

CARSON CITY BOARD OF SUPERVISORS

Minutes of the June 20, 2013 Meeting

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A regular meeting of the Carson City Board of Supervisors was scheduled for 8:30 a.m. on Thursday, June 20, 2013 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Mayor Robert Crowell
Supervisor Karen Abowd, Ward 1
Supervisor Brad Bonkowski, Ward 2
Supervisor John McKenna, Ward 3
Supervisor Jim Shirk, Ward 4

STAFF: Larry Werner, City Manager
Marena Works, Deputy City Manager
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 (8:29:07) - Mayor Crowell called the meeting to order at 8:29 a.m. Roll was called; a quorum was present. Shepherd of the Sierra Lutheran Church Pastor Norm Milz provided the invocation. At Mayor Crowell's request, District Court Judge Todd Russell led the pledge of allegiance.

5. PUBLIC COMMENTS AND DISCUSSION (8:31:25) - Mayor Crowell entertained public comment. (8:31:55) U.S. Army Captain David D. Robinson thanked the Mayor for recognizing the 238th anniversary of the U.S. Army last week, and expressed appreciation "for the City's continued support of recruiting operations." At Supervisor McKenna's request, Captain Robinson introduced Staff Sergeant Stephanie Brown. Supervisor McKenna thanked the U.S. Army for the positive influence on his life, and encouraged anyone "interested in changing their life or expanding their horizons to consider the military." Mayor Crowell thanked Captain Robinson and Staff Sergeant Brown for their service, and advised they would always be welcome at Board of Supervisors meetings. Mayor Crowell entertained additional public comment; however, none was forthcoming.

6. POSSIBLE ACTION ON APPROVAL OF MINUTES - April 4, 2013 (8:35:34) - Mayor Crowell entertained suggested revisions to the minutes. Supervisor McKenna moved to approve the minutes, as presented. Supervisor Abowd seconded the motion. Motion carried 5-0.

7. POSSIBLE ACTION ON ADOPTION OF AGENDA (8:35:49) - Mayor Crowell entertained modifications to the agenda, and Mr. Werner requested to have items 12, 19(B), 22(A) and (B), and the entire Board of Health meeting withdrawn from the agenda. Mayor Crowell entertained additional modifications and, when none were forthcoming, a motion to adopt the agenda. **Supervisor Bonkowski moved to approve the agenda, as amended. Supervisor McKenna seconded the motion.** Mayor Crowell entertained discussion on the motion and, when none was forthcoming, called for a vote. **Motion carried 5-0.**

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8. SPECIAL PRESENTATIONS:

8(A) PRESENTATION OF A PROCLAMATION IN APPRECIATION OF CHIEF JUVENILE PROBATION OFFICER JOHN SIMMS FOR HIS 29 YEARS OF HARD WORK AND DEDICATION TO CARSON CITY (8:37:27) - Mayor Crowell requested the Board members and Chief Juvenile Probation Officer John Simms to join him at the podium, and read into the record the language of the Proclamation, a copy of which was included in the agenda materials. Mayor Crowell presented Mr. Simms with the original Proclamation and thanked him for everything he has done for the community. The Board members, City staff, and citizens present applauded.

(8:39:09) Mr. Simms requested his staff to join him at the podium, and commended their support over the years. He expressed uncertainty with “how to proceed” in consideration of never having “left a job since ... college.” He noted that he had driven into the parking lot of the Juvenile Probation Department more often than he’s “driven in any home or any other place in [his] life.” He expressed the opinion that “part of the reason you stay in a place long is because you have dedicated people like these ... standing up here with me that support you.” He commended the City’s strong management team, and described his experience working with the City “as an absolute pleasure.” He further commended the respect demonstrated among City staff, and attributed it to the Board of Supervisors’ and the City Manager’s leadership. He emphasized that the Juvenile Probation Department staff “work very hard for you; ... that they come to work every day” even in the face of some very serious personal issues and challenges. Mr. Simms thanked District Judges Todd Russell and James Wilson and Court Administrator Maxine Cortes for their support, wisdom, experience, and encouragement.

8(B) PRESENTATION OF A PROCLAMATION RECOGNIZING HANK THE TANK AS CARSON CITY’S OFFICIAL UNOFFICIAL GREETER (8:45:50) - Mayor Crowell introduced this item, and invited Linda Barnett to bring Hank the Tank forward. Mayor Crowell read into the record the language of the Proclamation included in the agenda materials. Ms. Barnett provided background information on Hank the Tank. Mayor Crowell recessed the meeting at 8:50 and reconvened at 8:55 a.m.

8(C) PRESENTATION OF LENGTH OF SERVICE AWARDS FOR CITY EMPLOYEES (8:44:17) - Mayor Crowell introduced his item, and requested Juvenile Probation Department Office Manager Valerie Hill to join him at the podium. He presented Ms. Hill with a Certificate of Appreciation for her hard work and dedication to the City over the last 20 years. Mayor Crowell called for District Attorney’s Office Support Technician Anna Herring; however, she was not present in the meeting room. He requested Human Resources Department Director Melanie Bruketta to forward her Certificate of Appreciation. The Board members, City staff, and citizens present applauded.

9. CONSENT AGENDA (8:55:23) - Mayor Crowell introduced this item, and advised of having been requested to separately hear items 9-1(B) and 9-3(C). He entertained requests to hear additional items separate from the consent agenda. When no requests were forthcoming, he entertained a motion to adopt the consent agenda, as published, with the exception of items 9-1(B) and 9-3(C). **Supervisor McKenna moved to approve the consent agenda, consisting of one item from the District Attorney; one item from the Assessor; two items from Purchasing and Contracts; one item from the City Manager; one item from Fire; and one item from Finance. Supervisor Abowd seconded the motion.** Mayor Crowell entertained discussion on the motion and, when none was forthcoming,

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called for a vote. **Motion carried 5-0.**

9-1. DISTRICT ATTORNEY

9-1(A) POSSIBLE ACTION TO APPROVE, PURSUANT TO SECTION 3.070(3) OF THE CITY CHARTER, AMENDMENT #1 TO THE INDEPENDENT CONTRACTOR AGREEMENT, BETWEEN THE DISTRICT ATTORNEY AND THE LAW FIRM OF ARMSTRONG TEASDALE, LLP, FOR SPECIAL DEPUTY DISTRICT ATTORNEY SERVICES TO REPRESENT THE PUBLIC WORKS DEPARTMENT IN CONTRACT MATTERS PRIMARILY INVOLVING A COST OVERRUN CLAIM BY PEEK CONSTRUCTION COMPANY DBA E. CAMINO CONSTRUCTION IN NORTH - SOUTH WATER TRANSMISSION MAIN PROJECT, PHASE I

9-1(B) POSSIBLE ACTION TO APPROVE THE CORRECTION OF THE FY 2013 / 14 BUDGET FOR THE OFFICE OF THE DISTRICT ATTORNEY TO RETAIN AND RESTORE ONE SENIOR DEPUTY DISTRICT ATTORNEY POSITION THAT WAS UNDERFILLED IN FY 2012 / 2013 (10:03:12) - Mayor Crowell introduced this item and Mr. Werner reviewed the agenda materials. Supervisor Bonkowski clarified that, after having talked with the District Attorney, the true additional impact to the general fund is approximately \$30,000. Mr. Werner further clarified that the funding is currently available “to carry it for a certain period of time and then, down the road, ... we’d have to look at augmenting that. Mainly, we wanted to get the range in there and the position in there and the ability for the District Attorney to be able to fill that.”

