

CARSON CITY BOARD OF SUPERVISORS

Minutes of the March 21, 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, March 21, 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
Andrew Burnham, Public Works Department Director / Acting City Manager
Alan Glover, Clerk - Recorder
Randal Munn, Chief Deputy District Attorney
Tina Russom, Senior 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 (8:28:56) - Mayor Crowell called the meeting to order at 8:29 a.m. Mr. Glover called the roll; a quorum was present. Sue Musselman, of Capital Christian Center, provided the invocation. At Mayor Crowell's request, Supervisor Bonkowski led the pledge of allegiance.

5. PUBLIC COMMENTS AND DISCUSSION (8:30:59) - Sheriff Ken Furlong invited Ema Terriquez to the podium and read into the record prepared remarks detailing her many accomplishments. A copy of Sheriff Furlong's remarks was provided for the record. Sheriff Furlong presented Ms. Terriquez an award from the Nevada Sheriffs and Chiefs Association, and thanked her for all she has done for the community. Ms. Terriquez thanked Sheriff Furlong and the Board for the presentation and introduced her twin brother, Ivan Terriquez, who was present in the meeting room.. Mayor Crowell thanked Ms. Terriquez on behalf of the community.

Mayor Crowell entertained additional public comment. (8:35:21) Karl Neathammer requested to modify the agenda to address item 14 prior to item 10. In response to a question, he requested to reserve his comments until such time as the Board took action to either modify the agenda or not. Mayor Crowell entertained additional public comment; however, none was forthcoming.

6. POSSIBLE ACTION ON APPROVAL OF MINUTES - February 7, 2013 (8:36:34) - Mayor Crowell entertained suggested revisions and, when none were forthcoming, a motion. **Supervisor Abowd moved to approve the minutes, as published. Supervisor McKenna seconded the motion. Motion carried 5-0.**

7. POSSIBLE ACTION TO ADOPT THE AGENDA (8:36:56) - Mayor Crowell introduced this item, and entertained a motion to adopt the agenda. Supervisor McKenna moved to modify the agenda to address item 14 prior to item 10. Supervisor Bonkowski seconded the motion. Supervisor Shirk expressed

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concern that other persons interested in item 14 may have planned to arrive later in the meeting. Supervisor McKenna inquired as to Mr. Neathammer's reason for requesting the modification. (8:38:38) Mr. Neathammer acknowledged Supervisor Shirk's point, and stated, "Then they should have been here." Supervisor McKenna withdrew his motion and Supervisor Bonkowski withdrew his second. Mayor Crowell entertained a motion to adopt the agenda. **Supervisor McKenna moved to adopt the agenda, as published. Supervisor Bonkowski seconded the motion. Motion carried 5-0.** (2:02:14) Mayor Crowell agreed to modify the agenda to address item 23(C) prior to item 23(A).

8. SPECIAL PRESENTATIONS OF LENGTH OF SERVICE AWARDS FOR CITY EMPLOYEES (8:39:32) - Mayor Crowell introduced this item, and requested the Board members to join him at the podium. Mayor Crowell presented longevity awards to Public Safety Communications Operator Kimberly Tripp, Public Health Nurse Salvanette Hotaling, and Youth Advisor Michael Canne in recognition of five years' service to the City. The Board members congratulated each of the employees. Mayor Crowell presented a longevity award to Fire Fighter / Driver Operator Diego Aramburu in recognition of ten years' service to the City. The Board members congratulated Mr. Aramburu. Human Resources Department Director Melanie Bruketta photographed the employees and the Board members. The Board members, City staff, and citizens present applauded, and the Board members returned to the dais.

9. CONSENT AGENDA (8:44:17) - Mayor Crowell introduced this item, and advised that items 9-2(B) and 9-4 would be heard separately. He entertained additional requests to hear items separate from the consent agenda. When none were forthcoming, he entertained a motion to adopt the consent agenda. **Supervisor McKenna moved to approve the consent agenda, consisting of two items from the Assessor, one item from Finance, two items from Purchasing and Contracts, one item from Health and Human Services, and one item from the City Manager. Supervisor Bonkowski seconded the motion. Motion carried 5-0.**

9-1. ASSESSOR

9-1(A) POSSIBLE ACTION TO APPROVE THE CORRECTION, DECREASE OF TAXES FOR THE 2011 / 2012 AND 2012 / 2013 TAX YEARS FOR PARCEL NUMBER 001-121-13, 904 IVY STREET, PURSUANT TO NRS 361.765, IN THE AMOUNT OF \$248.87

9-1(B) POSSIBLE ACTION TO APPROVE THE CORRECTION, DECREASE OF TAXES FOR THE 2011 / 2012 TAX YEAR FOR PARCEL NUMBER 008-795-35, 4217 KNOBLOCK ROAD, PURSUANT TO NRS 361.765, IN THE AMOUNT OF \$250.91

9-2. FINANCE DEPARTMENT

9-2(A) POSSIBLE ACTION TO ACCEPT THE REPORT ON THE CONDITION OF EACH FUND IN THE TREASURY AND THE STATEMENTS OF RECEIPTS AND EXPENDITURES, THROUGH FEBRUARY 26, 2013, PURSUANT TO NRS 251.030 AND NRS 354.290

