for 8:30 a.m. on Thursday, April 19, 2012 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Mayor Robert Crowell
Supervisor Karen Abowd, Ward 1
Supervisor Shelly Aldean, Ward 2
Supervisor John McKenna, Ward 3
Supervisor Molly Walt, Ward 4

STAFF: Larry Werner, City Manager
Alan Glover, Clerk - Recorder
Randal Munn, Chief Deputy District Attorney
Kathleen King, Deputy Clerk / Recording Secretary

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

1 - 4. CALL TO ORDER, ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE

(8:32:45) - Mayor Crowell called the meeting to order at 8:32 a.m. Mr. Glover called the roll; a quorum was present. Mayor Crowell called for Pastor Justin Simmons and, when no one was forthcoming, requested the observance of a moment of silence. At Mayor Crowell's request, Supervisor McKenna led the pledge of allegiance. Mayor Crowell read the thought of the day into the record, "It always seems impossible until it's done." - Nelson Mandela."

5. PUBLIC COMMENTS AND DISCUSSION (8:34:18) - Mayor Crowell entertained public comments. (8:34:30) Andrea Engelman commended Mr. Munn on his "outstanding" Open Meeting Law presentation to the Charter Review Committee, on Tuesday, April 17th. She further commended District Attorney Neil Rombardo on enforcing the provisions of the Open Meeting Law at the last Board of Supervisors meeting.

(8:35:37) Tina Leahy inquired as to the opportunity for public comment on each agenda item, and Mayor Crowell assured her of the same. Mayor Crowell entertained additional public comment; however, none was forthcoming.

6. POSSIBLE ACTION ON APPROVAL OF MINUTES - March 15, 2012 (8:36:02) - Supervisor Aldean moved to approve the minutes, as presented. Supervisor Abowd seconded the motion. Motion carried 5-0.

7. POSSIBLE ACTION TO ADOPT THE AGENDA (8:36:33) - Mayor Crowell entertained modifications to the agenda and, when none were forthcoming, deemed it adopted, as published.

8. SPECIAL PRESENTATION OF A PROCLAMATION FOR "NEVADA WILDFIRE AWARENESS WEEK," APRIL 28 THROUGH MAY 5, 2012 (8:36:53) - Mayor Crowell introduced this item, stepped from the dais, requested Fire Chief Stacey Giomi and University of Nevada Cooperative Extension Educator Ed Smith to join him at the podium, and read the language of the proclamation into the

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record. Mayor Crowell presented the original proclamation to Chief Giomi. (8:38:50) Chief Giomi announced that the Wildfire Awareness Week “kick off event” will be held April 28th in Mills Park, and discussed the scheduled activities. He also announced the “Junk the Junipers” event scheduled for April 29th at the Casino Fandango, and invited people to “hack them out of [their] yard[s], particularly those closest to [their] home, bring them to the Fandango parking lot, near the Galaxy Theater, and we’ll have our dumpsters there and we’ll load them ...” He announced an evacuation drill scheduled for May 5th in Kings Canyon. He described Carson City as “wildfire country,” and advised “we can only hope to protect homes. We can’t really stop the wild fires from occurring because they will happen. It’s just a matter of time and location. It’s the nature of our climate. And so we can only hope that people heed that warning and do all they can to protect their homes.” Chief Giomi committed to doing “the best we can” to protect every home, “but the homeowners are ... a partner to us as are our land managers ...”

Chief Giomi introduced Mr. Smith “who has done as much for wildfire education in the State of Nevada as any single individual ...” (8:40:43) Mr. Smith conveyed University of Nevada Cooperative Extension Educator JoAnne Skelly’s regrets; she was out of state. Mr. Smith thanked the Board for the proclamation and “joining Nevada’s other 16 counties in acknowledging the importance of an aware public in regard to Nevada’s wildfire threat.” He distributed posters to the Board members and City staff, discussed their funding source, and pointed out various individuals pictured therein, including Open Space Property Manager Juan Guzman, Kings Canyon homeowner and Waterfall Fire survivor Vicki Preston, Ted Borda, and local architect John Copoulos. Mr. Smith thanked the Board.

Mayor Crowell advised of having participated in an interview for PBS’ “America’s Heartland” series, together with Mr. Smith, Ted Borda, Natural Resources Specialist Ann Bollinger, and State Forester Pete Anderson. The “America’s Heartland” series producers were interested in the utilization of sheep to reduce fuels in the wildland urban interface. Mayor Crowell thanked Mr. Smith for his efforts.

9. CONSENT AGENDA (8:43:46) - Mayor Crowell entertained requests to hear items separate from the consent agenda. (8:44:02) Andrea Engelman requested to separately hear item 9-3(D). Mayor Crowell entertained additional requests and, when none were forthcoming, a motion to approve the remainder of the consent agenda. Supervisor Aldean moved to adopt the consent agenda, consisting of one item from the Sheriff’s Department, one item from Finance, three items from Purchasing and Contracts, one item from Public Works, one item from Parks and Rec, and two items from the City Manager’s Office; with the adoption of Resolution No. 2012-R-7 relative to item 9-6(B). Supervisor McKenna seconded the motion. Motion carried 5-0.

9-1. SHERIFF - POSSIBLE ACTION TO ACCEPT GRANT NUMBER 22-408TR-5.2, CITATION DEVICE COMPATIBILITY UPGRADE, IN THE AMOUNT OF \$12,486

9-2. FINANCE DEPARTMENT - POSSIBLE ACTION TO ACCEPT THE REPORT ON THE CONDITION OF EACH FUND IN THE TREASURY, THROUGH APRIL 10, 2012, PURSUANT TO NRS 251.030

9-3. PURCHASING AND CONTRACTS

9-3(A) POSSIBLE ACTION TO ACCEPT THE QUARTERLY SUMMARY REPORT OF ALL ACTIVE GRANTS MADE TO CARSON CITY AS WELL AS A LISTING OF ALL PENDING GRANTS

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9-3(B) POSSIBLE ACTION TO ACCEPT THE WORK AS COMPLETED, TO ACCEPT THE CONTRACT SUMMARY AS PRESENTED, AND TO APPROVE THE RELEASE OF FINAL PAYMENT, IN THE AMOUNT OF \$53,154.13, FOR CONTRACT NO. 1011-241, TITLED “CARSON CITY CORPORATE YARD SALT / CINDER BUILDING AND SOLAR PHOTOVOLTAIC SYSTEM,” TO FRANK LEPORI CONSTRUCTION, INC.

9-3(C) POSSIBLE ACTION TO APPROVE CONTRACT NO. 1112-178, JOINDER CONTRACT WITH RO BUS SALES THROUGH THE HOUSTON-GALVESTON AREA COUNCIL (H-GAC) FOR THE PURCHASE OF TWO (2) 2012 E-350 BRAUN MOBILITY VANS FOR A NOT-TO-EXCEED AMOUNT OF \$101,298.78, TO BE FUNDED FROM THE CAPITAL OUTLAY / WHEELCHAIR MOBILITY VANS FUND, AS PROVIDED FOR IN FY 2012 / 2013 (FILE NO. 1112-178)

9-3(D) POSSIBLE ACTION TO ACCEPT THE HEALTH AND HUMAN SERVICES DEPARTMENT RECOMMENDATION TO APPROVE AMENDMENT NO. 1 TO CONTRACT NO. 1112-041 WITH PHYSICIAN SELECT MANAGEMENT, LLC, TITLED “HEALTHCARE PROFESSIONAL SERVICES,” TO CHANGE THE SCOPE OF WORK AND INCREASE THE CONTRACT IN AN AMOUNT OF \$48,000.00 FROM \$155,000.00 TO \$203,000.00 (8:55:50) - Mayor Crowell introduced this item, and Purchasing and Contracts Manager Kim Belt reviewed the agenda materials. At Mayor Crowell’s request, Public Health Preparedness Program Manager Angela Barosso provided additional clarification of the amendment. In response to a question, she explained that Douglas County had a previous arrangement with the State Health Division “and they were not happy with that and ... came to Carson City Health and Human Services and asked us if we would enter into an agreement to provide those services. So we did sign an interlocal contract with Douglas County.” Mr. Werner advised that Douglas County will reimburse all costs. Ms. Barosso advised that the interlocal contract with Physician Select Management, LLC is through the City’s fiscal year. “It just took a while for Physician Select Management to provide us the costs that we could put in the budget for the amendment. And then we will be invoicing Douglas County.” Mayor Crowell entertained additional questions of Ms. Barosso; however, none were forthcoming. Mayor Crowell entertained public comment. (8:58:57) Andrea Engelman expressed an interest in ensuring the reimbursement from Douglas County. She thanked Ms. Barosso for the clarification.