Mayor Crowell entertained public comment; however, none was forthcoming. In response to a question, District Attorney Neil Rombardo advised that his salary is established by statute. A brief discussion followed. Mayor Crowell entertained a motion. **Supervisor Bonkowski moved to approve the correction of the allocated deputy district attorney position in the 2013 / 14 budget, for the Office of the District Attorney, to restore and retain one senior deputy district attorney position, with a salary range of \$73,303.24 to \$102,623.62. Supervisor Abowd seconded the motion. Motion carried 5-0.**

9-2. ASSESSOR - POSSIBLE ACTION TO ACCEPT THE ANNUAL REPORT OF THE CARSON CITY ASSESSOR PURSUANT TO NRS 250.085

9-3. PURCHASING AND CONTRACTS

9-3(A) POSSIBLE ACTION TO ACCEPT THE CARSON CITY AUDIT COMMITTEE’S RECOMMENDATION TO APPROVE AMENDMENT NO. 2 TO CONTRACT NO. 1112-133 WITH MOSS-ADAMS, LLP (CERTIFIED PUBLIC ACCOUNTANTS), TITLED “INTERNAL AUDITING SERVICES,” TO INCREASE THE CONTRACT TERM FROM JUNE 30, 2013 TO SEPTEMBER 30, 2013

9-3(B) POSSIBLE ACTION TO DETERMINE THAT TRUCKEE MEADOWS CONSTRUCTION, INC. IS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER, PURSUANT TO NRS CHAPTER 338, AND TO AWARD CONTRACT NO. 1213-184, CARSON CITY SENIOR CENTER FLOOR REPLACEMENT PROJECT, TO TRUCKEE MEADOWS CONSTRUCTION, INC. FOR A BID AMOUNT OF \$140,867.30 (BASE BID PLUS BID ALTERNATES), PLUS A CONTINGENCY AMOUNT NOT TO EXCEED \$9,132.70, TO BE

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**FUNDED FROM THE BUILDINGS / SENIOR CENTER DINING ROOM ACCOUNT FUND,
AS PROVIDED IN FY 2013 / 2014**

9-3(C) POSSIBLE ACTION TO APPROVE CONTRACT NO. 1213-172 FOR CARSON CITY COMMUNITY CENTER LED SIGN PROJECT, IN THE AMOUNT OF \$100,716.00, TO CUSTOM SIGN AND CRANE, TO BE FUNDED FROM THE CAPITAL OUTLAY / CC READERBOARD ACCOUNT FOR FY 2013 / 2014 (10:07:12) - Mayor Crowell introduced this item, and Purchasing and Contracts Manager Kim Belt reviewed the agenda materials. In response to a question, Project Manager Tom Grundy explained the difference between the initial cost estimates and the final cost. Mr. Werner further clarified that the increased cost was due in part to the sign foundation. "When we initially looked at the cost, the foundation of the existing sign was ... to be reused and then, it turns out, that foundation was not suitable."

(10:10:10) In response to a question, SignPro Owner Steve Reynolds advised that replacement panels will be set aside "so that five years, ... six years down the line, when that might be an issue, we can match it as close as possible. The fact that you've got a panel that you're replacing, a panel that's being used with one that hasn't, is going to create some variation by itself. ... it's going to be interesting ... because the technology is so much better now and it's changed since those signs in Reno ... went up. ... there's not a sign like what we are considering putting up now ... that's been up for ten years."

(10:12:19) In response to a question, Carson City Chamber of Commerce Executive Director Ronni Hannaman advised that a check, in the amount of \$8,000, was issued to the Public Works Department from donations collected for the sign. In addition, an interdepartmental transfer of \$1,000 was made from the Fire Department. Supervisor Bonkowski requested Ms. Hannaman to relay the Board's appreciation to the businesses which donated the funding.

Mr. Grundy responded to questions of clarification regarding the position of the sign, protection from vandalism, and the anticipated completion date. Mayor Crowell entertained additional questions or comments of the Board members and, when none were forthcoming, public comments. When no public comment was forthcoming, he entertained a motion. **Supervisor Abowd moved to approve Contract No. 1213-172 for Carson City Community Center LED Sign Project, in the amount of \$100,716.00, to Custom Sign and Crane, to be funded from the Capital Outlay / Carson City Readerboard accounts for FY 2013 / 2014. Supervisor Bonkowski seconded the motion. Motion carried 5-0.**

9-4. CITY MANAGER - POSSIBLE ACTION TO RATIFY THE APPROVAL OF BILLS AND OTHER REQUESTS FOR PAYMENTS BY THE CITY MANAGER FOR THE PERIOD OF MAY 7, 2013 THROUGH JUNE 10, 2013

9-5. FIRE DEPARTMENT - POSSIBLE ACTION TO ADOPT CHANGES TO THE 9-1-1 SURCHARGE MASTER PLAN

9-6. FINANCE DEPARTMENT - POSSIBLE ACTION TO ACCEPT THE REPORT ON THE CONDITION OF EACH FUND IN THE TREASURY AND THE STATEMENTS OF RECEIPTS AND EXPENDITURES, THROUGH JUNE 11, 2013, PURSUANT TO NRS 251.030

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AND NRS 354.290

10. RECESS BOARD OF SUPERVISORS (8:56:21) - Mayor Crowell recessed the Board of Supervisors at 8:56 a.m.

LIQUOR AND ENTERTAINMENT BOARD

11. CALL TO ORDER AND ROLL CALL (8:56:21) - Chairperson Crowell called the Liquor and Entertainment Board to order at 8:56 a.m.

12. POSSIBLE ACTION ON APPROVAL OF MINUTES (8:56:28) - Deferred.

13. PUBLIC WORKS DEPARTMENT, BUSINESS LICENSE DIVISION - POSSIBLE ACTION TO APPROVE CHANGING THE GALAXY FANDANGO 10 LIQUOR LICENSE (LIQUOR LICENSE NO. 13-25892, LOCATED AT 4000 SOUTH CURRY STREET, CARSON CITY, FROM DINING ROOM WITH BEER AND WINE TO DINING ROOM WITH HARD LIQUOR (8:56:36) - Mayor Crowell introduced this item, and Senior Business License Technician Lena Reseck reviewed the agenda materials, noting staff's recommendation of approval. (8:57:17) Mayor Crowell invited Rafe Cohen to the podium, and he explained the purpose for the requested change. In response to a question, Mr. Cohen expressed the opinion that the Galaxy Fandango is "doing very well. We haven't had any problems or complaints. We card everybody." In response to a question, he advised that alcohol is permitted for consumption anywhere in the building. "But ... we don't have barstools. You can't sit there and drink for a long period of time. We don't have tables. It's for someone who, currently, gets a beer, maybe a popcorn and goes in and watches a movie. And so that's where it's consumed. It's really not a place where people go to drink excessively because, one, we're not cheap in what we charge for a drink as compared to casinos ... So, people typically will buy a drink and then go in to see a movie ... and they typically don't come back out." Member McKenna requested Mr. Cohen to be aware of the possibility of an adult purchasing alcohol for a minor and requested him to consider implementing a monitoring program.

(9:00:00) Clinton Leazer described theater checks which are conducted by employees. "And so, at that point in time, we can ... monitor to a certain level ... And we have individuals who go up the stairs ... checking for outside food and drink." Mr. Leazer suggested that the employees could check on "who is ... consuming the alcohol." Member McKenna reiterated a suggestion to consider signage. In response to a question, Ms. Reseck advised that the Galaxy Fandango has never been cited for serving alcohol to a minor. Discussion followed.

Chairperson Crowell entertained additional board member questions or comments and, when none were forthcoming, public comment. When no public comment was forthcoming, he entertained a motion. **Member Abowd moved to approve changing the Galaxy Fandango 10 liquor license, liquor license number 13-25892, located at 4000 South Curry Street, Carson City, from dining room with beer and wine to dining room with hard liquor. Member McKenna seconded the motion. Motion carried 6-0.** Chairperson Crowell thanked Mr. Cohen and Mr. Leazer.

14. PUBLIC COMMENT (9:02:49) - Chairperson Crowell entertained public comment; however, none was forthcoming.

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15. ACTION TO ADJOURN LIQUOR AND ENTERTAINMENT BOARD (9:02:54) - Chairperson Crowell adjourned the Liquor and Entertainment Board at 9:02 a.m.