9-2(B) POSSIBLE ACTION TO CONFIRM THE ENGAGEMENT OF SWENDSEID AND STERN, AS BOND COUNSEL TO CARSON CITY, NEVADA IN CONNECTION WITH THE \$17,500,000 CARSON CITY, NEVADA GENERAL OBLIGATION (LIMITED TAX) REFUNDING BOND, SERIES 2013A; \$2,800,000 CARSON CITY, NEVADA

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GENERAL OBLIGATION (LIMITED TAX) REFUNDING BOND, SERIES 2013B; AND \$5,525,000 CARSON CITY, NEVADA GENERAL OBLIGATION (LIMITED TAX) REFUNDING BOND, SERIES 2013C, AND SERVING AS SPECIAL COUNSEL IN CONNECTION WITH THE OFFICIAL STATEMENT OF THE ABOVE BOND TRANSACTIONS (8:45:12) - Mayor Crowell introduced this item, and Finance Department Director Nick Providenti reviewed the agenda materials. Mayor Crowell entertained a motion. **Supervisor Bonkowski moved to approve the engagement of Sherman and Howard, as bond counsel to Carson City, Nevada in connection with the \$17,500,000 Carson City, Nevada General Obligation (Limited Tax) Refunding Bond, Series 2013A; \$2,800,000 Carson City, Nevada General Obligation (Limited Tax) Refunding Bond, Series 2013B; and \$5,525,000 Carson City, Nevada General Obligation (Limited Tax) Refunding Bond, Series 2013C, and serving as special counsel in connection with the official statement of the above bond transactions. Supervisor Abowd seconded the motion.** Mayor Crowell entertained public comment and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 5-0.**

9-3. PURCHASING AND CONTRACTS

9-3(A) POSSIBLE ACTION TO APPROVE CONTRACT NO. 1213-150, JOINDER CONTRACT WITH BANK OF AMERICA THROUGH THE CLARK COUNTY SCHOOL DISTRICT, NEVADA RFP #12063-RMH, FOR GOVERNMENT BANKING SERVICES FOR A NOT-TO-EXCEED AMOUNT OF \$6,000, FROM THE TREASURER'S PROFESSIONAL SERVICES / BANKING SERVICES ACCOUNT, AS PROVIDED FOR IN FY 2012 / 2013 (FILE NO. 1213-150)

9-3(B) POSSIBLE ACTION TO ACCEPT THE PUBLIC WORKS DEPARTMENT RECOMMENDATION TO APPROVE AMENDMENT NO. 1 TO CONTRACT NO. 1112-183, WITH HDR ENGINEERING, INC., TITLED "CARSON CITY FREEWAY RELOCATION PROJECT," TO INCREASE THE CONTRACT TERM FROM DECEMBER 31, 2012 TO DECEMBER 31, 2013

9-4. PARKS AND RECREATION DEPARTMENT - POSSIBLE ACTION TO APPROVE THE PARKS AND RECREATION COMMISSION MISSION STATEMENT AND BYLAWS (8:47:23) - Mayor Crowell introduced this item, and Parks and Recreation Department Director Roger Moellendorf introduced himself for the record. Supervisor Abowd inquired as to background information on item 11(a) of the bylaws included in the agenda materials. Mr. Moellendorf explained that the provision "has been in the bylaws ... for many years." He acknowledged the potential for concern relative to interpretation of the provision, but suggested that it represents an attempt to ensure decorum. Supervisor Abowd suggested discussing the provision. In response to a question, Mr. Moellendorf suggested approving the bylaws with direction to staff to return to the Parks and Recreation Commission for further discussion of item 11(a).

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Abowd moved to approve the Parks and Recreation Commission's mission statement and bylaws, with reconsideration of item 11(a) to be brought back to the Board at a later date. Supervisor McKenna seconded the motion. Motion carried 5-0.**

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9-5. HEALTH AND HUMAN SERVICES DEPARTMENT - POSSIBLE ACTION TO APPROVE CCHHS APPLYING FOR A GRANT THROUGH THE NEVADA SILVER STATE HEALTH INSURANCE EXCHANGE FOR THE PURPOSE OF HIRING ENROLLMENT ASSISTORS

9-6. CITY MANAGER - POSSIBLE ACTION TO RATIFY THE APPROVAL OF BILLS AND OTHER REQUESTS FOR PAYMENTS BY THE CITY MANAGER, FOR THE PERIOD OF FEBRUARY 12, 2013 THROUGH MARCH 11, 2013

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

10. ANY ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME (8:45:10) - Please see the minutes for items 9-2(B) and 9-4.

11. PURCHASING AND CONTRACTS - POSSIBLE ACTION TO APPROVE TASK NO. 2 FOR CONTRACT NO. 1112-148, WITH KAFOURY, ARMSTRONG & CO., TO PROVIDE AUDITING SERVICES FOR FY 2012 / 2013 AND TO DESIGNATE KAFOURY, ARMSTRONG & CO. AS THE AUDITING FIRM FOR FY 2012 / 2013 (8:50:08) - Mr. Burnham advised that the meeting was not being broadcast due to a technical difficulty. In response to a question, Mr. Munn advised that the broadcast is not required by any law. The meeting was being recorded by the Clerk's Office, which constitutes the official record.