Mayor Crowell entertained additional public comment and, when none was forthcoming, a motion. **Supervisor Aldean moved to accept the Health and Human Services Department recommendation to approve Amendment No. 1 to Contract No. 1112-041 with Physician Select Management, LLC, titled “Healthcare Professional Services” to change the scope of work and increase the contract in an amount of \$48,000.00, from \$155,000.00 to \$203,000.00; fiscal impact \$48,000.00. Supervisor McKenna seconded the motion. Motion carried 5-0.**

9-4. PUBLIC WORKS DEPARTMENT - POSSIBLE ACTION TO ACCEPT THE PUBLIC WORKS DEPARTMENT RECOMMENDATION TO HAVE THE MAYOR EXECUTE THE WATER RIGHTS TRANSFER DOCUMENTS FROM CARSON CITY TO THE TOWN OF MINDEN IN CONFORMANCE WITH SECTION 4 OF THE “INTERLOCAL AGREEMENT BY AND BETWEEN CARSON CITY AND THE TOWN OF MINDEN FOR THE SALE AND TRANSFER OF WATER RIGHTS AND THE DELIVERY OF WATER,” DATED FEBRUARY 5, 2010

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9-5. PARKS AND RECREATION DEPARTMENT - POSSIBLE ACTION TO AUTHORIZE THE CITY MANAGER TO EXECUTE DOCUMENTS DESIGNATING CARSON CITY AS A COOPERATING AGENCY REGARDING THE PREPARATION OF A REVISED RESOURCE MANAGEMENT PLAN AND ENVIRONMENTAL IMPACT STATEMENT FOR THE BUREAU OF LAND MANAGEMENT CARSON CITY DISTRICT

9-6. CITY MANAGER

9-6(A) POSSIBLE ACTION TO RATIFY THE APPROVAL OF BILLS AND OTHER REQUESTS FOR PAYMENT BY THE CITY MANAGER FOR THE PERIOD OF MARCH 6, 2012 THROUGH APRIL 9, 2012

9-6(B) POSSIBLE ACTION TO RATIFY THE CITY MANAGER'S SIGNATURE ON, AND ADOPT THE RESOLUTION FOR, AN INTRASTATE INTERLOCAL CONTRACT BETWEEN STATE OF NEVADA, ACTING BY AND THROUGH ITS GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT AND THE CITY OF CARSON CITY

10. RECESS BOARD OF SUPERVISORS (8:45:09) - Mayor Crowell recessed the Board of Supervisors at 8:45 a.m.

LIQUOR AND ENTERTAINMENT BOARD

11. CALL TO ORDER AND ROLL CALL (8:45:12) - Chairperson Crowell called the Liquor and Entertainment Board to order at 8:45 a.m., noting the presence of a quorum, including Member Furlong.

12. POSSIBLE ACTION ON APPROVAL OF MINUTES - February 16, 2012 (8:45:30) - Member Aldean moved to approve the minutes, as presented. Member Walt seconded the motion. Motion carried 6-0.

13. PUBLIC WORKS DEPARTMENT, BUSINESS LICENSE DIVISION

13(A) POSSIBLE ACTION TO APPROVE TONYA LANEY AS AN ADDITIONAL LIQUOR MANAGER FOR THE CARSON NUGGET, LIQUOR LICENSE NO. 12-27165, LOCATED AT 507 NORTH CARSON STREET, CARSON CITY (8:46:05) - Chairperson Crowell introduced this item, and Principal Planner Jennifer Pruitt reviewed the agenda materials. Ms. Pruitt noted that Ms. Laney is the Carson Nugget Human Resources Director, and expressed the understanding that the Carson Nugget has a history of two liquor managers. Ms. Pruitt noted staff's recommendation of approval.

Member McKenna expressed concern over assignment of responsibility. Member Furlong expressed support for the additional liquor manager in that "this prevents the Nugget from going without." Member Aldean suggested that the additional liquor manager will provide for continuity.

(8:48:35) At Chairperson Crowell's request, Ms. Laney introduced herself for the record. In response to a previous question, Ms. Laney expressed the opinion that the additional liquor manager is a benefit in that both managers cannot be present 24 hours a day. She advised that her responsibility includes alcohol awareness training for the Nugget employees. Liquor Manager David Turner is responsible for the alcohol

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awareness committee meetings and for coordinating internal compliance checks. Ms. Laney advised that she serves as co-chair of the alcohol awareness committee. At Chairperson Crowell's request, she reviewed the Nugget's internal alcohol awareness programs.

Chairperson Crowell entertained board member questions or comments and, when none were forthcoming, a motion. **Member Aldean moved to approve Tonya Laney as an additional liquor manager for the Carson Nugget, liquor license number 12-27165, located at 507 North Carson Street in Carson City. Member McKenna seconded the motion. Motion carried 6-0.** Chairperson Crowell thanked Ms. Laney.

13(B) POSSIBLE ACTION TO APPROVE CATHERINE EVANS AS THE LIQUOR MANAGER FOR THE CROSSROADS LOUNGE, LIQUOR LICENSE NO. 12-29279, LOCATED AT 300 EAST WINNIE LANE, CARSON CITY (8:50:40) - Chairperson Crowell introduced this item. Ms. Pruitt reviewed the agenda materials, noting staff's recommendation of approval. (8:51:53) At Chairperson Crowell's request, Ms. Evans and Patricia Weller introduced themselves for the record. Ms. Evans acknowledged that she owns the Crossroads Lounge but will not regularly work there. In response to a question, Ms. Evans advised that, once she takes ownership of the establishment, she has "a full staff. They will be doing the regular training." Ms. Evans advised that she will conduct meetings with regard to "not selling to minors." She advised of having worked at a convenience store and is "well versed in carding and not selling." She advised that no minors will be allowed in her establishment. She acknowledged she has not yet taken ownership of the establishment. In response to a question, she advised that she is "doing everything in advance with getting all of the licensing and, that way, once [she is] fully licensed, [she] will close the transaction." In response to a further question, she advised of awaiting the gaming license application approval as well.

In response to a question, Member Furlong advised that the gaming and liquor licenses are separate. In response to a further question, he advised that the Crossroads Lounge "track record" has not been bad. He could not recall any juvenile issue associated with the establishment. Chairperson Crowell offered Ms. Evans the opportunity to provide additional comment, and she requested the board's approval of her application. Chairperson Crowell entertained a motion. **Member Abowd moved to approve Catherine Evans as the liquor manager for the Crossroads Lounge, liquor license number 12-29279, located at 300 East Winnie Lane in Carson City. Member McKenna seconded the motion. Motion carried 6-0.**

14. ACTION TO ADJOURN (8:55:27) - Chairperson Crowell adjourned the Liquor and Entertainment Board at 8:55 a.m.

15. RECONVENE BOARD OF SUPERVISORS (8:55:30) - Mayor Crowell reconvened the Board of Supervisors at 8:55 a.m.

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

16. ANY ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME (8:55:35) - Please see the minutes for item 9-3(D).

17. PUBLIC WORKS DEPARTMENT, PLANNING DIVISION - POSSIBLE ACTION TO RECOMMEND TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") APPROVAL OF THE CARSON CITY 2012 - 13 ANNUAL ACTION PLAN TO

