

A regular session of the Carson City Board of Supervisors was held on Thursday, November 1, 1990, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 9:05 a.m.

PRESENT:	Marv Teixeira	Mayor
	Ron Swirczek	Supervisor, Ward 1
	Tom Fettic	Supervisor, Ward 2
	Tom Tatro	Supervisor, Ward 3
	Kay Bennett	Supervisor, Ward 4

STAFF PRESENT:	John Berkich	City Manager
	Paul McGrath	Sheriff
	Ted P. Thornton	Treasurer
	Gary Kulikowski	Internal Auditor
	Charles P. Cockerill	Chief Deputy District Attorney
		(morning session only)
	Bob Auer	Deputy District Attorney (afternoon and evening session only)
	Katherine McLaughlin	Recording Secretary
	Pam Robinson	Business License Supervisor
	Kevin McCoy	Business License Inspector
	(B.O.S. 11/1/90 Tape 1-0001)	

Mayor Teixeira called the meeting to order at 9:05 a.m. Rev. Roy Parker of the Full Gospel Church gave the Invocation. Supervisor Swirczek lead the Pledge of Allegiance. Roll call was taken and a quorum of the Board was present.

APPROVAL OF MINUTES - Special October 17, 1990, Joint Meeting with the Convention and Visitors Bureau and Regular October 4, 1990, Meeting - Supervisor Tatro moved to approve the Minutes as presented. Supervisor Fettic seconded the motion. Motion carried 5-0.

PETITIONS, COMMUNICATIONS, ORDINANCES, RESOLUTIONS, AND OTHER ITEMS (1-0064)

3. INTERNAL AUDITOR - Gary Kulikowski - ACTION ON CHECK DISBURSEMENT REGISTER FOR THE MONTH OF SEPTEMBER 1990 - Mr. Kulikowski's review of the register was explained. Supervisor Swirczek moved that the Board approve the Check Disbursement Register for the month of September 1990 based upon the Internal Auditor's comments that the overpayment to a contractor had been corrected. Supervisor Bennett seconded the motion. Motion carried 5-0.

LIQUOR AND ENTERTAINMENT BOARD MATTERS - Mayor Teixeira recessed the Board of Supervisors session and immediately reconvened the session as the Liquor and Entertainment Board. A quorum was present including Sheriff McGrath.

1. TREASURER - Ted P. Thornton - ACTION ON LIQUOR LICENSE APPLICATION FROM DAVID LOUIS GUERRA, DOING BUSINESS AS THE ROYAL ROOM LOUNGE LOCATED AT 1930 NORTH CARSON STREET (1-0110) - Discussion ensued among the Board, Mr. Thornton, Mr. Guerra, Mr. Cockerill, and Annex President Richard Gross concerning completeness of the application, the licensing problems, the bankruptcy, financing, and lease terms. Board comments cautioned Mr. Guerra concerning the seriousness related to having a liquor license which is considered a privilege. Mr. Guerra stated that he understood that the license was a privilege and not a right. Member Fettic then moved that the Board approve the Liquor License for David

Louis Guerra for the Royal Room Lounge located at 1930 North Carson Street. Member Swirczek seconded the motion. Motion carried 6-0.

There being no other matters for consideration, Chairperson Teixeira adjourned the Liquor and Entertainment Board and immediately reconvened the session as the Board of Supervisors. A quorum was present.

AGENDA MODIFICATIONS (1-0619) - 9. Public Works Director - D. Utility Division Matters - ii. Action on Agreement Between the State of Nevada and Carson City for Improvements to the City's Municipal and State Department of Prison's Water Distribution Systems; and, iii. Action on Task Order No. 29, Carson Valley Well No. 45, and Water Line to Serve Medium Security Prison and State of Nevada Stewart Facilities - Pulled.

CITIZEN COMMENTS (1-0635) - Richard Waiton explained that he would be unable to attend this evening's session and his concern about the rates. As this was an agenda item, he was requested to discuss his concerns with the City Manager during the meeting.

V AND T RAILROAD PROJECT (1-0678) - None.

5. **DISTRICT ATTORNEY** - Charles P. Cockerill.