Mayor Crowell introduced the subject item. Finance Department Director Nick Providenti reviewed the agenda materials, provided background information, and responded to questions of clarification. At Supervisor Bonkowski's request, Mr. Providenti explained that the bidding process is not required for auditing services. "We did go out to bid last year and it was, at that time, [that] the Board approved a three-year contract. ... typically, that's what we'll do is ... go three, four years and it just depends on auditing standards. It's just ... on the ... will of the Board on when we go out to bid." Mr. Providenti acknowledged that the Audit Committee was involved in the bid process, which he detailed.

In response to a question, Mr. Providenti provided additional clarification of the Explanation of Impact section of the agenda report. In response to a further question, he advised that the Airport Authority and the Convention and Visitors Bureau are independently audited. In response to a further question, he explained that the auditor considers the City's internal controls and notes weaknesses, if found. "... it's not their objective to do an internal control audit. Their ... objective is to audit the financial statements and make sure they present fairly and conform with the Generally Accepted Accounting Principles and all the laws. So they're not specifically looking to do an internal control audit, but ... it's required by generally accepted auditing standards for them to go through various steps ... to make sure that our controls are in place."

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor McKenna moved to approve Task No. 2 for Contract No. 1112-148, with Kafoury, Armstrong & Company, to provide auditing services for FY 2012 / 2013, and to designate Kafoury, Armstrong & Company as the auditing firm for FY 2012 / 2013. Supervisor Abowd seconded the motion. Motion carried 5-0.**

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12. FINANCE DEPARTMENT - POSSIBLE ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE AUTHORIZING AN INSTALLMENT PURCHASE AGREEMENT, DEED OF TRUST AND SECURITY AGREEMENT FOR THE PURPOSE OF ACQUIRING, IMPROVING, AND EQUIPPING A BUILDING PROJECT; AUTHORIZING THE EXECUTION OF THE AGREEMENT AND OTHER DOCUMENTS RELATED TO THE AGREEMENT; GRANTING A SECURITY INTEREST IN SUCH BUILDING PROJECT; AND PROVIDING THE EFFECTIVE DATE HEREOF (8:59:45) - Mayor Crowell introduced this item, and Finance Department Director Nick Providenti provided background information and reviewed the agenda materials. In response to a question, he explained the Installment Purchase Agreement approach “basically because we ... don’t have the supporting revenues for GO bonds.” He explained the differences between typical general obligation bonds and double barrel bonds. “We don’t have anything to pledge. Typically, what you pledge in the general government environment is fifteen percent of your C-tax revenues. And we’ve already pledged more than we have to pledge because we pledged them ... in 2005 when they were at the top. ... This is just another type of financing that’s allowed by the statutes, and it seemed like it worked the best for our situation.”

In response to a question regarding the provisions of Section 5.3 of Article V, Mr. Burnham advised that “we have made almost all the tenant improvements that we have anticipated. We would do maintenance items over the years as we own it.” In response to a question, Supervisor Bonkowski expressed concern with regard to obtaining consent of the lender to do additional tenant improvements. Mr. Providenti offered to discuss the matter with the City’s bond counsel, and Supervisor Bonkowski recommended changing the figure in Section 5.3 to a minimum of \$100,000, preferably \$200,000. Mr. Providenti acknowledged that security for the purchase is the building itself and not the full faith and credit of Carson City.

In response to a question, Mr. Providenti anticipated receiving the final appraisal within a week. In response to a question regarding the possibility of the appraisal being less than \$1,250,000, he advised that a decision would then have to be made relative to additional collateral or renegotiation of the lease. He acknowledged that the appraisal will be available prior to second reading of the ordinance. In response to a question, Mr. Munn advised that the proposed revision to Section 5.3 was sufficiently discussed during this meeting so as to avoid having to reintroduce the bill on first reading. He suggested making the motion contingent on the possibility of the figure being revised depending upon discussion with the City’s bond counsel.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Bonkowski moved to introduce, on first reading, Bill No. 105, an ordinance authorizing an Installment Purchase Agreement, Deed of Trust, and Security Agreement for the purpose of acquiring, improving, and equipping a building project; authorizing the execution of the agreement and other documents related to the agreement; granting a security interest in such building project; and providing the effective date hereof, with the recommended staff direction on the record. Supervisor McKenna seconded the motion.** Mayor Crowell reiterated the acknowledgment that the appraisal will be available prior to second reading of the bill. Mayor Crowell called for a vote on the pending motion. **Motion carried 5-0.**

13. CITY MANAGER - POSSIBLE ACTION TO AUTHORIZE THE CITY MANAGER TO ADD THE POSITION OF DEPUTY CITY MANAGER TO THE FY 2012 / 2013 CITY MANAGER’S BUDGET WITHIN THE RANGE OF UNCLASSIFIED UNC 46 (9:08:27) - Mayor Crowell introduced this item, and Mr. Burnham reviewed the agenda materials. Finance Department