16. RECONVENE BOARD OF SUPERVISORS (9:02:58) - Mayor Crowell reconvened the Board of Supervisors at 9:02 a.m.

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

17. CITY MANAGER - PRESENTATION AND POSSIBLE DISCUSSION OF 2013 LEGISLATIVE MATTERS (9:03:01) - Mayor Crowell introduced this item. Mr. Werner introduced Steve and Mary Walker, of Walker & Associates, and provided an overview of this item. (9:03:21) Mary Walker introduced herself for the record and reviewed the June 10, 2013 memo which was included in the agenda materials. (9:38:31) Steve Walker reviewed that portion of the memo pertinent to water and natural resources, and responded to questions of clarification.

Supervisor McKenna expressed the firm belief that “the people of Carson City should have almost an absolute right to run the affairs of Carson City. But, it’s my impression that many people at the Legislature, from Las Vegas, asserted control over locals and especially Carson City more than ... ever ... in the past.” Supervisor McKenna requested a special Board meeting to discuss the interim study “so we can formulate rough positions ...” He expressed concern that the “we’re in charge, it’s our legislature, we’re going to control what you do in Carson City ... is going to become much more prevalent next session.” He expressed appreciation that reasonable opinions “came to the fore, but the unreasonable opinions, such as moving the entire State government to Las Vegas, were probably very vocal and just about wouldn’t take much for them to do that.” Supervisor McKenna discussed concerns regarding ward voting and requested to discuss, as a Board, the bond refinance bill, and the bill relative to ambulance services. “It’s this removal of local control. There was a local control bill in there from NACo. It was basically laughed at. Nobody in Las Vegas thinks that Carson City citizens have the right to vote the way they want and to run their city the way they want.” Supervisor McKenna requested to discuss the necessity of the City Charter and the necessity of the Charter Review Committee. He expressed concern that “Las Vegas legislators and political legislators are using those for their own purposes. For example, ward voting; that was to gain more seats. One party would gain more seats so they were going to ... remove three-quarters of the people’s right to vote for people here in Carson City. So, whatever you can do, you and Larry, bring it to us. Let’s get involved in politics, let’s have this Board making positions because ... we’re under attack.”

At Supervisor Abowd’s request, Ms. Walker provided additional information regarding the redevelopment revolving loan bill. In response to a question, Ms. Walker discussed the various reporting methods and responded to follow up questions of clarification. Discussion took place regarding the enterprise fund. At Supervisor Bonkowski’s request, Ms. Walker discussed the impact of term limits on the number of bills “left on the board” at the end of the Legislative session. In consideration of Supervisor McKenna’s comments, Mayor Crowell suggested considering the “right case to overturn Dillon’s Rule; ... put it in the judicial system and let’s see what we can do.” He agreed with Supervisor McKenna’s concerns in that “the capital D on Dillon’s Rule is getting bigger and bigger.” Mayor Crowell entertained public comment and, when none was forthcoming, thanked Mr. and Mrs. Walker for their presentation.

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18. ANY ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME (10:03:10) - Please see the minutes for items 9-1(B) and 9-3(C).

19. PURCHASING AND CONTRACTS

19(A) POSSIBLE ACTION TO REJECT ALL BIDS RECEIVED IN RESPONSE TO NOTICE TO CONTRACTS ADVERTISEMENT 1213-180 TITLED, "WASTEWATER RECLAMATION PLANT DIGESTER REHABILITATION PROJECT - PHASE 1," AND AUTHORIZE STAFF TO RE-BID THE PROJECT (10:15:00) - Mayor Crowell introduced this item. Purchasing and Contracts Manager Kim Belt reviewed the agenda materials, and responded to questions of clarification. In response to a further question, Deputy Public Works Director Darren Schulz explained that the demolition associated with the project is very difficult to clarify and, therefore, to estimate. "When we got these bids in, we started analyzing them, and it became clear to us that we had oversimplified things when it came down to that risk of the contractor. ... and that was clear to us because of the variation ... in the numbers between the four different bidders ..." Mr. Schulz further explained that each bid item was clarified so that all contractors will bid the exact same things. That will produce a balanced bid which is not to say this will reduce the bid by \$300,000 or \$400,000. "We still believe that this is going to come in above our estimate and the reason for that is just ... because the technical ... work is difficult." Mr. Schulz acknowledged that the demolition involves a "very combustible gas ... and that all has to be drained and properly dealt with. ... It's a tricky project."

In response to a question, Ms. Belt explained the bid tabulation report process. Mr. Werner further clarified the statutory requirement to accept the lowest responsible bidder. He responded to additional questions of clarification, and discussion followed.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor McKenna moved to reject all bids received in response to Notice of Contracts advertisement 1213-180, titled, "Wastewater Reclamation Plant Digester Rehabilitation Project, Phase 1," and authorize staff to rebid the project. Supervisor Bonkowski seconded the motion. Motion carried 5-0.** Mayor Crowell recessed the meeting at 10:27 a.m.

19(B) POSSIBLE ACTION TO APPROVE CONTRACT NO. 1213-120 FOR CARSON CITY TEMPORARY STAFFING SERVICES IN THE AMOUNT OF \$1,000,000.00 TO SPHERION STAFFING TO BE FUNDED FROM THE VARIOUS CITY DEPARTMENT HOURLY ACCOUNTS FOR FY 2013 / 2014 - Withdrawn.

20. FINANCE DEPARTMENT

20(A) POSSIBLE ACTION TO ENTER INTO AN EXCESS LIABILITY INSURANCE POLICY WITH NEW YORK MARINE INSURANCE COMPANY FOR EXCESS WORKERS COMPENSATION LIABILITY INSURANCE SERVICES, FOR A TOTAL PREMIUM OF \$83,549 (10:36:12) - Mayor Crowell reconvened the Board of Supervisors at 10:36 a.m., and introduced this item. Finance Department Director Nick Providenti reviewed the agenda materials, noting a correction in that "the actual cost of the liability insurance premium will be \$84,048." He acknowledged that the coverage will be the same.

(10:38:12) In response to a question, Wells Fargo Insurance Services Representative Brandon Lewis explained the differences in the insurance company ratings. In response to a further question, he

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suggested considering the lower rating “because workers comp is such a long-term issue in terms of claims.” He advised that “Midwest is a good company, a very strong company. We’ve seen them, the last few years, with our clients increase rates ten to fifteen percent or more a year. And we saw that last year.” Mr. Lewis acknowledged that the Midwest bid was \$92,006.

Mr. Providenti acknowledged the balance in the City’s workers compensation fund will be \$3.5 million by the end of the year. In response to a further question, he advised “we haven’t seen any big claims and we’re working very hard to minimize those types of claims.” Mr. Werner further clarified that “most of the exposure is probably heart / lung ... and those tend to be drawn out over a long period of time. Not a bunch of cash up front but a longer draw so that we’re able to pay those off without having to go to excess coverage.” Mr. Providenti acknowledged there is no anticipation of any unfunded liability.

In response to a question, Mr. Providenti compared the premiums under the Public Agency Compensation Trust (“PACT”), and anticipated that “at this point in time, they’d be over \$2 million a year for a fully funded plan.” He advised that self-funded insurance will save approximately \$1 to \$1.2 million “because the actual claims are probably \$500,000 or \$600,000 versus the actual insurance premium that we were paying with PACT.” In response to a further question, he advised that the savings is spread over “all funds because we’ve reduced the amount of the actual premium that we’re charging the other funds based on the employees. So we’ve reduced the general fund, we’ve reduced water, sewer; all the funds that have employees have gotten reduced workers comp rates because we ... basically don’t need the money. We’ve gotten \$3.5 million in the workers comp fund. We recently had a study done indicating that we probably only need about \$2.5 million in that fund at this time. The legislature is requiring us to do a 30-year study and they’re saying at the end of 30 years, we’re thinking that we’re probably going to need between \$6 and \$7 million. So present value of the numbers are \$2.5 million at this point. We think we’re fine based on the actuarial study that was done. It’s nice to have a fully insured program, but it’s very expensive so you’re just weighing the risk ...” Discussion followed.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Abowd moved to enter into an excess liability insurance policy with New York Marine Insurance Company for excess workers compensation liability insurance services, for a total premium of \$84,048. Supervisor Bonkowski seconded the motion. Motion carried 5-0.**