A. ACTION TO REJECT WHIPPLE OFFER TO SETTLE THE CASE (WHIPPLE ELECTRIC VERSUS CARSON CITY) AND ACTION TO AUTHORIZE GEORGE ALLISON, ESQUIRE, TO NEGOTIATE SETTLEMENT NOT TO EXCEED \$10,000 (WHIPPLE ELECTRIC VERSUS CARSON CITY) - Following Mr. Cockerill's introduction, Mr. Allison explained the lawsuit for \$95,000, the settlement offer of \$86,000, and reasons for his suggestion to settle for \$10,000. Neither Attorney Heaton nor a representative from Whipple Electric were present. Supervisor Tatro moved that the Board of Supervisors reject the October 4, 1990, offer from Whipple Electric to settle the case for \$95,000. Supervisor Feticc seconded the motion. Motion carried 5-0.

Following discussion on the reasonableness of the \$10,000 offer, Supervisor Tatro moved that the Board of Supervisors authorize George Allison to attempt to negotiate a settlement in an amount not exceeding \$10,000 for the defendant Carson City in the Whipple Electric versus Carson City lawsuit. Supervisor Bennett seconded the motion. Motion carried 5-0.

Clarification noted that even though the first motion was in the amount of \$95,000 and the settlement offer may be only \$86,000, both were being rejected.

2. **TREASURER** - Ted P. Thornton.

A. ACTION ON CARSON CITY TREASURER'S FINANCIAL REPORT FOR THE MONTH OF SEPTEMBER 1990 (1-0897) - Supervisor Bennett moved that the Board accept the Treasurer's Financial Report for the month of September 1990. Supervisor Feticc seconded the motion. Motion carried 5-0.

B. ACTION ON RESOLUTION REQUESTING THAT THE STATE MUNICIPAL BOND BANK PURCHASE THE CITY'S GENERAL OBLIGATION WATER BONDS (1-0921) - Supervisor Swirczek moved that the Board of Supervisors adopt Resolution No. 1990-R-70, A RESOLUTION RELATING TO CARSON CITY, NEVADA, GENERAL OBLIGATION WATER BONDS (ADDITIONALLY SECURED WITH PLEDGED REVENUES) TO BE ISSUED IN THE MAXIMUM PRINCIPAL AMOUNT OF \$2,750,000 FOR THE PURPOSE OF IMPROVING THE CITY'S WATER SYSTEM; REQUESTING THE STATE TREASURER, AS ADMINISTRATOR OF THE MUNICIPAL BOND BANK OF THE STATE OF NEVADA,

MAKE A LOAN TO THE CITY BY PURCHASING SUCH BONDS; RATIFYING ACTION HERETOFORE TAKEN NOT INCONSISTENT HERewith; PROVIDING OTHER MATTERS PROPERLY RELATED THERETO; AND PROVIDING THE EFFECTIVE DATE HEREOF. Supervisor Fettic seconded the motion. Motion carried 5-0.

C. ORDINANCE - SECOND READING - ACTION ON BILL NO. 132 - AN ORDINANCE AMENDING VARIOUS SECTIONS OF THE BUSINESS LICENSE CODE INCLUDING THE CLASSIFICATION SECTION AND CONTRACTORS SECTION TO INCREASE RATES (1-0985) - Supervisor Fettic moved to adopt on second reading Ordinance No. 1990-32, **A N O R D I N A N C E AMENDING VARIOUS SECTIONS OF THE BUSINESS LICENSE CODE, INCLUDING THE CLASSIFICATIONS SECTION AND CONTRACTORS SECTION TO INCREASE RATES.** Supervisor Swirczek seconded the motion. Motion carried 5-0.

4. ADMINISTRATIVE SERVICES DIRECTOR - ACTION ON AWARD OF CONTRACT NO. 9091-120 FOR GROUP MEDICAL INSURANCE BROKER/CONSULTANT OF RECORD AND SUBSEQUENT TERMINATION OF EXISTING BROKER OF RECORD CONTRACT NO. 8889-223 (1-1015) - Continued until later in the meeting.

5. B. ACTION ON NOTICE TO T. C. I. CABLEVISION TO NEGOTIATE PUBLIC ACCESS CHANNEL STUDIO (1-1030) - Terms of the franchise providing for negotiations and a potential facility were explained. Supervisor Fettic moved that the Board authorize the Mayor to sign the letter notifying T.C.I. Cablevision of Carson City's desire to negotiate for a "PEG" studio and equipment. Supervisor Swirczek seconded the motion. Motion carried 5-0.