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Director Nick Providenti provided additional clarification with regard to funding the position. Mr. Burnham advised that the City's department heads strongly support filling the deputy city manager position. Supervisor McKenna expressed the understanding that the request to fill the deputy city manager position is in fulfillment of the Board's requests of the City Manager to accomplish certain goals and responsibilities. Supervisor Shirk suggested deferring further discussion and action on this item until such time as City Manager Werner could be present. Supervisor Abowd expressed understanding for the need to fill the deputy city manager position, and the opinion that Mr. Werner has adequately addressed the needs with the current Board in previous meetings. Supervisor Bonkowski acknowledged the City Manager's work load in consideration of timeliness, noting the importance of ensuring the proper "tools" to carry out the responsibilities. He suggested giving consideration to "converting ... a department head to ... a communications officer." He expressed understanding for the need for the deputy city manager position, but concern over the process. Mr. Burnham assured the Board that Mr. Werner would be present later in the day. Mayor Crowell explained Mr. Werner's required attendance at a legislative hearing on AB312, and provided background information with regard to the same.

Mayor Crowell expressed the opinion that the need for the deputy city manager position has been adequately presented in previous meetings; that "it's the right thing to do ... because ... the duties we put on the City Manager ... can be overwhelming." Mayor Crowell noted the diminished Executive Offices staff. He expressed concern over tasking a department head with the responsibilities, and the opinion that "this is the right thing to do now." Mayor Crowell acknowledged the expense, but expressed the opinion that "if we're going to deliver service in a timely manner, ... this is the right thing to do."

Mayor Crowell entertained public comment. (9:17:03) Karl Neathammer expressed support for filling the deputy city manager position and expressed agreement with Mayor Crowell's and Supervisors McKenna and Abowd's comments. Mr. Neathammer expressed the opinion that the City has "done a real poor job sometimes of ... community outreach, ... of getting messages out from the Board of Supervisors ..." He suggested that one of the requirements for a deputy city manager is to serve as the City's public information officer, with the appropriate skills. He expressed the opinion that the deputy city manager / public information officer will "enhance our City government as opposed to not having the ability to move the City forward to get things done in a timely manner." Mr. Neathammer expressed concern over the fiscal impact associated with hiring a deputy city manager, but "[saw] no harm in this position." He expressed the opinion that filling the position "only enhances our ability to go ahead and move our government forward."

(9:19:51) Bruce Kittess referred to a recent meeting wherein Public Works Department staff presented the City's five-year capital improvements program. He discussed concerns regarding the fiscal impact associated with filling the deputy city manager position.

Mr. Werner arrived, apologized for his absence, and suggested viewing the legislative hearing on AB312. In response to a question, he was uncertain as to the outcome. He characterized the testimony at the hearing as "conspiracy theory that ... the Board was trying to stack this Charter Review Committee against this legislature."

At Supervisor Bonkowski's request, Mr. Werner reviewed the fiscal impact of the deputy city manager position. He provided background information on proposed funding for the position and the responsibilities. In response to a further question, he discussed efficiencies which could translate into

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savings for the City, particularly relative to the performance measurement system, community outreach, and department relations. In response to a further question, he clarified that the position would translate to increased efficiencies in service delivery not cost savings for the City. He suggested that increased efficiencies may ultimately translate to cost savings. In consideration of the grant coordination responsibilities associated with the deputy city manager position, Mr. Werner acknowledged that some cost savings would be realized.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor McKenna moved to authorize the City Manager to add the position of deputy city manager to the FY 2012 / 2013 City Manager's budget within the range of unclassified UNC 46. Supervisor Abowd seconded the motion.** Supervisor Shirk expressed understanding for Mr. Werner's position, and the opinion that the Board should, instead, conduct a "nationwide search for a replacement for Larry" in anticipation of his eventual retirement. Supervisor Abowd disagreed with the characterization of the position as "an intermediate city manager," and discussed the need to address current functions and responsibilities that cannot be handled by the City Manager alone. Mayor Crowell noted that the need for the position has been discussed over a three-year period, but that filling the position has been deferred due to fiscal constraints. Supervisor Shirk inquired as to whether consideration has been given to a deputy city manager candidate. Mr. Werner expressed a preference for first authorizing the position. In response to previous comments, Mr. Werner discussed the near impossibility of having an interim or intermediate city manager work under an existing city manager. He reiterated the need for a deputy city manager in consideration of existing functions and responsibilities. Supervisor Shirk inquired as to Mr. Werner's plans for retirement, and Mr. Werner advised that "when it's no longer fun, [he'll] submit [his] letter." He further advised that he has no retirement date selected at this point in time. In response to a question, Mr. Werner advised that the deputy city manager position has existed since the mid-1980s. The only city manager that did not have the deputy city manager position filled was Linda Ritter. Mayor Crowell entertained additional questions or comments of the Board members and, when none were forthcoming, called for a vote on the pending motion. **Motion carried 3-2.** Mayor Crowell recessed the meeting at 9:37 a.m. and reconvened at 9:48 a.m.

14. SUPERVISOR SHIRK - DISCUSSION AND POSSIBLE ACTION REGARDING THE ANNUAL BUDGET PROCESS, INCLUDING CONDUCTING BUDGET HEARINGS WHEREBY DEPARTMENTS WOULD PRESENT THEIR DETAILED BUDGETS (9:48:19) - Mayor Crowell introduced this item, and Supervisor Shirk provided an overview of the Summary section of the agenda report.