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IMPLEMENT PROGRAMS ASSOCIATED WITH THE COMMUNITY DEVELOPMENT BLOCK GRANT (“CDBG”) AND TO FORWARD THE PLAN TO HUD (9:00:14) - Mayor Crowell introduced this item. Planning Division Director Lee Plemel provided background information and reviewed the agenda materials. Mayor Crowell entertained comments or questions of the Board members; however, none were forthcoming. Mr. Plemel acknowledged that the recommended action is consistent with the previous presentation. He advised of no other modification aside from that recommended in the April 6, 2012 memo included in the agenda materials.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Abowd moved to recommend to the Department of Housing and Urban Development (“HUD”) approval of the Carson City 2012 - 13 Annual Action Plan to implement programs associated with the Community Development Block Grant Program, as modified by staff and to forward the plan to HUD. Supervisor Aldean seconded the motion. Motion carried 5-0.**

18. OFFICE OF BUSINESS DEVELOPMENT - POSSIBLE ACTION TO APPROVE THE RENEWAL OF CARSON CITY’S MEMBERSHIP IN THE WNDD (“WESTERN NEVADA DEVELOPMENT DISTRICT”) AND AUTHORIZE THE PAYMENT OF THE FISCAL YEAR 2012 - 13 DUES IN THE AMOUNT OF \$5,500 (9:04:50) - Mayor Crowell introduced this item, and Mr. Plemel reviewed the agenda materials. Mr. Plemel advised that Washoe County has made application for WNDD membership. “In this time of regional economic development collaboration, per what the Legislature did last year, we believe that we should continue this partnership in this regional economic development district.”

Mayor Crowell entertained Board member questions or comments and public comments. When none were forthcoming, he entertained a motion. **Supervisor McKenna moved to approve the renewal of Carson City’s membership in the WNDD (Western Nevada Development District) and authorize the payment of the fiscal year 2012 - 13 dues, in the amount of \$5,500. Supervisor Walt seconded the motion. Motion carried 5-0.**

19. OFFICE OF BUSINESS DEVELOPMENT AND PARKS AND RECREATION DEPARTMENT - POSSIBLE ACTION TO ACCEPT THE CULTURAL COMMISSION ANNUAL REPORT AND WORK PLAN (9:07:52) - Mayor Crowell introduced this item, and Mr. Plemel reviewed the agenda materials. He introduced Park Planner Vern Krahn, and advised that staff for the Cultural Commission is being transitioned from the Office of Business Development to the Parks and Recreation Department. In consideration of the upcoming Cultural Commission programs, he commended the transition. Supervisor Abowd provided additional clarification relative to the transition in consideration of special events grants and venues. She advised that the Cultural Commission is working on identifying various funding sources, and that an ordinance will be proposed in the near future. She further advised that a strategic plan has been developed and finalized.

Mayor Crowell inquired as to the interaction between review of special events funding by the Cultural Commission and the Redevelopment Authority Citizens Committee (“RACC”). Supervisor Abowd advised of discussion relative to the possibility of establishing categories, similar to the CDBG application process. Supervisor Aldean expressed the opinion that the RACC is the more appropriate body to provide recommendations to the Redevelopment Authority, in consideration of the funding source. She recognized the overlap. She expressed concern that the special events which don’t fall into the category of arts and

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culture are not discriminated against. She expressed support for collaboration, but opposition to removing the authority from the RACC in consideration of maintaining the distinction that the RACC advises the Redevelopment Authority and the Cultural Commission advises the Board of Supervisors. Supervisor Abowd agreed, and advised “that’s been the discussion going forward ... and that’s why we’re exploring other avenues for funding as well.”

At Mayor Crowell’s request, Supervisor Abowd provided an overview of extensive discussion, at the last Cultural Commission meeting, relative to the community’s interest in the Nevada State Prison. She noted that the National Register of Historic Places designation of the Nevada State Prison provides funding opportunities. “It’s part of what Carson City is and we want to be able to utilize that facility for cultural purposes.” Mayor Crowell advised of a recent discussion with State Historic Preservation Officer Ron James, who informed him that NDOT is the agency applying for the National Register of Historic Places designation of the Nevada State Prison. Mayor Crowell provided background information on the status of the application.

In response to a question regarding the proposed public art ordinance for public works projects, Supervisor Abowd explained that a percentage for the arts would be considered from each public works project. Whether or not the percentage will represent an increased project cost will likely be considered on a contract-by-contract basis. Supervisor Abowd acknowledged the comparison to NDOT being required to incorporate certain aesthetic improvements into highway projects. Supervisor Aldean expressed a preference for the Cultural Commission to raise funds independently.

Mr. Werner explained the transition from Office of Business Development staff and Parks and Recreation Department staff was relative to the interest in the Nevada State Prison. “... we’re going to need to make ... a pretty significant dedication of a staff member to help shepherd that as it goes forward.” Mr. Werner expressed the opinion that Mr. Krahn will be “an excellent individual ... so that when it gets to that point, and we need to start spending some time on that whole discussion, we’ve got somebody committed to do so.” Mayor Crowell expressed appreciation for the Cultural Commission’s consideration of opportunities. He acknowledged the interest in the Nevada State Prison, and commended a partnership with which ever State agency ends up owning the facility.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Walt moved to accept the Cultural Commission annual report and work plan. Supervisor McKenna seconded the motion. Motion carried 5-0.**

20. FINANCE DEPARTMENT - PRESENTATION AND DISCUSSION WITH STAFF OF THE PROPOSED 2012 - 13 FISCAL YEAR BUDGET FOR CARSON CITY WHICH INCLUDES THE GENERAL FUND, ENTERPRISE FUNDS, AND ALL OTHER FUNDS (9:17:20) - Mayor Crowell introduced this item, recessed the meeting at 9:17 a.m., and reconvened at 9:32 a.m. Finance Department Director Nick Providenti provided an overview of the agenda report. He advised that the budget is scheduled to be formally adopted by the Board of Supervisors at a special meeting scheduled for 9:00 a.m. on Monday, May 21st. Mr. Providenti presented the proposed budget in conjunction with displayed slides, and responded to questions of clarification throughout the presentation.

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Mayor Crowell inquired as to whether property tax rates will increase three percent “irregardless of what we do.” Mr. Providenti advised that “it’s really true when values are increasing, but the problem is that values have been decreasing lately. ... we had a lot of abatement in 2005 because we weren’t at the allowed rate. So, at that time, ... the Board ... levied the allowed rate. At that time, ... we went from ... \$2.75 to \$3.10 ... approximately. ... We’ve been living on our abatement. Basically, people have been paying three percent ... since that time.” In response to a further question, Mr. Providenti advised that “if we levy the allowed rate, the abatement amount for fiscal 2013 will be about \$5.3 million in our operating rate. ... If we kept the levy the same, it would probably be close to zero.” He provided additional clarification. “... There are two components to taxation. It’s the value and the rate. So, if values are going up, that would increase taxes theoretically. If your rate goes up, that increases taxes as well.” Discussion followed. Mr. Providenti advised that the “assessed value was about \$1.8 billion in 2010 and this year we’re projecting it to be about \$1,381,000,000. ... we’ve seen some dramatic decreases.”

Mr. Providenti responded to questions of clarification regarding the amounts budgeted for the State pushdowns, and discussion ensued. Supervisor McKenna expressed an interest in the reasoning behind creating the 2012 - 2013 Fiscal Year budget “based upon the service levels we have now. ... Where would we save money? This budget is your example of where we’re going to go ..., but ... why are we maintaining service levels and raising taxes versus not raising taxes and drastically cutting services?” In response to a further question, Mr. Providenti explained the State’s proposals relative to revising the consolidated tax formulas. “Actually, what they’re talking about doing is changing the tier 2 formula which doesn’t really affect us ... As long as the tier 1 formula stays the same, it won’t affect us at all. It’s not like we’re Clark County that has the City of Las Vegas, the City of North Las Vegas, ... Henderson. ... the tier 2 formula is how they distribute the total pot that the county gets ... to the other entities. In Carson City, we’re basically it so it doesn’t affect us.” Mr. Werner provided additional clarification. Mr. Providenti acknowledged that Carson City receives approximately 98 percent of what is generated. “... it’ll increase once the Sierra Forest Fire Protection District goes away ...”