6. PARKS AND RECREATION DIRECTOR - Steve Kastens - ACTION ON PARK RANGER POSITION (1-1092) - Discussion among staff and the Board noted the discovery and recent arrests which were a direct result of this individual's qualifications which make the parks safer. If this individual is laid off next week when the funding terminates, he may not be available next April when the position reopens. Original funding was noted. Discussion indicate a feeling that the position was not needed during the winter. Supervisor Tatro moved that the Board approve the Park and Recreation Director's request to convert the part-time Park Ranger position to a full-time position with funding of said position to come from previous part-time allocation and the balance from the General Fund Contingency, fiscal impact \$16,537. Supervisor Fettic seconded the motion. Mayor Teixeira stressed that his concern was not a question of the position's integrity but rather his desire to have the position addressed during the normal budget process. Motion was voted by roll call with the following result: Bennett - Yes; Swirczek - Yes; Fettic - Yes; Tatro - Yes; and Mayor Teixeira - No. Motion carried 4-1.

7. PURCHASING AGENT - Ron Wilson.

A. ACTION ON AWARD OF CONTRACT 9091-140 - GREENS AERATOR - Supervisor Fettic moved that the Board accept the Purchasing Agent's recommendation and award Contract 9091-140 to Bidder No. 3, Duke Equipment and Irrigation, Inc., of Rancho Cordova, California, as the lowest responsive and responsible bidder pursuant to NRS Chapter 332 for a contract amount of \$11,381.94, funding source 440-551. Supervisor Swirczek seconded the motion. Motion carried 5-0.

B. ACTION ON AWARD OF CONTRACT 9091-141 - TRIM MOWER (1-1629) - Supervisor Swirczek moved that the Board accept the Purchasing Agent's recommendation and award Contract No. 9091-141 to Bidder No. 2, Duke Equipment and Irrigation Inc., Rancho Cordova, California, as the lowest responsive and responsible bidder pursuant to the requirements of NRS Chapter 332 for a contract amount of \$17,875.47, funding source 440-551. Supervisor Fettic seconded the motion. Motion carried 5-0.

C. ACTION ON AWARD OF CONTRACT 9091-142 - FRONT MOUNT MOWER (1-1673) -

The cemetery is to be the primary user of the mower. Discussion indicated the feeling that the general appearance of the cemetery had been improving. Supervisor Bennett moved that the Board accept the Purchasing Agent's recommendation and award Contract 9091-142 to Duke Equipment and Irrigation, Inc., Rancho Cordova, as the lowest responsive and responsible bidder pursuant to the requirements of NRS Chapter 332 for a contract amount of \$11,280, funding source is Account No. 260-000 Capital Acquisition. Supervisor Tatro seconded the motion. Motion carried 5-0.

D. ACTION ON CHANGE ORDER NO. 1 TO CONTRACT 8990-208 - TENNIS COURTS, CENTENNIAL AND ROSS GOLD PARKS (1-1831) - Discussion among the Board, Mr. Wilson, and Mr. Kastens included the soil testing, estimate, and cost override. Mayor Teixeira requested a written report on the reasons for the large discrepancy between the estimate and actual bids. Concern was expressed about laying asphalt at this time of the year. Supervisor Swirczek moved to approve Change Order No. 1 as presented by the Purchasing Assistant to T. E. Bertagnolli and Associates for Tennis Courts at Centennial and Ross Gold Parks in an amount not to exceed \$6,310, funding source 550 Residential Construction Tax. Supervisor Bennett seconded the motion. Motion carried 5-0.

E. ACTION ON RESOLUTION REGARDING THE PURCHASING POLICY MANUAL (1-2085) - Grammatical and clarification changes to the draft were explained by Mr. Wilson. Supervisor Tatro explained changes which would be implemented as a result of the Resolution/Manual. He then suggested that the Model Procurement Code for State and Local Governments as written and distributed by the American Bar Association be utilized as a regulatory provision and that the portions of the Resolution which would be overlooked when emergencies are declared be indicated. Mr. Wilson agreed to change Page 6, Provision 4.1.2. Clarification was given on 4.7.3.1 regarding Change Orders and 5.7 on Release Forms. (1-2695) Mr. Wilson explained for Mr. Richard Waiton how the emergency purchases would be made. Supervisor Bennett requested the status of the emergency list of products be agendized. FEMA had recommended this manual be produced. Discussion noted the savings which may occur as a direct result of the modified Change Order process. Supervisor Tatro commended staff on the document and moved to accept the Purchasing Agent's recommendation and approve Resolution No. 1990-R-71, ADOPTING AND AMENDING THE PROCEDURES FOR THE PURCHASE AND DISPOSAL OF GOODS AND SERVICES BY THE CARSON CITY PURCHASING DEPARTMENT with the changes as noted in the discussion. Supervisor Swirczek seconded the motion. Motion carried 5-0.