Mayor Crowell entertained public comment. (9:50:15) Karl Neathammer introduced Tori Robinson, a member of the Western Nevada College Senate, who provided brief comments on her interest in the proceedings. In reference to the agenda report, Mr. Neathammer expressed the opinion that Supervisor Shirk had indicted every member of the Board. He expressed concern over a conspiratorial issue, "as if there is some cabal that's working against the citizens of Carson City when it comes to their budget." He expressed amazement that Supervisor Shirk had made the allegations relative to the budget process without ever having participated in a budget process "to decide as to whether or not it's unfair or it's not transparent." He expressed the opinion that Supervisor Shirk should first "listen, learn, and then go ahead and lead." He expressed further amazement that "we have internal audits, learned counsel, ... there hasn't

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been any indication that there's been a violation of a statute or ... anybody trying to hide the ball." He expressed concern over Supervisor Shirk's "tone and tenor." Mayor Crowell cautioned Mr. Neathammer to speak to the issue and not to personalities.

Mr. Neathammer recommended that Supervisor Shirk first participate in a budget process "because ... you don't have to ... fix something that isn't broken. The current system works well and has enabled this City to continue producing balanced budgets and that's what we're all striving for and provide needed services without pitting one department head against another department head which only lengthens the process but does not hide the ball from anybody. Department heads do attend the budget hearings and they're available to answer questions about their individual budgets and that is anything that any individual member of this Board can do." Mr. Neathammer referred to the City Manager's responsibility to "prepare and submit annual budgets to the Board for review and approval." He noted the Board members and the public's right to request additional information at any time. He discussed the importance of City staff cooperating "to ensure that the resources are being used efficiently." He expressed the opinion that it is not the Board of Supervisors' responsibility "to micromanage or to abuse and mis-use personnel resources by having such a protracted discussion with staff in public when more productive and thoughtful discussions can take place on a one-to-one basis prior to the actual budget meetings." Mr. Neathammer suggested that Supervisor Shirk's concerns would be addressed once he had participated in a budget process.

(9:58:14) Bruce Kittess encouraged sufficient discussion over the budget process. Mayor Crowell entertained additional public comment; however, none was forthcoming.

Supervisor Abowd advised of having contacted former Supervisor Shelly Aldean, and read into the record her written comments relative to the history behind the current budget process. Supervisor Abowd agreed with former Supervisor Aldean's assessment, and expressed the opinion that "to go backwards would be micromanaging and demoralizing. And considering the economic downturn that we've just come through," Supervisor Abowd expressed gratitude "that the Board went to this method because it has allowed departments to work together well, to work lean, and still provide the services to the City ..."

Supervisor Bonkowski advised of having reviewed the City's budget and that he hasn't "seen any significant issues." In reference to the recently-approved fraud, waste, and abuse audit process, he advised of never having "seen any evidence that there's a problem." He suggested awaiting the outcome of the fraud, waste, and abuse audit report and "if it made a recommendation to bring the budget process back for detailed study, [he] would consider it at that time. But, unless they do that, then [he was] not inclined to do it."

Supervisor McKenna expressed agreement with Mr. Kittess' comments. "It's not worthwhile to get at each other's throats." Supervisor McKenna expressed the opinion that "whatever process is chosen, we cannot muddy the waters and remove total responsibility for the conduct of City operations from the City Manager. He's the only person we hire, he's the only person I look to for answers, and I don't want to change that. And whatever process we choose cannot dilute that ultimate responsibility on his shoulders because, if we do that, then we're going to create situations where people may not do their best to save the taxpayers money, to be transparent, and to do the best job possible. They work for Larry. They don't work for us."

Supervisor Shirk acknowledged never having participated in the annual budget process, and advised that he had been "contacted by citizens who believe that this motion ... is a good idea." He requested "the same

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leniency to discover, have conversations with the same department managers that come to us for capital improvement funding ...” He advised that he would honor the Board’s decision.

Mayor Crowell advised of never having participated in a budget process where the department heads were not present in the meeting room. He reassured the citizens that the budget process is always conducted in an open meeting. In reference to former Supervisor Aldean’s comments, he discussed the severe financial condition faced by the City since he became Mayor. He agreed with former Supervisor Aldean’s description that the previous method for conducting the budget process did, in fact, “pit one [department head] against the other. When ... dollars get short, we cannot afford to have that happen.” Mayor Crowell discussed the history of the current budget process. The City Manager, the department heads, and the other elected officials “got together and said, ‘Money is tight. If we’re going to continue to deliver quality services in this community, we have to come together; not pit one against the other, but come together and find out how we can save money.’ The word went out, ‘We need you to cut every one of your budgets by ten percent. You go find a way to do that.’ And what happened there is each department went through their budget, found a way to cut ten percent. They then took that recommendation and they shopped that around all the other department heads and the bargaining units. And they shopped it around with the idea that ... you take a look at these internally. ... It came up with a recommendation of all of them for 145 different cuts to reach a ten percent reduction or \$10 million reduction ... to the general fund. That ... was a responsible way of addressing the financial problems that this City had.” Mayor Crowell commended the City Manager and the department heads for “putting that process in place because ... that ... allow[ed] full transparency, not only among the department heads and the bargaining units but this Board and the public. And we came to those cuts and we thought that we were going to be able to get away with doing maybe \$5 million ... As it turned out, we had to do all 145 cuts for \$10 million. ... but we knew that ... was something that we all knew ... might happen, it did happen. We’re there and money is still tight. There’s no doubt about it. ... But that was an effective way of dealing with what we have to deal with in this community.” Mayor Crowell expressed agreement with Supervisor McKenna’s comments in that the Board sets the policy, hires the City Manager, and he directs the department heads. Mayor Crowell didn’t “see the lack of transparency” relative to the budget.