In response to Supervisor McKenna’s question, Mr. Werner explained the method by which the proposed budget was formulated. The “big users of the general fund” were considered. “Obviously, public safety was a big one. ... a pretty good sized portion of that, for example, is the Fire Department. We have OSHA requirements and we have minimum manning requirements ... and we were able to reduce the manning down two years ago. I think we eliminated six positions from the Fire Department and were able to restructure the minimum manning. We’d ... have to open up contract negotiations with the firefighters to reduce the minimum manning because then we start talking about safety issues and manning and they would have to be agreeable to open up the contract to see a reduction in their manpower. So, from the captain on down, probably not an opportunity to reduce the staffing levels.” In response to a question, Fire Chief Stacey Giomi advised “we’re at three per engine. We have three engines on a day and our ambulances, which we have three on a day, are staffed with two per ambulance. ... two on that staffing is a statutory requirement ... So our daily staffing strength is essentially 15.” Chief Giomi further advised that “the number of units we have on the street today is essentially the same number of units we had on the street when I started working for the department in 1983. In 1983, we ran about 1400 calls. In 2011, we ran almost 7900 calls. It was our busiest year ever. So we’re doing that with essentially the same number of units on the road. We’ve increased the staffing a little bit because in the early ‘80s, we staffed some of those engines with two people which really is an ineffective method to staff units with. We utilize our mutual aid partners. In the first quarter of this year, we used mutual assistance at no cost to us 99 times while providing that assistance to those counties 20 times. So that means we’re consumers of other

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counties' tax supported public safety agencies almost ... 4 to 1." Chief Giomi expressed uncertainty as to the method by which the Fire Department could continue to provide service with fewer staff. He advised that the six-person reduction cut a fourth ambulance "we had on the road about thirty percent of the time and that increased our dependence on those other counties. So any further reductions within our department to units on the road would mean an increase to the number of times we're using other fire departments through our mutual aid agreements. There isn't another governmental entity that uses outside services the way the Fire Department does in our City. And ... to think about that, we're actually taking from another county's government or another district's government. And we're using those services for our citizens. True, the idea is that it's a mutual exchange and it probably was at one point, but for us it's not that way anymore. We're using it way more than we're giving it back." Chief Giomi expressed concern over the future of the mutual aid agreements. He emphasized "those 99 times when that happens, it means we're completely out of resources. That means we have nothing left. So if you happen to be someone that needs an ambulance or a fire truck in one of those 99 instances, it could be two minutes, it could be twenty minutes, it could be 45 minutes period of time. You wouldn't get anything if it weren't for that mutual aid."

In response to a series of questions, Chief Giomi advised that the number of volunteer firefighters "all across the country has dropped dramatically ... for a lot of reasons. One is the training requirements ... and the fitness requirements that we have under OSHA mandates. ... there are combination departments ... part paid, part volunteer, all around us. Their numbers have dropped 60 to 70 percent in terms of the volunteers." Chief Giomi advised of a concerted effort, approximately eight years ago, to increase the number of volunteer firefighters. "Over a two-year period, we ... heavily recruited four different volunteer academies. ... And after the end of those four academies, we netted three volunteers ... that stayed. Each academy cost us about \$40,000 to put on. The gear to equip a firefighter is about \$2,500 per person so you have to equip them all to even train them. So it isn't without cost." In response to a further question, Chief Giomi advised that salary negotiations with firefighters are done in consideration of salary studies. "We have been below the average. Some of the surrounding departments, not all, ... have taken pay cuts which brings us probably to the average of pay in the region. In a state like ours that has collective bargaining under state law, you can't pay grossly under the market average. ... As a local government, we can't win that. You get before an arbitrator and it's not something we can win. So, it's almost a moot point. So we're probably at the market average in terms of what we're paying people. Whether that salary in the market is too expensive, I can't speak to that." Supervisor McKenna acknowledged Chief Giomi's point. "People that think we can go off and hire out-of-work construction people and make them firefighters in a day ... is not a realistic possibility." Supervisor McKenna discussed the importance of prompt, "highly trained" response to medical emergencies, and expressed a willingness to pay for the necessary level of service. "You have to remember, if you want something, you have to pay for it. There is no free lunch in this deal and that's where this budget is going." Chief Giomi agreed, and discussed the importance of quality service. He advised that he is a "big proponent" of quality, training, and certification within the Fire Department. He discussed the importance of Fire Department personnel being "proud of the work they do and ... of the community that they serve." He expressed the opinion that "given the money that you, as the Board present to us, not just the Fire Department but to the City, ... we use that money very, very well in terms of the mutual aid agreements that we have, in terms of being conservative fiscally on how we spend our money, in terms of the partnerships that we develop within the City between the Fire Department, the Sheriff's Office, ... Public Works. We utilize Public Works for nontraditional things because our staffing levels are so low in the Fire Department. We train Public Works folks to act as support personnel for certain technical rescue situations on fires. No one else in the State of Nevada is doing that. No other local

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jurisdiction is doing what we're doing with our Public Works Department and that's a partnership that we've developed out of necessity ... but ... it's made us a stronger team because we have a better understanding of their needs and they have a better understanding of ours."

Mayor Crowell inquired as to the effect of the Fire Department staffing level on overtime and salaries. Chief Giomi advised of costs associated with maintaining the statutory and contractual minimum staffing levels. "So our overtime budget went up a little bit when we lost those ... six positions ... because those were positions we could use to help supplement those times when people are off. The amount of money that our overtime increased was not the equivalent of the amount of money that we saved. So, overall, reducing the ... six positions, seven really because one was an inspector, ... overall saved money, reduced service levels to be sure because we decreased the number of ambulances we have on the road." Chief Giomi was uncertain as to the percentage of income classified as overtime. He emphasized, "... overtime isn't given for hours not worked. When people get overtime pay, they obviously work that time. So, as an example, one of our firefighters who's on an overhead team, he helps manage fires outside of the area and that's reimbursement funds. Two years ago, he worked 4,100 hours in a calendar year. That's two full-time jobs. ... The schedule that our firefighters work are 56-hour work weeks. They're 2,912 hours. So he worked almost the equivalent of a second full-time job. We're due back in the current fiscal year about \$160,000 from fire reimbursements where we've gone out on other fires that we can bill for. ... I think we've gotten about \$100,000 of that back so far and we're due another \$60,000 from the U.S. Forest Service." In response to a further question, Chief Giomi reviewed the method by which overtime requests are managed and approved at the Fire Department.

Supervisor Walt thanked the department heads for their attendance. In response to a question, Chief Giomi advised that outsourcing the ambulance service would cost more money. "... the folks that are on those ambulances are dual-role trained. They're firefighters and they're paramedics so they're supplementing our firefighting resources. So even though the general fund is contributing to that enterprise fund to the tune of about \$350,000, it's giving us 17 employees that we can use in that general fund. So those 17 employees, absent that ... relatively small contribution of \$350,000 would cost the general fund probably \$1.7 million or more if we didn't have the ambulance service. So if you outsourced it, you'd lose that manpower. ... and you'd lose some of that revenue. So really the enterprise fund is helping to supplement the general fund work force." Chief Giomi responded to follow up questions of clarification.

In response to a question, Chief Giomi advised that the increase in the retirement contribution resulted in more cost effectiveness associated with paying overtime than hiring more employees. "It's not a good way to run a business. ... it's not healthy for the employee and, organizationally, it isn't healthy because you can't ask people to do that for a length of time. So there really is a fine line there, but over the short term, there are some savings particularly if you have a work force that the overtime is distributed amongst so that you're not overburdening an individual employee to the point where he or she becomes an unsafe person." In reference to earlier comments, Supervisor Aldean suggested the need to be "extremely careful about integrating volunteers, regardless of how well trained they might be, ... into public safety positions because there's a huge potential liability if they're not properly trained and they make a mistake ..." Chief Giomi clarified his comments were relative to volunteer firefighters, and that the Health and Human Services Department, Fire Department, and Sheriff's Office heavily use civilian volunteers.