20(B) POSSIBLE ACTION TO ESTABLISH A VOCATIONAL REHAB DIVISION IN THE WORKER’S COMPENSATION INTERNAL SERVICE FUND (10:47:18) - Mr. Providenti introduced this item, and reviewed the agenda materials. Discussion took place to clarify the purpose for the vocational rehabilitation division. In response to a question, Mr. Providenti advised that establishing the vocational rehabilitation division will not have a fiscal impact on the City’s budget. “When we actually transfer employees in there it will, and we’ll determine those amounts at [that] time. So we’re not asking you to transfer any employees over at this time. We’ll probably be asking you again in the next month or so ... Anytime that we want to transfer an employee into that division, we’ll do a Board action and come before the Board and request that. And we’ll ... give you the impact at that time.” Mr. Providenti acknowledged that transferring an employee into the vocational rehabilitation division will impact the workers compensation fund. In response to a further question, he advised that the administrative costs associated with establishing the subject division would be

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absorbed. He and Mr. Werner responded to further questions of clarification relative to the purpose for the vocational rehabilitation division.

Mayor Crowell entertained additional questions or comments and, when none were forthcoming, a motion. **Supervisor McKenna moved to establish a vocational rehab division in the workers compensation internal service fund. Supervisor Abowd seconded the motion.** Mayor Crowell entertained discussion on the motion and, when none was forthcoming, called for a vote. **Motion carried 5-0.**

20(C) POSSIBLE ACTION TO ENTER INTO INSURANCE AGREEMENTS WITH PUBLIC ENTITY PROPERTY INSURANCE PROGRAM (“PEPIP”) FOR PROPERTY INSURANCE, INCLUDING AUTOMOBILE PHYSICAL DAMAGE, AT A TOTAL PREMIUM OF \$345,470; TRAVELERS INSURANCE COMPANY FOR EXCESS LIABILITY COVERAGE AT A TOTAL PREMIUM OF \$361,622; GREAT AMERICAN FOR GOVERNMENT CRIME INSURANCE AT A TOTAL PREMIUM OF \$9,745; AND WITH ILLINOIS UNION FOR LANDFILL POLLUTION LEGAL LIABILITY INSURANCE AT A TOTAL PREMIUM OF \$12,518, FOR A GRAND TOTAL OF \$729,355, FOR FY 2013 / 2014 (10:55:52) - Mr. Providenti introduced and provided background information on this item, and reviewed the agenda materials. (10:58:02) Wells Fargo Insurance Services Senior Vice President Gary Roberts provided additional background information on this item and on the Public Entity Property Insurance Program (“PEPIP”). In response to a question, Mr. Werner advised that the \$25,000 deductible has been in place for approximately five to six years. “The ones we’re worried about are fire trucks; big, heavy duty equipment, those kinds of things that cost you tens of thousands beyond the \$25,000 or a half million dollars ... By doing that, ... we’ve kept our premiums at a reasonable rate”

In response to a question, Mr. Roberts advised that the City of Reno has switched to the PEPIP and Wells Fargo Insurance Services has proposed that the City of Sparks and Washoe County also make the switch. He responded to questions relative to possible claim scenarios and assured the Board “it’s not all one carrier. It’s a combination of insurance carriers that are Bermuda-based, London-based, and domestic carriers. And when they layer up this coverage, they use a series of different policies to do that and you are not necessarily with the same carriers that the City of Reno is. You are paying for that. The majority of your premium, if we really broke this down, would be flood and earthquake. So you’re buying your own separate limits through your own separate carriers.” In response to a comment, Mr. Roberts provided additional background information on the reasons for Affiliated FM Insurance Company changing their earthquake insurance guidelines for the Northern Nevada area.

Mayor Crowell entertained additional Board member questions or comments and, when none were forthcoming, public comments. When no public comments were forthcoming, he entertained a motion.

Supervisor Bonkowski moved to enter into insurance agreements with Public Entity Property Insurance Program for property insurance, including automobile physical damage, at a total premium of \$345,470; Travelers Insurance Company for excess liability coverage, at a total premium of \$361,622; Great American for government crime insurance, at a total premium of \$9,745; and with Illinois Union for Landfill Pollution Legal Liability insurance, at a total premium of \$12,518, for a grand total of \$729,355 for FY 2013 / 2014. Supervisor Abowd seconded the motion. Motion carried 5-0. Mr. Roberts expressed appreciation to the City staff and to the Board of Supervisors for the City’s business.

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21. PUBLIC WORKS DEPARTMENT, PLANNING DIVISION

21(A) POSSIBLE ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE AMENDING THE CARSON CITY MUNICIPAL CODE, TITLE 18, ZONING, CHAPTER 18.03, DEFINITIONS, SECTION 18.03.010, WORDS AND TERMS DEFINED, AMENDING THE DEFINITION OF “KENNEL” TO INCREASE THE NUMBER OF DOGS DEFINED AS CONSTITUTING A KENNEL FROM FOUR TO TEN; AMENDING CHAPTER 18.04, USE DISTRICTS, SECTION 18.04.040, SINGLE FAMILY FIVE ACRE, TO ADD THE TERM “KENNEL” FOR CODE CONSISTENCY; AND AMENDING SECTION 18.04.130, RETAIL COMMERCIAL, TO ADD THE TERM “KENNEL” FOR CODE CONSISTENCY, AND OTHER MATTERS PROPERLY RELATED THERETO (11:05:30) - Mayor Crowell introduced this item, and Planning Division Director Lee Plemel reviewed the agenda materials. In response to a question, Mr. Plemel advised of having received no public comment on the proposed ordinance. He responded to questions of clarification regarding the provisions of the proposed ordinance.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Abowd moved to introduce, on first reading, Bill No. 115, an ordinance amending the Carson City Municipal Code, Title 18, Zoning, Chapter 18.03, Definitions, Section 18.03.010, Words and Terms Defined, amending the definition of “kennel” to increase the number of dogs defined as constituting a kennel from four to ten; amending Chapter 18.04, Use Districts, Section 18.04.040, Single Family Five Acre, to add the term “kennel” for code consistency; and amending Section 18.04.130, Retail Commercial, to add the term “kennel” for code consistency; and other matters properly related thereto. Supervisor Bonkowski seconded the motion. Motion carried 5-0.**

21(B) POSSIBLE ACTION TO CONDUCT A PUBLIC HEARING AND TAKE PUBLIC COMMENT REGARDING A PROPOSED AMENDMENT TO CARSON CITY’S CDBG (COMMUNITY DEVELOPMENT BLOCK GRANT) 2013 - 14 ANNUAL ACTION PLAN (11:11:30) - Mayor Crowell introduced this item, and opened the public hearing. Mr. Plemel reviewed the agenda materials and responded to questions of clarification. Mayor Crowell entertained public comment and, when none was forthcoming, Mr. Plemel requested anyone interested in submitting questions or comments to contact the Planning Division. In response to a question, Mr. Werner advised that the public comment period would remain open for thirty days. No formal action on this item was required. Mayor Crowell closed the public hearing.

22. SUPERVISOR SHIRK

22(A) POSSIBLE ACTION: CITY MANAGER SHALL GIVE DIRECTION TO CITY STAFF AND ALL CITY DEPARTMENT MANAGERS THAT: “IF THEY COMMUNICATE WITH ANY MEMBER OF THE BOARD OF SUPERVISORS AND DISCUSS ANY CITY ISSUE, OR OTHER SUCH RELATED MATERIAL, THAT THE CITY MANAGER, CITY STAFF AND ALL CITY DEPARTMENT MANAGERS SHALL THEN FORWARD TO ALL SUPERVISORS THIS INQUIRY AND THEIR RESPONSE.” - Withdrawn.