Mayor Crowell entertained public comments. (10:09:27) Fire Chief Stacey Giomi was joined at the podium by Public Works Department Director Andrew Burnham and Finance Department Director Nick Providenti. Chief Giomi expressed appreciation for the opportunity to provide “some context into how we got to where we are.” He “echo[ed]” former Supervisor Aldean’s comments as read into the record by Supervisor Abowd. “It very much was a parochial process when we did our budget hearings. ... one department was given a budget hearing on a night, we went through a line item budget, and then we had supplemental requests out there and my requests were pitted against his requests and his requests and her requests. And it did not foster cooperation amongst a local government that has got to operate cohesively. It absolutely did the opposite of that. So what you had was actually government working against itself to deliver services to the people, not working together to deliver those services to the people.” Chief Giomi expressed the opinion that once former City Manager Linda Ritter took over “followed by the great direction that we’ve had from our current City Manager, ... Carson City is a model for the way local governments should work. We have some advantages that we’re a combined city / county. That puts us in a unique position. It gives us the opportunity to work with people we wouldn’t normally work with like our Clerk - Recorder. You don’t get that anywhere else in the state, but because of that, you can put all of us in a room and now the way we do a budget is instead of me fighting for that one dollar that’s sitting on the table, I have to answer to him and to him and to her and to our elected officials about why I need that dollar more than the

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Sheriff needs that dollar. And it gives me the opportunity to speak my piece, but it also gives me the opportunity to listen to his piece because we're working together for the greater good of the community, not at odds with the community. We work to solve the problems that this community has as a group and ... as we turned that corner, it led us to cooperative things that have nothing to do with budgets. It led us to cooperating in the way we handle emergencies which we hadn't done before because you had this adversarial relationship and a reluctance to work together. It led to the way we work with the Sheriff and Public Works ... and the way we handle incidents in the field is completely different now than it was then and that started with that budget process, with us realizing that each department has a value and each department has a need and each department has to deliver that service to the community. And just because I have a need, it doesn't mean it's greater than Roger [Moellendorf]'s need in Parks [and Recreation] or his is greater than Marena [Works']." Chief Giomi advised of having been involved in both budget process methods as a department head. He pointed out that he is also a citizen in this community, and expressed the opinion that "the value you get now far exceeds anything that we've ever done before as a local government."

Mayor Crowell entertained additional public comment. (10:13:16) Christian Creow expressed understanding for the questions raised by "an uneducated citizenry." He advised of having served in the U.S. Air Force and of having witnessed government spending. He expressed support for challenging "the old ways and it's not just business as usual." Supervisor McKenna thanked Mr. Creow for his military service and encouraged him to someday consider running for office.

Mayor Crowell entertained additional public and Board member comments and, when none were forthcoming, a motion of Supervisor Shirk. Supervisor Shirk stated he would "see if the Board makes a motion." No motion was forthcoming, and Mayor Crowell closed the agenda item. At Supervisor McKenna's request, Ms. Robinson approached the podium and expressed appreciation for the open dialogue. Supervisor McKenna thanked Ms. Robinson for her attendance and participation.

15. BOARD OF SUPERVISORS NON-ACTION ITEMS:

LEGISLATIVE MATTERS

STATUS REVIEW OF PROJECTS

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (10:17:32) - Mayor Crowell reminded the Board members of the special meeting scheduled for Monday, March 25th.

CORRESPONDENCE TO THE BOARD OF SUPERVISORS

STATUS REPORTS AND COMMENTS FROM BOARD MEMBERS (10:18:11) - Supervisor Shirk advised of having recently met with staff of the Nevada Rural Housing Authority in Reno "which led [him] back to Carson City. And from that discussion ..., coming to the Board on April 4th ... is the Brown Street initiative through Carson City Rural Housing Development." Supervisor Shirk advised of having provided informational materials to Planning Division Director Lee Plemel, Mr. Werner, and District Attorney Neil Rombardo. A brief discussion ensued.

STAFF COMMENTS AND STATUS REPORT

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16. RECESS BOARD OF SUPERVISORS (10:20:24) - Mayor Crowell recessed the Board of Supervisors at 10:20 a.m.

BOARD OF HEALTH

17. CALL TO ORDER AND ROLL CALL (10:21:47) - Chairperson Susan Pintar called the Board of Health meeting to order at 10:21 a.m. Mr. Glover called the roll. All members of the Board of Health were present, constituting a quorum.