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Supervisor McKenna advised that certain communities are now charging for actual services rendered. "You pay your taxes to have a fire department but if you have an auto accident and the fire department responds, then you pay a fee ..." He inquired as to Chief Giomi's thoughts, and noted that the Board of Supervisors have direct control over the Fire Department budget. He thanked Chief Giomi for sharing his opinion. In response to the previous question, Chief Giomi expressed a struggle over "billing people for services that they're paying us for out of tax dollars." He advised of having investigated a proposal, approximately four years ago, to bill insurance companies for fire department responses to both fires and auto accidents. He clarified that emergency medical services is an enterprise fund and is billed accordingly. He advised of having presented the proposal, with an estimate of \$70,000 to \$100,000 in generated revenue, but that it was not approved. He provided details of the proposal, noting that "the insurance industry has money set aside in most of their policies for those kinds of responses. It's not a lot, on a per-incident response basis ..." He advised that the amount billed would be so minimal as compared to the loss of an entire vehicle or the loss of 50 percent of a structure "that that, in and of itself, does not cause an insurance increase." He expressed the opinion that the option is viable for consideration. "There are companies out there who do that so that we don't have to add staff to do it. Obviously, they do it at a cost, but it's one of the things [he will] be exploring and presenting as an option to the City Manager." Mr. Werner advised of having considered the proposal, and of the need to ensure the proper statutory authority. "It's kind of an ongoing evaluation as to whether or not we may need to do some statutory change to give us the authority but we're having dialogue on that."

Supervisor Aldean expressed concerns and inquired as to the possibility of charging for flagrant abuse of the 9-1-1 system. Chief Giomi acknowledged "frequent flyers," who fall into "a couple of categories. One category is those that are really sick people and we just end up transporting them a lot because they're sick. They have medical problems and it's a legitimate transport. Certainly, you can't punish them. That leaves the other group that is incapable of caring for themselves and, while they may not have a medical problem, they may have a psychological problem and so how do you bill them for that?" Chief Giomi explained that the Fire Department works with the Health and Human Services Department relative to the second category of people. "... try and get them into a social services program so that they stop depending upon 9-1-1 for those needs and they start getting the social service help that's available to get them out of that emergent type of process and into a more stable environment where they're not in need of making that phone call all the time." Supervisor Aldean noted that many patients are not destitute. "... that takes vital services away from people who are legitimately in need." She expressed sympathy for patients with mental illness, but suggested "if they're not destitute and they have the resources, they should pay." Chief Giomi agreed, but advised that "the ones that are abusers of the system are not the ones that have the money." He expressed doubt that charging such people would serve as a deterrent or generate any significant revenue.

Mr. Werner advised of having carefully reviewed the Sheriff's Office budget. "We have some of the same issues there with the employee contracts. The ability to go in and ... just reduce the Sheriff's budget and expect layoffs within the bargaining unit is very difficult to do. There are minimum requirements there. ... We've reduced five or six people within the Sheriff's Office." Sheriff Furlong clarified the correct number was 12. Mr. Werner continued, "A lot of those were civilian. A lot of those, now, we're using sworn officers to do civilian work. Those kinds of issues that are coming out there. So to see an ability to go in and reduce additional dollars from the Sheriff's Office ... [is] very unlikely to be able to do." Mr. Werner explained Sheriff Furlong's option, as a constitutional officer, to demand a minimum amount of

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funding to operate the Sheriff's Office. Mr. Werner advised of no apparent opportunity to reduce the service levels of the Fire and Sheriff's Departments. "We might, arguably, reduce the Fire Department overhead which means you have a bunch of firefighters and captains but you have no administration which ... is really a very dangerous situation. ... Same thing applies to the Sheriff's Office."

(10:39:55) Sheriff Furlong surmised that each of the Supervisors had received traffic complaints. He advised, "We had a primary traffic enforcement division ... those were the situations that they would attend to, the traffic accidents, the complaint zones, the high-volume problem areas, and so on. As a result of those budget cuts, the loss of those positions, while we still do traffic, there is no primary responsibility for traffic anymore inside the Sheriff's Department. It's a secondary function." Supervisor Abowd advised of having received feedback that privatizing the jail would save money. In response to a question, Sheriff Furlong advised of never having seen a study which would validate cost savings associated with privatizing the jail. "The jail is a statutory requirement of the Sheriff ... The jail is not our biggest problem in town. It is staffed very, very minimally. It's an indirect supervision facility. It took considerable hits as well in 2010."

In response to a question, Sheriff Furlong described the method by which Sheriff's Office overtime is managed and approved. "The biggest hit we take on our overtime is minimum manning and operational needs." In response to a question, Sheriff Furlong advised of certain obligations, relative to the City, to provide a certain amount of personnel on the streets. "... this is your contractual requirements with your associations, your deputies associations, supervisors, and so on. ... The second part ... to draw back any further is to remove officers from doing patrol or support functions, providing services in different sectors of the City. Much as the Board is separated by [wards], the City is divided into five sectors and there is an officer assigned to each of those sectors 24 hours a day. When we cannot staff fully, then one area of ... town goes without a police officer in that area. If you reduce the amount of officers ... available, you can impact your response times. But we operate off of about seven priorities. We have not cut back services. We still are ... arriving at those calls for assistance, but ... we don't do it the same as the Fire Department. ... We do a lot of calls that are not so urgent and we will get to them when we can or facilitate them by bringing them back into the Sheriff's Office on the next day where we can take the report or address the matter when we have people available."

In response to a further question, Sheriff Furlong expressed the opinion, "We have a pretty good thing going here in Carson. There's a lot of community activities. There's a lot of services. There's a lot of events that go on on a regular basis and we've seen our society change over the years. The deglamorization of alcohol, for example, as being a part of events. Parks, recreational activities, events that are ongoing in the community, those tend to be the lower calls for service times. ... They take up families, they take up time, and they use up energy and it's a good thing." In response to comments received by the Parks and Recreation Commission, Sheriff Furlong clarified "parks do not bring in bad things. People sometimes act out but when you have a park, you're generating positive activities in an area and that facilitates the community and, generally speaking, that will lower your call volume." In reference to Nevada Day, Sheriff Furlong advised, "there was a time ... in '03, we would spend upwards of \$40,000 in overtime on one day for one event and that was the Nevada Day Parade. The reason for that was, traditionally, Nevada Day, Halloween, it was a mess. Alcohol was a major portion of it and law enforcement activities were extremely high on that day. As it is today, the Nevada Day Parade is staffed by one officer that's paid and all the rest are volunteers because Nevada Day has become a community event. Now, you take that community event and you protract it all day long, by the time evening comes along, most people are just pretty much tuckered

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out and ready to go home and enjoy a movie and that tends to lower the activities that law enforcement has to be faced with. And so, when it comes to parks and ... recreational activities in this town, [he] very, very strongly support[s] it because that takes good things and puts it out there for people to get engaged in and, in effect, it ... can lower your crime incident rates.”

Mayor Crowell entertained additional questions of the Sheriff; however, none were forthcoming. In reference to Chief Giomi’s comments, Sheriff Furlong acknowledged the strong cooperative relationship between City departments. He referenced the IHOP event, as an example, and commended the involvement of the Public Works Department and other City departments. “You’re actually saving money by these relationships that these other departments have with one another and, when these emergency situations come in, they’re one of the first things that we call for is that assistance. That ... has been a critical element of our responses throughout this community.”