22(B) POSSIBLE ACTION TO GIVE DIRECTION TO CITY STAFF AND ALL CITY DEPARTMENT MANAGERS THAT “IF THEY COMMUNICATE WITH CITIZENS MAKING INQUIRIES, COMPLAINTS, OR ANY OTHER SUCH RELATED SUBJECT MATTER THAT ALL BOARD OF SUPERVISORS SHALL BE CC ALL SUCH

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CORRESPONDENCE” - Withdrawn.

22(C) POSSIBLE ACTION FROM THE CARSON CITY, NEVADA - BOARDS, COMMITTEES, AND COMMISSIONS POLICIES AND PROCEDURES; REQUEST THE REMOVAL OF THE FOLLOWING STATEMENT FROM PAGE 6 OF 16 - BACKGROUND CHECK: THE BOARD OF SUPERVISORS MAY REQUIRE A PRE-APPOINTMENT BACKGROUND CHECK FOR ANY POSITION IF DEEMED WARRANTED; THE COST OF THE BACKGROUND CHECK WILL BE BORNE BY THE CITY (11:19:11) - Mayor Crowell introduced this item, and Supervisor Shirk advised of having talked with the City Manager about the subject item. He reviewed the agenda report, and expressed the belief that the requirement for a background check “should be more narrowed in the definition rather than such a wide open policy.” He acknowledged that the previous Board of Supervisors approved the subject policies and procedures, but suggested the current Board should “re-evaluate this, think about it, and maybe make some corrections that it would be equally applied however it may go down the line rather than such a wide open area where it could apply to anybody.”

In response to a question, Mr. Werner advised that the City Manager’s Office has not conducted a background investigation on any board / commission / committee candidate. He further advised of having informed Supervisor Shirk that the policy states the Board can require a background check for the position. He explained the intent of the policy “that if we formed a committee that we felt warranted having background checks, we would come back to the Board and say, ‘We think this committee, the appointees, ought to have background checks,’ and you then would either concur or not concur.” Supervisor Abowd advised that “the logic behind the thought process, when we debated this at length, was just as [Mr. Werner] stated. ... and it allowed us to go on a position by position basis; basically, depending on if it were warranted or not and the Board would make that decision ultimately.”

Supervisor McKenna expressed the opinion that the Board “went way too far into big brotherism when we passed this regulation when it had to deal with certain people cannot serve and background checks ... as long as you’ve got your civil rights, you should be able to serve on a City committee unless you’re a danger to other participants on that committee ...”

Supervisor Shirk expressed concern over the method by which the requirement is applied, and the opinion that “it should be ... not for an individual or a position, but for the Board can ask for background check for any total committee, board, ... that meets. Everybody who serves on that particular committee or board would have a background check, but to have it open to independent selection of individuals ... is wrong.” Supervisor Abowd agreed and expressed the opinion “that was the understanding ...; that depending on the committee, if it were applicable, anybody applying for that particular committee would be subject to that. It wasn’t meant to be selected or targeted.” Supervisor Bonkowski suggested the following revision: “The Board of Supervisors may require a background check for any committee, if deemed warranted.” Supervisor Shirk agreed with the suggested revision. Extensive discussion followed.

In response to a question, Mr. Munn advised that a determination would have to be made as to “whether the policy is a duty that must be performed or whether it’s a policy of discretion; whether your discretionary immunities still apply or whether you’re going to be held to the standard of a policy you didn’t follow.” Mr. Munn advised that the policy relative to background checks “is whether ... a majority of this Board believes is warranted in a circumstance. That’s really a discretionary act ... It’s

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not an absolute policy that in certain circumstances you will do a background check because if you didn't do that in those certain circumstances, then you would have a liability issue that would attach to the fact pattern. As long as it's still discretionary, you're still within your discretionary immunities."

In response to a further question, Mr. Munn advised that "for employment purposes, ... you do certain kinds of background checks. It's a question of depth. ... when you're calling references, you're doing a background check." In response to a further question, he advised the Board has "the discretion to do any kind of background check that you feel is appropriate for the purposes of appointing someone to a board." Following a brief discussion, Mr. Munn suggested "the check and balance in this is that a majority of the Board believes that there's a particular position or candidate, in this case, that you have concerns with and maybe a background check would be appropriate." Mr. Werner advised that candidates for City employment are notified that they will be subject to a background check for certain positions. By applying, they consent to that. Additional discussion followed.

Supervisor Bonkowski expressed understanding for "both sides of the argument" and Supervisor Shirk's concerns. Supervisor Bonkowski did not see "any evidence that this policy is being abused or that it's a problem at this point." He suggested "leaving it alone until it's shown ... that it is a problem; that it's either abused or that it's not working."

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor McKenna moved to approve the removal, from the Policies and Procedures for Boards, Committees, and Commissions, the statement from page 6 of 16, Background Checks. Supervisor Shirk seconded the motion. Motion failed 2-3.**

22(D) POSSIBLE ACTION TO APPROVE THE REMOVAL FROM THE POLICY AND PROCEDURES FOR BOARDS, COMMITTEES, AND COMMISSIONS THE FOLLOWING STATEMENT FROM PAGE 8 OF 16 - LISTED UNDER THE SUBTITLE: REMOVAL OF MEMBERS - EXCEPT AS OTHERWISE LIMITED BY APPLICABLE LAW OR ORDINANCE, THE BOARD OF SUPERVISORS MAY, BY THE MAJORITY VOTE, REMOVE ANY OF THE APPOINTED MEMBERS OF A CITY BOARD, COMMISSION, OR COMMITTEE FOR CAUSE BASED ON THE BOARD OF SUPERVISORS' REASONABLE DISCRETION; MEMBERS REMOVED BY THE BOARD SHALL BE SO NOTIFIED; IF THE MEMBER WAS APPOINTED BY AND REPRESENTS ANOTHER ORGANIZATION OF GOVERNMENT JURISDICTION, THE AGENCY SHALL BE NOTIFIED OF THE BOARD'S DESIRE THAT THE MEMBER BE LAWFULLY REMOVED (11:39:44) - Mayor Crowell introduced this item, and Supervisor Shirk reviewed the agenda materials. Supervisor Shirk expressed the opinion that "when citizens come forward to volunteer, they should be allowed to continue their service until such a time that they are not law abiding citizens. It is not up to this Board of Supervisors to determine behavioral habits of citizens as being reasonable discretion for their removal." He responded to questions of clarification.

In response to a question, Human Resources Department Director Melanie Bruketta advised of having had a previous problem with a Library Board member who was unable to attend meetings. She further advised that the Library Board Bylaws require the matter to be forwarded to the Board of Supervisors for a decision relative to such a member being able to continue. She noted that members being unable to attend meetings can create a problem for a board, commission, or committee to take action.

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Supervisor McKenna expressed a reluctance “to give up a right to remove because there are situations in which [he] ... may want to vote to remove somebody. For example, had we not gotten modifications to the Charter Review Committee, [he] may have wanted to pull [his] appointee to the Charter Review Committee and put [himself] on it.” Supervisor McKenna expressed appreciation and understanding for the discussion, but reiterated a reluctance to give up a right to remove a board, commission, or committee member. In reference to Ms. Bruketta’s comments, Mr. Werner reviewed the provisions of the attendance policy and noted the importance of balance.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Shirk moved to approve the removal from the Policy and Procedures for Boards, Committees, and Commissions of the following statement from page 8 of 16, listed under the subtitle REMOVAL OF MEMBERS. Supervisor McKenna seconded the motion** “for the purpose of the vote.” Mayor Crowell called for a vote on the pending motion. **Motion failed 1-4.**

23. CITY MANAGER - POSSIBLE ACTION TO REVIEW THE CRITERIA, GOALS, AND OBJECTIVES BY THE BOARD OF SUPERVISORS AND CITY MANAGER LARRY WERNER, BASED UPON THEIR CONTINUING RELEVANCE AND CHANGING PRIORITIES OF THE BOARD FOR POSSIBLE ADDITIONS OR DELETIONS OR MODIFICATIONS WHICH MIGHT CONSTITUTE AN ADVERSE ADMINISTRATIVE ACTION RELEVANT TO THE CITY MANAGER (11:46:45) - Mayor Crowell introduced this item. Human Resources Department Director Melanie Bruketta provided an overview of this item, and reviewed the agenda report.