18. POSSIBLE ACTION ON APPROVAL OF MINUTES - December 20, 2012 (10:22:18) - Chairperson Pintar entertained a motion to approve the minutes. **Member Abowd moved to approve the minutes, as presented. The motion was seconded and carried 7-0.**

19. HEALTH AND HUMAN SERVICES DEPARTMENT

19(A) COMPREHENSIVE BOARD OF HEALTH ORIENTATION WITH POSSIBLE ACTION TO GIVE DIRECTION TO THE HEALTH DIRECTOR (10:22:13) - Chairperson Pintar introduced Health and Human Services Department Director Marena Works, who provided background information on this item and presented a video on public health. Ms. Works narrated a PowerPoint presentation, copies of which were included in the agenda materials. Video presentations were interspersed into the PowerPoint presentation. Ms. Works responded to various questions throughout the orientation. At the conclusion of her presentation, she entertained additional questions or comments. When no questions or comments were forthcoming, Chairperson Pintar thanked Ms. Works for her presentation and entertained a motion. **Member Abowd moved to accept the comprehensive Board of Health orientation, with possible action to give direction to the Health Director. The motion was seconded.** Mr. Glover provided historic information on the responsibilities of the Public Health Officer, during the early to mid-20th century, to provide a monthly report to the County Recorder. He advised that the reports are available via the Clerk-Recorder's website. Chairperson Pintar thanked Mr. Glover and called for a vote on the pending motion. **Motion carried 7-0.**

19(B) PRESENTATION AND POSSIBLE ACTION TO ACCEPT THE CARSON CITY HEALTH AND HUMAN SERVICES DEPARTMENT AGENCY STRATEGIC PLAN (11:13:04) - Chairperson Pintar introduced this item, and Ms. Works reviewed the agenda materials. She and Chairperson Pintar responded to questions regarding competition with other agencies as an external trend relative to the SWOT analysis, at page 5 of the strategic plan included in the agenda materials; advantages to PHAB accreditation; and community health monitoring data. Chairperson Pintar entertained additional board member comments and public comments. When no comments were forthcoming, she entertained a motion. **Member Abowd moved to accept the Carson City Health and Human Services agency strategic plan. The motion was seconded and carried 7-0.**

19(C) REPORT, DISCUSSION, AND POSSIBLE DIRECTION TO STAFF REGARDING THE DIRECTOR'S REPORT ON CARSON CITY HEALTH AND HUMAN SERVICES DEPARTMENT ACTIVITIES (11:21:37) - Chairperson Pintar introduced this item, and Ms. Works reviewed the agenda materials in conjunction with displayed slides. In response to a question, Animal Services Manager Gail Radtke reviewed statistical information relative to adoptions, returns, and euthanizations. At Supervisor Bonkowski's request, Ms. Radtke offered to provide the actual statistics via email. In response to a question, Ms. Works explained the restaurant inspection fee structure. In response

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to a comment, Ms. Works advised that the Health and Human Services Department has no legal authority to inspect doctors' offices. Chairperson Pintar provided additional clarification, and discussion followed.

At Ms. Works' request, Chronic Disease Prevention Manager Cindy Hannah discussed the Teen Mall Program. Chairperson Pintar entertained board member and public comments and, when none were forthcoming, a motion. **A motion was made, seconded, and carried unanimously to accept the Director's report.** Chairperson Pintar recessed the meeting at 11:51 a.m. and reconvened at 12:02 p.m.

19(D) REPORT, DISCUSSION, AND POSSIBLE DIRECTION TO STAFF REGARDING THE HEALTH OFFICER'S REPORT CONCERNING ACTIVITIES IN WHICH THE HEALTH OFFICER IS ENGAGED, BOTH INSIDE AND OUTSIDE THE CARSON CITY HEALTH AND HUMAN SERVICES DEPARTMENT (12:02:28) - Chairperson Pintar introduced this item, and read her report into the record. She entertained a motion to accept her report. **Member Crowell so moved. Member Abowd seconded the motion.** Chairperson Pintar entertained public comment and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 7-0.**

19(E) REPORT FROM ROMAINE GILLILAND WITH POSSIBLE ACTION TO GIVE DIRECTION TO THE CARSON CITY HEALTH AND HUMAN SERVICES DEPARTMENT REGARDING THE AFFORDABLE CARE ACT AND MEDICAID, AND AN UPDATE OF THE PROPOSED STATE DIVISION OF PUBLIC AND BEHAVIORAL HEALTH ORGANIZATION (12:16:30) - Chairperson Pintar introduced this item, and Ms. Works explained Mr. Gilliland's required attendance at another meeting. Ms. Works provided an overview of the agenda materials in conjunction with displayed slides. She and Chairperson Pintar responded to questions of clarification regarding presumptive eligibility. Chairperson Pintar entertained a motion to accept the report. **Member Abowd moved to approve the report in its abbreviated form and provide staff direction regarding the Affordable Care Act and Medicaid and an update of the proposed State Division of Public and Behavioral Health organization. Member Crowell seconded the motion.** Chairperson Pintar advised that she would request Mr. Gilliland to provide a written report to the board members. She entertained public comment and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 7-0.**