BREAK: A five minute recess was taken at 10:30 a.m. When the meeting reconvened at 10:35 a.m. a quorum was present although Supervisor Bennett was absent.

CITIZEN COMMENTS ((1-3095) - Howard Doolittle explained his inability to obtain Cable TV in his subdivision off Colorado. He was directed to contact Mr. Berkich. Lorraine Babban's remarks supported his comments. (Supervisor Bennett returned during her comments. A quorum was present.)

8. COMMUNITY DEVELOPMENT DIRECTOR - Walt Sullivan.

A. ACTION ON APPROVAL OF SENDING A CITY-INITIATED LETTER TO VARIOUS COMPANIES IN AN EFFORT TO MARKET CARSON CITY (2-0029) - Mr. Sullivan, Mr. Berkich, and Supervisor Swirczek explained the draft letter, its purpose, and community support. Chamber of Commerce Executive Director Larry Osborne explained the Chamber's support for the proposal, the need for the letter to emphasize the assets available in the City, and cited examples of those assets. Supervisor Swirczek then expressed his feeling that staff, the Chamber and NNDA should take the proposal to the various service clubs. Northern Nevada Development Authority Executive Director Chris Holt expressed support for the program, his Authority's

reactive posture, and feeling that this would make the City proactive. Discussion expressed the feeling that the City would benefit even though its marketing efforts may result in a firm locating in the surrounding counties. Supervisor Swirczek expounded further on how the program would function. Supervisor Swirczek moved that the Board authorize the Mayor to sign the Carson City marketing correspondence which will be sent to the various private sector companies. Supervisor Tatro seconded the motion. Supervisor Swirczek then amended his motion to include that the letter would not be mailed until the Board has had an opportunity to review the letter which he felt would be the first meeting in January. Supervisor Tatro continued his second. Discussion noted the type of firm which would be solicited. Supervisor Tatro stressed the need to adopt the Business Park Ordinance as soon as possible. Mr. Sullivan felt it would be considered by the Planning Commission during November. The motion to authorize the Mayor to sign the letter as conditioned was voted and carried 5-0.

B. GROWTH MANAGEMENT MATTERS (2-0455)

i. ACTION ON GM 90/91-1 - COMSTOCK HILLS IMPROVEMENT DISTRICT REQUEST FOR GROWTH MANAGEMENT EXEMPTION - There are five undeveloped lots remaining in the District. The Improvement District is no longer viable. All of the hookup fees for these lots had been previously paid. Supervisor Tatro moved that the Board adopt Resolution No. 1990-R-72, A RESOLUTION EXEMPTING COMSTOCK HILLS IMPROVEMENT DISTRICT FROM THE GROWTH MANAGEMENT ENTITLEMENT SYSTEM. Supervisor Bennett seconded the motion. Motion carried 5-0.

ii. ACTION ON GM 90/91-2 - EUGENE LEPIRE LAUNDROMAT WATER USAGE TO EXCEED 7,500 GALLONS PER DAY (2-0517) - Following Mr. Sullivan's introduction, Utility Manager Dorothy Timian-Palmer explained her recommendation mandating that the laundromat utilize low flow, state of the art fixtures but not the dishwasher, washing machines, and ice makers due to the controversy surrounding and price of these machines. Reasons for considering the water usage at this time were discussed. If the water usage for the laundromat is not authorized, the entire project will be abandoned. The Special Use Permit for the bar would be considered later and approval of the water usage was not contingent upon nor implied approval of the Permit. Mr. Lepire and his attorney Ed Bernard acknowledged that the water usage approval was a separate item from the Special Use Permit and explained their feeling the water used would be taken from either commercial or residential laundries. Therefore, it would conserve water. Mr. Lepire agreed to the four conditions. Neither Mr. Lepire nor Mr. Bernard wanted the water conservation condition. Supervisor Fetic moved that the Board approve GM 90/91-3 from Gene Lepire for a Usage Approval for a Laundromat at 1300 East Fifth Street. Following Mr. Cockerill's request, Supervisor Fetic continued the motion to include subject to the four conditions contained in the letter to the Board of Supervisors dated November 1, 1990. Supervisor Tatro seconded the motion and requested clarification of the permit number which was determined to be GM 90/91-3. The motion was voted and carried 5-0.