Ms. Bruketta reviewed that portion of the 2012 / 2013 Initiatives Update for the Period Ending June 30, 2013 relative to the Human Resources Department. Supervisor Bonkowski requested to have a column added to future Initiatives Updates indicating the primary manager for each program. Ms. Works introduced Planning Division Director Lee Plemel to provide a status report on the Initiative to adopt specific design standards for commercial development and public use development within the V&T Specific Plan Area to protect the scenic quality of the V&T route. Supervisor Bonkowski requested to discuss with the V&T Railway Commission to add a link from their website to the City’s website or the City’s community calendar. Supervisor Abowd advised that the same issue was raised at a Convention and Visitors Bureau Board meeting, and that it is being addressed. Mayor Crowell advised that he would convey the request to the V&T Railway Commission, and discussion followed.

Parks and Recreation Department Director Roger Moellendorf provided a status report on the Initiatives to pursue an amended joint use agreement with the School District, Silver State Charter School, and other entities for all facilities, including the theater; to explore the development of a cooperative marketing program in conjunction with the Carson City Convention and Visitors Bureau of the Carson Area Chamber of Commerce; and to make regular requests to organizations that operate facilities that support arts and culture activities and report back on the response to the Board of Supervisors. Mr. Moellendorf acknowledged that the multi-use athletic center has been included in discussions relative to developing the cooperative marketing program. In response to a further question, he discussed possibilities for a reciprocal agreement, between the City’s Parks and Recreation Department and the Brewery Arts Center (“BAC”), to utilize their black box theater and make the Bob Boldrick Theater available to the BAC for events which potentially exceed the seating capacity of the BAC’s

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performance theater. Discussion took place regarding the need to redefine the focus of the initiative to make regular requests to organizations that operate facilities which support arts and culture activities.

Ms. Works provided a status report on the initiatives to plan and hold semi-annual town hall meetings; to design a citizen survey to gather priority and performance information with regard to services; and to develop a position in the City that can offer assistance to all departments in communicating their information to the public. In response to a question, she anticipates that town hall meetings will be held twice a year. In response to a question, Mr. Werner discussed the possibility of posting a frequently asked questions page on each department's website. Discussion followed.

Finance Department Director Nick Providenti provided a status report on the initiatives to prepare financial policies for approval by the Board and to develop a cascading system of scorecards that tie financial resources to outcomes. Mr. Werner provided additional clarification. Mayor Crowell suggested renaming the initiative to develop a cascading system of scorecards that tie to "performance based budgeting," and Mr. Werner agreed that this would better define the initiative. Discussion followed. Ms. Works provided

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a status report on the initiative to provide opportunities for regular tours of various City departments by the Board of Supervisors.

Mayor Crowell entertained public comment and, when none was forthcoming, additional Board member questions or comments. In response to a question, Mr. Werner reviewed the Board's strategic planning review process which takes place at the beginning of each year. He advised that the initiatives included in the agenda materials would be "our work plan to take us through December. Then, in January, we'll do another goal setting where we'll ... again look at the goals and then identify those initiatives that may be more pertinent. We can take the ones that we've completed off the list, take a look at the ones that ought to be done ... for the next year. And ... come back again in June of next year, look at the initiatives to see if we need to do some course correction and redo those again in December / January." Discussion ensued.

Mayor Crowell called again for public comment and, when none was forthcoming, entertained a motion. **Supervisor Abowd moved to keep the established criteria, goals, and objectives in place, as stated, with the following exceptions: Under an Active and Engaged Community, the Parks and Recreation Department staff will refocus the initiative to make regular requests to organizations that operate facilities which support arts and culture activities; under an Open and Accessible Government, that a frequently asked questions section will be added to each department's website, and that the performance based budgeting process will be implemented; and that all of these initiatives will be accomplished as soon as is feasible for the proper operation of the City and the attainment of the Board of Supervisors' policy objectives. Supervisor Bonkowski seconded the motion. Motion carried 5-0.**

**24. BOARD OF SUPERVISORS NON-ACTION ITEMS:
STATUS REVIEW OF PROJECTS - None.**

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS - None.

CORRESPONDENCE TO THE BOARD OF SUPERVISORS - None.

STATUS REPORTS AND COMMENTS FROM BOARD MEMBERS (12:32:51) - In reference to the recent legislation to legalize marijuana dispensaries, Supervisor Bonkowski advised that steps are being taken to ensure the City is "proactive in how we handle that from a land use code, health code, law enforcement code. ... that will be coming back to the Board at a future date." Supervisor Abowd advised that a delegation from Azerbaijan visited The Greenhouse Project earlier in the day. She further advised that tickets are on sale for The Greenhouse Project fund raiser on July 9th. Mayor Crowell offered to attend an upcoming meeting of a legislative task force to study state and federal land use issues, as the Board's "unofficial" NACo appointee.

STAFF COMMENTS AND STATUS REPORT (12:34:55) - Mr. Werner advised that he would be out of the country, beginning next week, and that Ms. Works and City staff will be available to the Board.

RECESS AND RECONVENE BOARD OF SUPERVISORS (12:35:19) - Mayor Crowell recessed the meeting at 12:35 p.m., and reconvened at 2:03 p.m.

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25. PUBLIC WORKS DEPARTMENT - POSSIBLE ACTION TO ADOPT THE RATE ALTERNATIVE FOR WATER AND SEWER UTILITIES WHICH EITHER INCLUDES A FIVE OR TEN YEAR TRANSITION FOR INCLUSION OF DEPRECIATION FUNDING, TO ADOPT THE REVISED RATE DESIGN TO PROVIDE EQUITY BETWEEN CLASSES WITH A FIVE-YEAR PHASE-IN APPROACH, INCREASING WATER AND SEWER CONNECTION CHARGES, AND INCREASING WATER RATES FROM 4 PERCENT TO AS HIGH AS 6.5 PERCENT AND SEWER RATES FROM 13 PERCENT TO AS HIGH AS 15 PERCENT FOR FIVE YEARS, AND TO INSTRUCT STAFF TO BRING FORWARD RATE ORDINANCES WITHIN SIXTY DAYS (2:03:32) - Mayor Crowell introduced this item. Public Works Department Director Andy Burnham provided background information and introduced FCS Group Principal Karyn Johnson and Senior Analyst Krista Shirley. In response to a question, Mr. Burnham advised that “the next step, based on direction from [the Board] today, is to bring back actual rate ordinances for adoption which will implement the rates that we’re talking about today.” He acknowledged that there will be a correlation between the subject presentation and the rates.

(2:04:45) FCS Group Principal Karyn Johnson narrated a PowerPoint presentation, copies of which were included in the agenda materials. Ms. Johnson, Mr. Burnham, and Mr. Werner responded to questions and discussion took place throughout the presentation.

Supervisor McKenna expressed the philosophy that “this is objective criteria ... based upon fact ..., upon analysis that can be proven. If the analysis doesn’t prove itself out, then we can change things but it would be difficult to do that so we need to have a good, solid base before we start. This is a triumph of the lowest total cost over the lowest monthly cash flow.” Supervisor McKenna expressed a preference for “the lowest total cost even though it costs more each month right now.” He expressed the opinion “that the world has changed. There’s a more transient population. Buy versus lease decisions are based on shorter periods. Buildings have a shorter service life before remodel or repurposing, etc. The plant currently, sewer and water, is in danger of failure. As to water,” he pointed out “the recent power outage and all of the manipulations that had to happen to bring that thing up and keep it going. ... Citizens that have read that are not aware of what’s going on, the answer was, ‘Whew, I’m glad we didn’t have a major fire or any type of problem with that particular power outage.’ ... The sewer plant legendary, recent failures, the two by four in the pipe, the roof about ready to blow off, and that sort of thing, there’s a need for improvement now and then we get to the real reason for the whole thing. The sooner that the community can get to a ... cash-flow, finance-based philosophy versus a leveraged capital improvement plan, ... the better off the younger generations are. ... We need to start moving the decisions for the cost of massive capital expenditures away from this generation into the other generations.”