Mr. Werner advised of having considered staffing levels at the courts and at Juvenile Probation / Detention in consideration of technology. He expressed uncertainty with regard to cutting any of the court staff. He advised of having cut services at the Juvenile Probation / Detention Department due to State pushdowns. He reviewed the general government category, including District Attorney, Assessor, Treasurer, Finance, Information Technology, Clerk - Recorder, City Manager’s Office, Human Resources. “Of those, five ... are constitutional offices ... [who] pretty well made it clear ... at the last go around ... that that was about as far as they could go and be providing the function they are constitutionally required to provide.” He advised that the \$2.5 to \$3 million necessary “to solve the problem” equates to 25 to 30 people. He reviewed the various reductions in each of the listed departments since 2010, and expressed doubt that the service levels could be decreased any further and still “be functional.” In response to a question, he advised that a one percent salary reduction would equate to approximately \$300,000 in the general fund. A ten percent salary reduction would be necessary to solve the budget shortfall, and all the public safety and general government contracts would have to be opened and negotiated. In response to a question, he advised that no part of the City Center project is included in the proposed budget.

In response to a question, Mr. Providenti advised “it’s hard to figure out what the tax dollar is based on assessed value anymore because it doesn’t really matter. It’s based on what you paid in the prior year.” He reviewed various figures by way of example. “It’s three percent, basically, of what you paid last year.” Mayor Crowell inquired as to the reasoning behind moving to the allowed tax rate rather than cutting services and employees. Mr. Werner reiterated uncertainty as to “where you get those 30 people.” He advised of having considered eliminations. “If you look at Parks and Recreation ..., it looks like it’s a 10 percent cost to the general fund. What you don’t see here is the huge amount of revenue that brings in so its net impact ... is like two or three percent of the general fund. So if you cut them, it’s a spiral downward. You cut Parks and Rec, you close the community center, you close the aquatic center, you shut off sports events, ... the revenue side that we lose there now spirals into needing to cut more and you reach a point where you’ve cut all you can out of the Parks and Recreation but you still are going downward because now you have the loss of revenues. What’s the next one you go to? ... You then lose your functionality.” Mr. Werner advised of having just received a risk assessment that says “we’re dangerously low now on the number of proper staffing levels to make sure we have checks and balances on our financial controls. So you start getting to that issue and you simply just don’t have enough people.” Mr. Werner advised that “if we do the allowable rate this year, that begins to build on the out years and if our sales tax projections stay pretty close to what we’ve been estimating the last couple years and don’t fall off the cliff again, but stay very, very moderate, either flat or minor growth, then we’ll start seeing the opportunity to build in reserves,

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start rebuilding ... our stabilization fund, start building back ... a little bit of a capital program. ... probably about 2016, that we actually start seeing a positive flow and increase in the ending fund balance of the general fund.” Mr. Werner reiterated uncertainty as to where to cut 30 positions “that wouldn’t have a more negative impact on where you’re at with the general fund.”

In response to a question, Mr. Werner explained that increases in department salaries line items are mainly due to such things as grant funded positions and moving employees from one department to another. Mr. Providenti further clarified that retirement system and insurance benefits have increased. In response to a further question, Mr. Werner advised that he “cannot authorize additional bodies into the organization. You, as the Board of Supervisors, are the only ones that can create positions that are in the budget and that’s why, at times, we’ve had some discussions about whether or not we should have a position ... It’s because it ... has not been in the budget and we’ve asked that it come forward.” In response to a further question, Mr. Werner advised that overtime has been kept to a minimum. “We have some ongoing regularly scheduled call-back times or on-standby times, but ... we [haven’t] seen a big increase in any of the others.” Public Works Department Director Andy Burnham advised that most of the Public Works Department overtime is a result of such things as scheduled special events, water breaks, traffic accidents, sewer backup. “Most of it is called back for a special event ...” In response to a further question, he advised that the Public Works Department will occasionally schedule overtime in the fall in order to keep up with storm drain maintenance. “Generally, we will reschedule times. We modify the employee’s schedule in order to accommodate getting them out at more times that are available. We try to hit the west side pretty hard because of the leaf problem ... in the fall.” Mr. Werner advised that Public Works Department scheduling is being reviewed for efficiency.

Supervisor Abowd inquired as to the possibility of using paralegals, at a reduced cost, to staff advisory board, commission, and committee meetings. In response to a question, Mr. Munn advised that the deputy district attorneys who staff the advisory board, commission, and committee meetings are all exempt employees who are not entitled to overtime. Supervisor Abowd further inquired as to the possibility of allocating one-half cent of the allowed tax cap toward the arts “which is a revenue generator.” Mr. Werner advised that implementing the allowed tax cap will balance the budget, “we’d end up putting some extra money in contingency because we’re concerned about the State pushdowns, we’d begin to see the ending fund balance build in the general fund minutely. So, it might be one of those things that might be good this year. But, next year, if our projections are about the same, ... we gain a little more capacity.” In reference to the model, Mr. Werner noted that “you can see, year by year, that we start to gain a little more on the revenue side as long as we still control expenses as we have been and, ultimately, then there’s the ability for the Board to make some expenditure decisions ...” Mr. Werner anticipates “somewhere between a half million to three-quarters of a million of ... additional dollars that would have gone into building the general fund balance.”

Supervisor Aldean inquired as to the costs incurred by the Clerk’s Office to staff advisory board, commission, and committee meetings. Mr. Glover advised that the recording secretaries division has traditionally had two full-time recording secretaries and, on occasion, additional hourly employees. The recording secretaries division has been reduced to one full-time recording secretary and one part-time recording secretary. Mr. Glover advised that the part-time recording secretary has worked nearly all of the allotted 1,039 hours. He assured the Board that coverage will be provided, but requested them to keep in mind the costs associated with advisory boards, commissions, and committees. Supervisor Aldean inquired as to whether the total accrued cost of deferred maintenance has been calculated. “... we have been putting

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off a lot of maintenance in consideration of declining revenues.” In reference to previous discussion, Supervisor Aldean suggested keeping in mind “all of the ramifications associated with shutting things down because there is a cost.” Mr. Werner agreed and discussed various costs associated with deferred maintenance.

Supervisor McKenna inquired as to how to ensure that excess revenues are not spent but are allocated to building reserves or the property tax increases are removed. He advised of having received feedback that the proposed tax increase is just a way to ensure future revenue to fund the City Center project. “There’s a lot of suspicion out there that if we raise taxes today, that money will never come back to them, it will never go to reserves, it will be spent on pet projects.” Mr. Werner responded that the budget and proposed expenditures are presented to the Board, which has ultimate authority to approve or disapprove. He noted his responsibility to administer the budget adopted by the Board. He advised that City staff has worked hard to maintain a fiscally conservative budget. “We’ve worked very hard to try to get our labor contracts down, ... everything as expeditious and efficient as we can. That would have to be something that would come before this Board ... it would have to be done in a manner that we bring it forward and you, as the Board, make the decision to put it in the budget. Otherwise, it just goes in ending fund balance. On top of that, we brought to the Board some time ago, a ... financial policy that talked about ... any excess revenues beyond what we’ve budgeted, certain percentages would go into certain funds in a progressive order. I think it was ending fund balance, stabilization fund, and then capital fund. But it went through the different funds where these dollars would go ... and not be ... soaked up in labor contracts or starting to give raises and hiring a bunch of new people. But that’s the control. ... it’s a financial policy and ... it’s the Board controlling the budget as it has done.” Supervisor Aldean noted that the excess landfill revenues are included in the proposed budget. “Those monies are spent on essential services.” Mr. Werner acknowledged the accuracy of the statement. “Every revenue source ... identified that we could use is in this budget trying to balance the budget.”

Mr. Providenti reviewed the out-year assumptions in conjunction with displayed slides, and Mr. Werner provided additional clarification. Supervisor Aldean inquired as to what is being done or intended to be done to recruit new businesses to Carson City. Mr. Werner advised of having directed BRIC Manager Michael Salogga accordingly, and of the intent to use the Northern Nevada Development Authority as a resource. He acknowledged that NNDA typically focuses on manufacturers rather than retailers. “... but there could be connections back and forth.” Mr. Werner advised that Mr. Salogga’s primary role is to recruit new business. He noted that Mr. Salogga’s position is currently grant funded.