19(F) PRESENTATION AND POSSIBLE ACTION TO ACCEPT THE CARSON CITY HEALTH AND HUMAN SERVICES DEPARTMENT FIRST ANNUAL REPORT 2012 (12:04:14) - Chairperson Pintar introduced this item, and Ms. Works reviewed the agenda materials. Ms. Works entertained questions or comments, and Member Abowd thanked the Health and Human Services Department staff "for such a good job." Chairperson Pintar discussed her involvement in preparing the report in consideration of recognizing the function and responsibilities of each division. She suggested considering further distribution of the report. Chairperson Pintar entertained public comment and, when none was forthcoming, a motion to accept the report. **Member Crowell so moved. Member Abowd seconded the motion. Motion carried 7-0.**

19(G) REPORT AND POSSIBLE ACTION TO ACCEPT DONATIONS FOR ANIMAL SERVICES RECEIVED SINCE THE LAST BOARD OF HEALTH MEETING (12:24:34) - Chairperson Pintar introduced this item, and Ms. Works reviewed the agenda materials. Chairperson Pintar entertained public comment and, when none was forthcoming, a motion to accept the report. **Member Crowell so moved. Member Abowd seconded the motion. Motion carried 7-0.**

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20. PUBLIC COMMENT (12:26:24) - Chairperson Pintar entertained public comment; however, none was forthcoming.

21. ACTION TO ADJOURN BOARD OF HEALTH (12:26:28) - Chairperson Pintar adjourned the Board of Health meeting at 12:26 p.m., and advised that the next meeting would be scheduled in June.

22. RECESS AND RECONVENE BOARD OF SUPERVISORS (2:01:57) - Mayor Crowell reconvened the meeting at 2:01 p.m. He modified the agenda to address item 23(C) prior to item 23(A).

23. CITY MANAGER

23(A) PRESENTATION AND DISCUSSION REGARDING THE CAPITAL PROGRAM FOR GENERAL GOVERNMENT FUNDS, AND POSSIBLE ACTION TO PLACE DISCUSSION AND / OR ACTION ITEMS ON FUTURE BOARD OF SUPERVISORS AGENDA(S); 23(B) PRESENTATION AND DISCUSSION REGARDING THE CAPITAL PROGRAM FOR THE FLEET FUND, AND POSSIBLE ACTION TO PLACE DISCUSSION AND / OR ACTION ITEMS ON FUTURE BOARD OF SUPERVISORS AGENDA(S); and 23(C) PRESENTATION AND POSSIBLE ACTION TO APPROVE SUPPLEMENTAL BUDGET REQUESTS AND TO SET THE PRIORITY OF THE SUPPLEMENTAL BUDGET REQUESTS FOR POSSIBLE INCLUSION INTO THE FY 2014 GENERAL FUND BUDGET (2:02:21) - Mayor Crowell introduced and provided an overview of this item. Mr. Werner and Mr. Providenti provided background information on this item, reviewed the agenda materials, and responded to questions of clarification. Extensive discussion ensued relative to the Board members' supplemental budget request and capital program priorities. Mayor Crowell entertained a motion. **Supervisor Abowd moved that, of the \$350,000 available for capital improvements, \$100,000 be reserved for the ambulance; \$115,000 appropriated for the library roof repair; and then, based on the list provided of capital improvements that's been prioritized, take the remaining \$135,000 and apply it to that. Supervisor McKenna seconded the motion.** Mayor Crowell entertained public comment and, when none was forthcoming, entertained Board discussion. Discussion took place regarding the capital improvements priority list and, in response to a question, Supervisor Abowd clarified the intent of her motion. Supervisor McKenna discussed the importance of setting aside funds for future capital improvements needs. Supervisor Abowd agreed, and noted the importance of carefully considering "how we attach what we do, whether it's the PPI and the CPI ... and that's attached to streets and we do something else for wastewater treatment. But it has to have a logical connection so that what we're doing is not penalizing property owners which are at a minimum in our community." Supervisor Bonkowski proposed an amendment to the motion to remove the dollar amount from the library roof repair/replacement. **Supervisor Abowd so amended her motion. Supervisor McKenna continued his second.** Mayor Crowell entertained additional discussion and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 5-0.** Mayor Crowell expressed appreciation for everyone working together.

Mr. Werner acknowledged staff's agreement with the philosophy of planning for future capital needs, and explained the method by which the prioritization list was developed. He discussed the goal for "a long-range capital plan with buildings, building systems, fleet, ... on how you would actually keep that maintained at the proper level and ultimately replace it. ... We ultimately want to get there. It's just trying to figure out how you set that amount of money aside because it's a huge number. But, I think ultimately we could get there." Mr. Werner acknowledged sufficient direction, and suggested that the preceding discussion and motion encompassed all three items. Mayor Crowell entertained comments from the City

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staff present in the meeting room; however, none were forthcoming. Mayor Crowell commended Supervisor Abowd's comprehensive motion.

24. PUBLIC COMMENT (3:09:05) - Mayor Crowell entertained public comment; however, none was forthcoming.

25. ACTION TO ADJOURN (3:09:15) - Mayor Crowell adjourned the meeting at 3:09 p.m.

The Minutes of the March 21, 2013 Carson City Board of Supervisors meeting are so approved this _____ day of June, 2013.

ROBERT L. CROWELL, Mayor

ATTEST:

ALAN GLOVER, Clerk - Recorder