Mayor Crowell entertained public comment. (3:54:09) Builders Association of Western Nevada Executive Officer Sheena Shrum expressed opposition to increasing connection fees. “We did it in 2009 to specifically bring economic development here.” She requested the Board members to bear in mind previous commitments to not raise connection fees. She advised that she would carry the new study back to the BAWN Board of Directors for a full discussion, and reiterated BAWN’s “non-support.” In response to a comment, she advised “we specifically got the dialysis center to come in off of doing this and ... there is future economic development that will be driven in here so long as we stay competitive.” She suggested considering “we’re comparing Douglas County to Carson City.

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Well, Douglas County isn't even near build out. Carson City is mainly infill." She requested to "see the separation of what is going to be effective with new construction versus with existing because, statutorily, we're required that ... connection fees are only going to new improvements." A brief discussion followed. Mayor Crowell entertained additional public comment; however, none was forthcoming.

Supervisor Abowd expressed agreement with Supervisor McKenna's comments, and reluctance to increase connection fees. She expressed the opinion that "this Board needs to adopt a fiscal policy along with adopting whatever rate increases so this is a dedicated funding stream to depreciation. Otherwise, we can go through all of this exercise, but it could not matter in a year and a half." Supervisor Bonkowski also expressed agreement with Supervisor McKenna's comments, and adamant opposition to increasing connection fees. "There is an economic benefit to keeping them low. The reason we haven't seen more development is because of the economy. But the conversations that we've had with manufacturers that have looked at our area, it has been a very large variable in their decision to locate here or not and it would mean hundreds of jobs when they start making those moves. And sometimes the large manufacturers can take five or ten years to make a decision to pull the trigger on a move. And we've worked with them for periods of that length." Supervisor Bonkowski reiterated adamant opposition to increasing connection fees, and expressed agreement with Supervisor Abowd's comments that "when we come back with a rate ordinance, we also need to approve some fiscal policy to make it as difficult as possible to change what we're trying to accomplish which is to fund more of this through cash and less through debt so that we don't burden our future generations and we can become more flexible in our future planning." Supervisor Shirk expressed opposition to increasing connection fees.

In response to a question, Mr. Burnham advised that the subject rate increases will "improve the processes that are there, but ... we're not increasing the delivery of new, improved water ... in a different fashion than we are today. We're still just treating it to the same level that we're treating ... currently. A little different process ... that's more efficient, but it's basically the same treatment plant."

In response to a further question, he advised that the intertie project was funded by an approximate thirty percent increase in water rates approximately three years ago. Mayor Crowell commended the rate design study as "excellent in terms of taking a system that ... has been kind of gerry rigged over a number of years and trying to make sense of it in terms of actual cost of service and what we should be paying as water and sewer users." He agreed with previous comments, and expressed concern over a future Board undoing the subject action. "If we're going to do these things, we need to step up, do it, and find some way to stay the course for the five years, at least, until we can come back and take another look at these things ..."

Discussion took place regarding the value of connection fees. Mayor Crowell called again for public comment and, when none was forthcoming, a motion. **Supervisor McKenna moved to adopt the rate alternative for water and sewer utilities which includes a five-year transition for inclusion of depreciation funding, to adopt the revised rate design to provide equity between classes on a five-year phase-in approach, and to increase water rates 6.5 percent and sewer rates 15 percent for five years, and instruct staff to bring forward rate ordinances within sixty days. Supervisor Bonkowski seconded the motion.** Following a discussion to clarify the intent of the motion, Mayor Crowell called for a vote. **Motion carried 4-1.**

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Mayor Crowell entertained a motion. **Supervisor McKenna moved to direct staff, without spending a lot of money, to create a study as to how to ensure that funded depreciation remains funded depreciation for fifteen to twenty years in the future. Supervisor Abowd seconded the motion.** Following a brief discussion to clarify the intent of the motion, Mayor Crowell called for a vote. **Motion carried 5-0.**

26. RECESS BOARD OF SUPERVISORS (4:16:46) - Mayor Crowell recessed the meeting at 4:16 p.m.

BOARD OF HEALTH - Withdrawn

27. CALL TO ORDER AND ROLL CALL

28. POSSIBLE ACTION ON APPROVAL OF MINUTES - March 21, 2013

29. HEALTH AND HUMAN SERVICES DEPARTMENT

29(A) REPORT, DISCUSSION, AND POSSIBLE ACTION TO DIRECT STAFF REGARDING THE HEALTH OFFICER'S REPORT CONCERNING ACTIVITIES IN WHICH THE HEALTH OFFICER IS ENGAGED, BOTH INSIDE AND OUTSIDE OF CARSON CITY HEALTH AND HUMAN SERVICES

29(B) REPORT, DISCUSSION, AND POSSIBLE ACTION TO DIRECT STAFF REGARDING THE DIRECTOR'S REPORT ON CARSON CITY HEALTH AND HUMAN SERVICES ("CCHHS") ACTIVITIES

29(C) PRESENTATION AND DISCUSSION ONLY ON THE SAFE ROUTES TO SCHOOLS AND BIKE MONTH ACTIVITIES BY WESTERN REGIONAL SAFE ROUTES TO SCHOOLS COORDINATOR CORTNEY BLOOMER

29(D) PRESENTATION AND DISCUSSION ONLY ON THE BOARD OF HEALTH WEB PAGE AT www.gethealthycarsoncity.org

29(E) POSSIBLE ACTION ON REPORT AND POSSIBLE ACCEPTANCE OF DONATIONS FOR ANIMAL SERVICES RECEIVED SINCE THE LAST BOARD OF HEALTH MEETING

29(F) DISCUSSION AND POSSIBLE DIRECTION TO STAFF REGARDING THE LETTER OF SUPPORT FROM THE BOARD OF HEALTH FOR PUBLIC HEALTH ACCREDITATION

29(G) REPORT WITH POSSIBLE ACTION TO GIVE DIRECTION TO CCHHS REGARDING THE AFFORDABLE CARE ACT ("AC") AND MEDICAID, AND AN UPDATE ON THE APPROVED CONSOLIDATION OF THE STATE'S DIVISIONS OF HEALTH AND MENTAL HEALTH INTO THE NEW STATE DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

30. PUBLIC COMMENT

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31. ACTION TO ADJOURN BOARD OF HEALTH

32. RECONVENE BOARD OF SUPERVISORS (7:00:35) - Mayor Crowell reconvened the meeting at 7:00 p.m.

33. CITY MANAGER - POSSIBLE ACTION TO APPOINT TWO MEMBERS TO THE CARSON CITY PLANNING COMMISSION, EACH FOR A TERM THAT EXPIRES IN JUNE 2017 (7:00:48) - Mayor Crowell introduced this item, invited Gene Munnings to the podium, and provided an overview of the interview process. In response to a question, Mr. Munnings discussed his opinion of “planning in general.” Mayor Crowell posed the following scenario: A major business intends to locate in Carson City, bringing \$1 billion-plus of economic activity and a water demand equivalent to 4,500 single-family homes. He inquired as to how Mr. Munnings would address such a scenario. Mr. Munnings suggested that such a development would “use up our complete allotment of water,” and advised that he would consider alternatives.

Mr. Munnings acknowledged his familiarity with the V&T special planning area. Supervisor Abowd inquired as to Mr. Munnings’ vision for the industrial area surrounding the V&T depot. Mr. Munnings suggested a “combination of shops, ... a small, boutique hotel or a couple bed and breakfasts ..., something that would ... draw people there. ... maybe some type of recreation activity.” In response to further question, he suggested the current industrial zoning designation would have to be changed.

Supervisor Bonkowski described variances as “one of the most subjective” functions of the Planning Commission. In response to a question, Mr. Munnings advised that he would consider benefits to the “greater good.” In response to a question, he discussed the importance of ensuring compatibility of design for the downtown / historic districts. In response to a question regarding the State Prison on Fifth Street, he discussed the importance of considering costs of renovation and maintenance and the amount of revenue projected.