Mayor Crowell entertained public comment. (11:22:28) Bruce Kittess related his age and advised that most of his “friends and neighbors are in their 70s and 80s.” In consideration of a broad picture, he advised “the equity in our homes is vanishing. Normally, a lot of us would be ... moving down to a smaller house. Really don’t want to give away that equity. Our savings for almost the last four years now is ... less than one percent. ... The utilities keep going up. Wait ‘til the smart meters get installed and see your utility bills next year. Of course, the only good thing for the City is that your franchise income will go up a little bit. The property tax, okay, we’ll live with three percent. That’s a cap, but for some people that maybe had hoped that it will come down, it won’t come down. You’ve talked about the pushdown from State taxes next year. Wait ‘til you see the pushdown for federal taxes. Some of us are called too frugal, too thrifty. We don’t want to reinvest and maybe it’s because we were born in the ‘30s and we grew up hearing about what it was like in the Depression and then, as we were growing up, we stood in line for butter and coffee when there was rationing during World War II. That’s why we’re frugal.” Mr. Kittess advised of “two

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things ... that really irritate us. One of them is, every time I see NV Energy handing a check ... Where do you think the money came from? It came from the rate payers so stop telling me how wonderful NV Energy is because they're not wonderful. And then, of course, we've had all of this discussion and division about the City Center. So, the bottom line is, \$1.2 million, \$1.5 million, lease payment, sales tax, whatever you want to call it, we're paying \$1.5 million for the library now. Add the new City Center, another \$1.5 million." Mr. Kittess expressed a willingness to "accept everything that's said today but it's almost torturous to be thinking that ... there's going to be another \$1.5 million that we'll take on for thirty years." He cautioned anyone thinking that their retirement plans or savings will be sufficient. "We have to be concerned now that we don't outlive our savings."

(11:26:40) Ron Harvey advised that he is a life-long Carson City resident and has had a "business here for 32 years." He advised of having charted his property taxes over the past several years, and reviewed the same. "Starting in 2006, [his] property taxes went up \$70. 2007, \$71. 2008, \$74. '09, '10, and '11, \$75, \$78, \$81. So now, we have these giant increases in property taxes." Mr. Harvey advised that his is a construction business, and that he had visited the Assessor's Office with his chart. He related details of the conversation with Assessor's Office staff, and details of an incident involving Sheriff's deputies which took place later in the day. He expressed respect for City officials, and stated, "the budget is the budget and it's got to come from us. And if we're not generating money, you can't just keep asking people for more money without ... what's coming." Mr. Harvey expressed the opinion that the Board is not being provided accurate information, and discussed the importance of the City living within its means. He requested the Board to "look outside the box," and reiterated the importance of "living within our means."

(11:33:15) Tina Leahy expressed concern about the "additional proposed tax increase." She noted that property owners pay a "three percent abatement each fiscal year on our taxes. That is not going away. Certain people have had their abatement gone down which ... is what caused there to be a shortfall in revenue. So, because of that, there's now a proposal for an additional three-plus percent increase in addition to the other three percent that we're capped at. So that comes to almost six percent." Ms. Leahy inquired as to the increase she can expect. Mayor Crowell explained that three percent is the maximum increase, and Ms. Leahy expressed appreciation for the clarification. Ms. Leahy inquired as to whether staff had considered such things as new vehicle costs and travel expenditures. She noted increases in federal taxes, franchise taxes, food costs associated with increases in fuel costs. "The taxes are just hitting everybody left and right and to expect the public to continue to pay those, it's ridiculous." Ms. Leahy expressed the opinion that "things need to be looked at very closely rather than just automatically saying, 'we're going to propose a tax increase.'" In response to a question, Mayor Crowell assured Ms. Leahy that the proposed tax increase is not an additional three percent on top of the current abatement. He advised that the out-of-pocket costs for your tax bill cannot increase more than three percent. Mr. Providenti and Supervisor McKenna provided additional clarification. Ms. Leahy expressed concern over ever being able to sell her home. "Who wants to buy a house that's got this huge tax bill every year? ... the second thing is pretty soon that's going to be more than your mortgage costs or pretty close to it." In reference to California's tax cap, Supervisor McKenna explained that "anytime you put artificial economic controls on things, you're going to have situations like you're encountering now." Ms. Leahy described the proposed tax increase as "an artificial way to increase revenue. The money is not there." She expressed the belief "we should live within our means." She expressed appreciation for the Fire and Sheriff's Departments, and the opinion that parks should be cut. "People can live without a park. They do want to be able to call the Sheriff when there's something happening. They do want to be able to call the Sheriff when there's graffiti around their house. They do want the Fire Department there when you have a fire like the Waterfall Fire.

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But, a park is not something that ... really impacts. ... it's nice, but how much are we spending for that?" Ms. Leahy expressed a preference for considering budget cuts by line item. Mr. Werner advised that the tentative budget is available for review on the City's website.

Supervisor Aldean noted that the Parks and Recreation Department is a fairly small amount in consideration of the overall budget. "... the great thing about the parks system is ... the concerted effort over the years to promote the use of these parks for tournaments and that brings money into the City coffers. So we have to be a little bit careful about killing the golden goose." With regard to capital expenditures, Supervisor Aldean noted a landfill compactor "which is needed to operate the landfill which is also a golden goose ... producing a fairly substantial surplus, between \$700,000 and \$800,000 a year. We have landfill litter fencing ..., we've got a wheelchair van for the ambulance. We approved a contract with the hospital where we are actually providing services. That brings in \$144,000 a year. ... we've got to be able to respond effectively and efficiently to emergency needs." Mr. Werner advised that five cents is allocated to a capital fund, pursuant to statute, and capital expenditures are not allocated from any other fund. "Most departments haven't seen a new vehicle in a long time. ... Generally, it's only for those ... critical patrol cars ... that we ever spend money ..."

(11:41:53) Andrea Engelman expressed disbelief that "you're asking for higher taxes without giving the public something, some sort of cuts of some kind." She noted the Board was not taking "any sort of token pay cuts, ... and, in fact, you're asking ... to give merit increases to employees." She further noted that the State employees had taken cuts "and their benefits are a lot more money than what the employees here in Carson are paying." She inquired as to the amount being paid for dues "to all kinds of organizations ..., ... what are we paying in consultant contracts? What about this forecasting that Linda Ritter does? Is that something we need or is that a luxury?" Ms. Engelman suggested considering "what we really need ..." She didn't "see any attempt to cut at some of these things." In reference to Mr. Providenti's introduction of this item, Supervisor Aldean noted that cuts had been made over the years to prepare "for this deep recession." She expressed the opinion that further discussion should take place relative to the proposed merit increases. In reference to the Western Nevada Development District membership, she noted that for \$5,500 in annual dues, the City has already received \$11,000 in benefit. She noted the importance of focusing on economic development. In reference to Ms. Engelman's involvement in the legislature, Supervisor Aldean emphasized that "those folks are kicking the can down the road and it's landing right in our lap. And ... it puts us in a very difficult position where ... we're cast in the role of the bad guys because we're the ones who have ... a marginal ability to raise taxes to cover, in part, these pass downs from the legislature because they didn't have the moral courage to address those needs at the state level." Supervisor Aldean noted this as the reason for a lobbyist "to do what we can to prevent further pass downs that are going to make it impossible for us to balance our budget." Ms. Engelman suggested that Mayor Crowell, as "one of the best lobbyists in the state" should serve as the City's lobbyist rather than hiring someone else. Mayor Crowell thanked Ms. Engelman for her kind words.