4. ADMINISTRATIVE SERVICES DIRECTOR - Mary Walker - ACTION ON AWARD OF CONTRACT 9091-120 FOR THE GROUP MEDICAL INSURANCE BROKER/CONSULTANT OF RECORD AND SUBSEQUENT TERMINATION OF EXISTING BROKER OF RECORD CONTRACT 8889-223 (2-1025) - Discussion noted Byerly and Company were the State of Nevada representatives, their programs which would be evaluated and may reduce the City and its employee costs, the firm's reputation, 125 Plan implementation date, the desire to have any PPO program utilize local doctors, and the 60 day termination clause in Sedwick and James' contract. Ms. Walker explained for Mr. Waiton the present program. Mr. Waiton explained a retiree problem with the State of California's "cafeteria" program. Ms. Walker stressed that a careful evaluation would be made before a decision is reached on any "cafeteria" program. Supervisor Swirczek moved that the Board award Contract 9091-120 to Byerly and Company, Inc., as Carson City's Group Medical Insurance Broker/Consultant of Record and terminate the existing Broker of Record Contract 8889-223 with Sedwick and James. Following Mr. Cockerill's request for amendment, Supervisor Swirczek continued his motion to include

providing the 60 days required notice to Sedwick and James, fiscal impact \$1,050 per month or \$12,600 per year, funding source Group Medical Insurance Fund. Supervisor Feticc seconded the motion. Motion carried 5-0.

9. PUBLIC WORKS DIRECTOR - Dan O'Brien.

A. ACTION ON DEDICATION OF FILLET AREA OF INTERSECTION OF DAMON ROAD AND TANGERINE DRIVE BY LEWIS HOMES OF NEVADA (2-1558) - Discussion noted the location of the powerline. Supervisor Bennett moved that the Board accept dedication of a portion of Damon Road and Tangerine Drive contingent on approval of the abandonment of another portion of Damon Road and authorize the Mayor to sign said dedication. Supervisor Swirczek seconded the motion. Motion carried 5-0.

B. ACTION ON RESOLUTION ABOLISHING THE AIRPORT INDUSTRIAL PARK FUND AND TRANSFERRING SURPLUS FUND EQUITY TO THE SEWER FUND (2-1617) - Comments noted EDA's recommendation to transfer the funds. Supervisor Bennett moved that the Board adopt Resolution No. 1990-R-73, RESOLUTION ABOLISHING THE AIRPORT INDUSTRIAL PARK FUND AND TRANSFERRING SURPLUS FUND EQUITY TO THE SEWER FUND in the amount of \$147,343.99 from Fund 532-000 to the Sewer Fund 510-000. Discussion ensued on the actual amount of monies being transferred. Supervisor Bennett corrected her motion to be in the amount of \$147,318.38. Supervisor Swirczek seconded the motion. Motion carried 5-0.

C. REGIONAL TRANSPORTATION COMMISSION MATTERS - ACTION ON CHANGE ORDER NO. 7, SCHOOL CROSSING SIGNAL AND POWER LINE EXTENSION AGREEMENT FOR CONTRACT NO 8990-188, GRAVES LANE IMPROVEMENTS (2-1812) - Discussion included installation of the signal. Supervisor Feticc moved that the Board approve Change Order No. 7 to Contract No. 8990-188, Graves Lane Improvements, submitted by the Contractor Eagle Valley Construction Company for the installation of a school crossing signal, funding source RTC Construction 250-250. Supervisor Bennett seconded the motion. Motion carried 5-0. Supervisor Swirczek moved that the Board authorize the Mayor to sign the Sierra Pacific Power Company Electric Line Extension Agreement No. 90-2255-5 to serve the school crossing signal located at 975 North Edmonds Drive, Carson City, Nevada. Supervisor Bennett seconded the motion. Motion carried 5-0. Mr. O'Brien noted that the project was under budget.

D. UTILITY DIVISION MATTERS - ORDINANCE SECOND READING - ACTION ON BILL NO. 133 - AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE SECTION 17.36.130 REGARDING FIRE HYDRANT FLOW REQUIREMENTS (2-1920) - Supervisor Swirczek moved to adopt Ordinance No. 1990-33, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE SECTION 17.36.130 REGARDING FIRE HYDRANTS. Supervisor Bennett seconded the motion. Motion carried 5-0.