Mayor Crowell entertained comments of Mr. Munnings, who expressed a preference “that they also had, in their reports, ... what it’s cost to get to this point.” He discussed the importance of visiting the property associated with each agenda item “because the pictures they give are not going to tell the true story of everything.” Mayor Crowell thanked Mr. Munnings for his application.

(7:11:36) Robert Merrill introduced himself for the record, and Mayor Crowell thanked him for applying on behalf of the Board and the community. He provided Mr. Merrill an overview of the interview process. In response to a question, Mr. Merrill was uncertain as to “a specific vision.” He expressed an interest in “seeing what’s going on in the City of Carson to be able to help direct it ...” He advised of having had his own construction company for fifteen years, and discussed his current employment. Mayor Crowell posed the following scenario: A major company intends to locate in Carson City that would employ approximately 1,000 people, bring in between \$1 and \$2 billion in economic activity, needed a special use permit, and the amount of water they need would be the equivalent of 4,500 homes. In response to a question, Mr. Merrill advised that he would weigh the benefit of the company against the water usage and “if they have any means of replenishing the water usage.”

In response to a question, Mr. Merrill advised that he had been licensed as a finish carpenter. In

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response to a further question, he expressed uncertainty as to the types of issues considered by the Planning Commission. "... in the field of construction, you always have to come up with ways to satisfy a customer, to come up with ways to save them money. ... Whatever you're being asked to do, you have to find a way to make it work within the means and the budgeting, materials, ... everything that those people need." Supervisor McKenna posed a scenario involving a project for the downtown area "that was a modern building." Mr. Merrill expressed support for "architectures." In response to a question regarding the method by which to handle variance applications, he discussed the importance of ensuring compatibility with surrounding properties. In response to a question regarding the V&T specific plan area, he suggested that "any manufacturer ... that could come in and ... be an asset to what Carson City needs ... would be okay because it's pretty open out there." Mayor Crowell provided Mr. Merrill an opportunity to comment. Mr. Merrill thanked the Board for the opportunity to interview. Mayor Crowell thanked him for applying and for his interest in the community.

(7:21:13) Mayor Crowell invited Walt Owens to the podium. Mayor Crowell posed a scenario relative to a company which was interested in locating in Carson City, would have employed approximately 1,000 people, would have "brought a whole lot of economic activity to the community. The other side of it was, ... the water usage ... they required about the equivalent of 4,500 single family homes." In response to a question, Mr. Owens discussed the requirement to "talk to the ... water master ... and find out if that's even a possibility ... If they could secure or show enough water resources for a company like that, ... it would be okay and, if they really couldn't, ... the down side would far outweigh the upside." Supervisor Bonkowski noted the Planning Commission's discretion relative to variances. In response to a question, Mr. Owens expressed the opinion "that the first thing ... you would have to look at on a variance is how it affects the people in the community around that variance." He advised that he would oppose a variance that would be "an undue burden to the neighbors or to anybody else or to lower property values or to be detrimental to the community in any way just to make one person happy." Supervisor McKenna inquired as to the method by which Mr. Owens would handle a modern architecture design project proposed for the downtown area. Supervisor Shirk inquired as to Mr. Owens' thoughts on the process associated with constructing his own home in 1990. Mr. Owens discussed the tenacity associated with the permitting and construction process "because there was not a helpful vehicle to bring a person that decided to be their own construction manager ... to make that happen." Supervisor Abowd discussed the present status and future plans for the V&T SPA. In response to a question, Mr. Owens suggested development which would draw visitors to the community. In response to a further question, he expressed an interest in serving as a Planning Commissioner to be "an active part of the community."

(7:33:24) Rob McQueary introduced himself for the record. Mayor Crowell provided an overview of the interview process and, in response to a question, Mr. McQueary discussed his interest in serving as a Planning Commissioner. Mayor Crowell provided background information on the Chobani yogurt proposal to locate in Carson City, with water usage equivalent to 4,500 single-family homes. In response to a question, Mr. McQueary advised that the benefits to the community would have to be weighed against the impact of the water usage. Mr. McQueary acknowledged he is President of the Builders Association of Western Nevada. In response to a question, he advised that he would have to disclose any potential conflict of interest relative to a project. In response to a further question, he advised that "the rest of downtown" would have to be compared against a proposed modern architectural design to determine compatibility. In response to a further question, he expressed the opinion that the "permit process seems to be much better ... and that wouldn't be an item [he] would

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look at.” He acknowledged the value of the State Prison facility as a tourist attraction. In response to a question regarding future development of the V&T SPA, he suggested a recycle center. In response to a further question, he cited public safety and aesthetics as the main criteria for considering a variance application. In reference to an earlier question, Supervisor Bonkowski requested Mr. McQueary to discuss the method by which he would handle reviewing a competitor’s proposed project. Mr. McQueary advised that he is “mainly an excavating contractor so ... wouldn’t have a lot of competitors ... bringing projects to the commission.” He assured the Board he would be “totally impartial and be looking at whatever is good for the community and nothing to do with [his] own personal business.” Mayor Crowell offered Mr. McQueary an opportunity to comment, and he advised that he has been “in construction in this community for all [his] life,” and would bring historic knowledge to the commission. Mayor Crowell thanked Mr. McQueary for his application.

(7:44:08) Malkiat Singh Dhama introduced himself for the record. Mayor Crowell welcomed him and, in response to a question, Mr. Dhama discussed his interest in being reappointed to the commission. In response to a further question, he discussed how he would handle a proposed commercial development locating in Carson City, which uses the water equivalent of 4,500 single-family homes. In response to a further question, he discussed his vision for the V&T SPA. In response to a further question, he discussed criteria for approving variances, citing a recent specific example. In response to a further question, he discussed the method by which he would handle a proposed hotel / motel development in consideration of a potential conflict of interest. In response to a further question, he discussed the method by which he would handle a modern-architecture project proposed for downtown Carson City. In response to a further question, he expressed the opinion that the only role of the Planning Commission in approving the State Prison as a tourist attraction would be to review the overall project. In response to a question, he discussed his availability to attend commission meetings.

(8:00:54) Mayor Crowell invited Bill Vance to the podium. In response to a question, Mr. Vance advised of having served one partial and three full terms as a Planning Commissioner. Mayor Crowell read into the record that portion of the Boards, Committees, and Commissions Policy relative to membership terms. In response to a question, Mr. Vance discussed his interest in being reappointed to the Planning Commission. In response to a further question, he discussed the method by which he would evaluate a company interested in locating in Carson City which would require water usage equivalent to 4,500 single-family homes. In response to a further question, he discussed the method by which he would handle a modern-architecture project proposed for the downtown area. In response to a further question, he discussed the Planning Commission’s role in the proposed future conversion of the State Prison to a “tourist attraction.” In response to a further question, he discussed his vision for the V&T SPA. In response to a further question, he discussed his approach to variance applications. Mayor Crowell thanked Mr. Vance for his service, on behalf of the Board and the community, and for his request for reappointment.

The Board members discussed the applicants’ qualifications, and Mayor Crowell polled the Board members for their top two suggested appointments. Mayor Crowell entertained a motion. **Supervisor Abowd moved to appoint Mr. Owens and Mr. Dhama to the Carson City Planning Commission, each for a term that expires in June 2017. Supervisor McKenna seconded the motion. Motion carried 5-0.** Mayor Crowell commented on the difficulty associated with board, commission, and committee appointments.

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34. PUBLIC COMMENT (8:17:08) - Mayor Crowell entertained public comment; however, none was forthcoming.

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35. ACTION TO ADJOURN (8:17:17) - Mayor Crowell adjourned the meeting at 8:17 p.m.

The Minutes of the June 20, 2013 Carson City Board of Supervisors meeting are so approved this 17th day of October, 2013.

ROBERT L. CROWELL, Mayor

ATTEST:

ALAN GLOVER, Clerk - Recorder