Ms. Engelman expressed disappointment in "the forecasting we've had so far. All the forecasting for revenue has always been way over what has actually come in." She suggested that when the franchise fees were increased "that was supposed to cover the medical expenses from the state." In response to a question, Mayor Crowell explained the percentage of property taxes allocated toward indigent care. He expressed concern that the community is reaching the peak of "demand and elasticity where you start raising fees. You don't get the amount that you're asking for. You're actually reducing the volume of service or the volume of the commodity you're taking." He expressed the opinion "that goes across the

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board with water, sewer, electric, taxes ... The next question is ... where do you go from there? ... what we've tried to do here, ... we froze positions, froze salaries, did 145 cuts, went through with our bargaining units, our department heads, ... cut general fund and then ... what we've tried to do is ... keep the level of services up and ease into things. The state pushdowns hurt, there's no doubt about it. It's not the only thing hurting the budget ... But what we tried to do is ... what's the easiest way to cover where we are? And so we went to the landfill and the franchise fees, primarily the franchise fees. That didn't work so now we're at the point ... of we are now where ... we've made every cut we can. The next level of cuts is either people, which means services, or go to the allowed rate on taxes." Mayor Crowell expressed agreement with the concept of living within your means, but advised of a struggle over "which one of those you take first. Do you cut services now or, ... if you're trying to be prudent and trying to maintain your city as you go forward, which do you do first?" Ms. Engelman expressed the opinion, "You compromise. You do some of each. You might have to raise property taxes but maybe don't do the formula quite as high as you have it. Why take it up to the cap? And you do some cuts. You do both."

Mayor Crowell discussed the dilemma between cutting the budget or increasing property taxes. In response to a question, Ms. Engelman reiterated the belief "you have to do some cutting and then also raise the taxes a little bit but not as much as you're contemplating today." Following discussion, Mayor Crowell directed staff to "scrub the budget" again and return to the Board with suggestions. In response to a question, he clarified the direction.

(11:57:46) Sheena Sharmin, representing the Builders Association of Western Nevada, advised of a recent discussion with Assessor's Office staff in consideration of the effect of the proposed property tax increase on new construction in both 2012 and 2013. In response to a question, Mr. Werner advised that taxes for new construction, commercial property, second homes, would be "the assessed value times the rate. So whatever the assessed value is of that new home, it would be the full rate at that time. ... And then from that year forward, they're capped at three percent." In response to a further question, Mr. Providenti advised that a \$200,000 "market value home, the tax would approximately be \$2,492 under the current rate if they're not in the Sierra Forest Fire Protection District." He advised that "the actual tax rate is going from \$3.10 to about \$3.56. So it's that difference ..." Assessor Dave Dawley provided additional clarification.

Mayor Crowell entertained additional public comment; however, none was forthcoming. He recessed the meeting at 12:03 p.m. and reconvened at 12:10 p.m. He again called for public comment; however, none was forthcoming.

Mr. Providenti reviewed the special revenue funds budgets. In response to a question, he advised that the \$6 million allocated to construction of the new gymnasium, under the Quality of Life budget, can be used for capital. "You can build whatever you want with it. It doesn't have to be a gym as long as it's some sort of capital project. You could build a trail or a park or a swimming pool or whatever." In response to a further question, he advised that the funding cannot be used for anything outside of the Quality of Life budget. In response to a question regarding the sewer fund, Mr. Burnham explained the winter average of water use, pursuant to the provisions of the Carson City Municipal Code. He advised that staff has reviewed the winter averaging process, and that adjacent counties are no longer utilizing the winter averaging method. "It was an EPA model ... done many years ago, so we're going to be bringing forward a recommendation to do a flat rate so that we don't do a winter averaging audit every year. Also, it'll save some staff time and it then will stabilize your bill for residential. We would still do it for ... commercial

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and other uses because it makes sense and they're metered differently." Mr. Burnham advised of reductions in the water fund staff. In response to a question regarding the workers compensation fund, Mr. Providenti advised that an actuarial study has been conducted every other year "and at this point we're okay." Mr. Werner provided additional clarification and discussion followed. In response to a question, Mr. Burnham explained the salaries line item as reflected in the RTC fund. Mr. Providenti provided additional clarification, and discussion followed. Supervisors Walt and Aldean commended those City departments which have secured grant funding for positions and / or programs.

Mayor Crowell entertained additional public comment; however, none was forthcoming. Mr. Werner acknowledged sufficient direction for City staff.

21. RECESS BOARD OF SUPERVISORS (12:29:37) - Mayor Crowell recessed the Board of Supervisors at 12:29 p.m. and passed the gavel to Redevelopment Authority Chairperson Shelly Aldean.

REDEVELOPMENT AUTHORITY

22. CALL TO ORDER AND ROLL CALL (12:29:50) - Chairperson Aldean called the meeting to order at 12:29 p.m., noting the presence of a quorum.

23. FINANCE DEPARTMENT - PRESENTATION AND DISCUSSION WITH STAFF OF THE PROPOSED 2012 - 13 FISCAL YEAR BUDGET FOR THE CARSON CITY REDEVELOPMENT AUTHORITY (12:31:34) - Chairperson Aldean introduced this item, and advised that a revised copy of the district breakdowns had been provided to the Redevelopment Authority members and staff during the recess. Mr. Providenti reviewed the agenda materials in conjunction with displayed slides. He and Mr. Werner responded to corresponding questions of clarification. In response to a question, discussion took place regarding the vacant commercial property at the north end of town. Chairperson Aldean entertained questions or comments of the Redevelopment Authority members and of the public. None were forthcoming.

24. ACTION TO ADJOURN (12:43:04) - Member Walt moved to adjourn the Redevelopment Authority meeting at 12:43 p.m. Member Abowd seconded the motion. Motion carried 5-0.

25. RECONVENE BOARD OF SUPERVISORS (12:43:13) - Mayor Crowell reconvened the Board of Supervisors at 12:43 p.m.

26. BOARD OF SUPERVISORS NON-ACTION ITEMS:

STATUS REVIEW OF PROJECTS, CAPITAL PROJECTS STATUS REPORT (12:43:20) - Mayor Crowell introduced this item, and Public Works Department Director Andy Burnham reviewed the agenda materials. In response to a question, he explained the reason for having to rebid the regional pipeline project. In reference to a discussion which took place at a recent Carson Water Subconservancy District meeting, Supervisor McKenna inquired as to the status of water resources. Mr. Burnham advised that the water tables are still up. "We have some additional water rights that we can pull from our induction wells this year principally because Lyon County transferred some of their ... year-round water rights to our wells which gives us additional capacity and utilization of those wells which will help ... a great deal. We

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have a new well 50 on the south end of town that is a pretty good well. We feel pretty confident we're going to get through the season." Mr. Burnham agreed to provide a more detailed presentation at a future meeting.

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS

CORRESPONDENCE TO THE BOARD OF SUPERVISORS

STATUS REPORTS AND COMMENTS FROM BOARD MEMBERS (12:46:52) - Supervisor Abowd advised of having attended the "Arts at the Heart" event yesterday, where the Brewery Arts Center was represented. She commended the event as "a great regional cooperation of what arts and entities are available. ... they're merging culture and the arts together in terms of ... tourism and collaboration of efforts in terms of funding." Supervisor Abowd further advised that the Brewery Arts Center is offering a two for one special ticket price for the community to attend the Good Lovelies concert on Sunday, April 22nd at 7:30 p.m. at the Brewery Arts Center Performance Hall. She provided background information on the Good Lovelies. Supervisor Aldean announced the first Capital City Circles Initiative fund raiser scheduled for 5:00 p.m. on Saturday, April 21st in the Brewery Arts Center ballroom. Mayor Crowell advised that he will be chairing the Governor's Advisory Committee on Sage Grouse.

STAFF COMMENTS AND STATUS REPORTS

27. PUBLIC COMMENT (12:49:30) - Mayor Crowell entertained public comment; however, none was forthcoming.

28. ACTION TO ADJOURN (12:49:40) - A motion was made, seconded, and carried unanimously to adjourn the meeting at 12:49 p.m.

The Minutes of the April 19, 2012 Carson City Board of Supervisors meeting are so approved this 17th day of May, 2012.

ROBERT L. CROWELL, Mayor

ATTEST:

ALAN GLOVER, Clerk - Recorder