BREAK: A recess was declared at 11:40 a.m. When the meeting reconvened at 1:30 p.m. Supervisor Bennett was absent, however, a quorum was present.

10. CITY MANAGER - ACTION ON CITY MANAGER'S RECOMMENDATION FOR IMPLEMENTATION OF THE RALPH ANDERSEN AND ASSOCIATES STUDY FOR UNCLASSIFIED EMPLOYEES (2-1985) - Mr. Berkich began his introduction, however, as Supervisor Bennett had not arrived, a five minute recess was taken. When the meeting reconvened at 1:40 p.m. the entire Board was present, constituting a quorum. Mr. Berkich explained the Anderson Study recommendations for unclassified employees. Due to the cost to implement, it was recommended that the compa-ratio method be utilized and the increases be spread over three years. Any unclassified at the top or above their range would receive no adjustments but would continue to receive cost of living adjustments and merit increases. The benefits had been compared with other areas and found to be equal. Management leave is still being evaluated. No changes were recommended on it.

The compa-ratio method was then explained. Reasons for recommending merit increases be given based on performance until the top of the range is reached, the management practice to top unclassified employees at six years rather than ten, and management leave were discussed. Supervisor Feticc requested a written report on the City's management leave program including a comparison with other communities. (3-0040) Discussion ensued on the merit increase proposal. Unsatisfactory performance would not receive a merit. Reasons for implementing one-third of the salary increases for those under scale, reasons for granting the Deputy Library Director and Animal Control Director 100 percent of the increase, the need to establish written job performance standards, and the classified-unclassified ratio were discussed.

(3-0430) Greg Smith expressed his feeling he needed more time to evaluate the request, which he had only received at 1:30 p.m. He cautioned the Board about the limited funds available and high personnel costs. He suggested a comparison of salaries be made with private industry. Mr. Berkich explained the delay in getting the information completed and apologized for the tardiness in providing it to both the Board and candidates. The delay in presenting the request to the Board was partially due to the need to discuss the proposal with each of the elected officials. Mr. Smith was requested to provide information concerning which positions he would eliminate. Mr. Smith responded by stressing his feeling that cuts needed to be made in an effort to control the cost of government. Supervisor Swirczek explained his expertise and knowledge of other municipal budgets and feeling that Carson City was leading the State in budget cuts and fiscal responsibility. Supervisor Swirczek urged Mr. Smith, if he is elected, to be specific and avoid vagueness when making comments. Supervisor Bennett then suggested that the matter be continued to allow time for evaluation, which Supervisor Feticc supported. Mayor Teixeira then explained reasons for the study and his feeling that the unclassified portion should be addressed as soon as possible as it is the only portion which had not been implemented.

(3-0847) Del Frost expressed his feeling that the report was easy to understand, acknowledged the feeling that the report should have been available earlier, and expressed his concern about the need for performance standards including a merit rating which would reduce the salary level if unsatisfactory performance is indicated, and his desire to compare the salaries with other communities. Discussion noted that a comparative study had been performed. Mr. Frost then expressed his feeling that unclassified employees had been performing many more hours of overtime than credited. He felt that the implementation plan was fair. Supervisor Swirczek explained that if unsatisfactory performance occurred, the individual could be terminated.

(3-1038) Pete Livermore questioned the reasons for not considering Carson City's demographics in the evaluation specifically showing private versus public employee levels. Mayor Teixeira explained that the study had included this information, however, had not compared private industry's parity. His comments included illustrations showing the flexibility in private industry's salaries for similar positions.

Mr. Berkich then noted that there were several unclassified employees in attendance who had taken their lunch hours to attend the session.

Supervisor Feticc commended Mr. Berkich on the report and moved that the Board continue the matter until the next regularly scheduled meeting in November subject to providing other interested parties an opportunity to review the report in its entirety and allowing them an opportunity to provide additional input at that time. Supervisor Swirczek seconded the motion. Motion carried 5-0.

**11. DETERMINATION/ANNOUNCEMENT OF FUTURE MEETINGS DATES AND TIMES -
ACTION ON DESIGNATION OF FUTURE BOARD MEETING DATES AND TIMES (3-1185) -**
Discussion ensued on a date for the next regular Board meeting and the special meeting scheduled for November 20 on water and sewer rates. Both Mayor Teixeira and Mr. Berkich would be at a Nevada Association of Counties meeting in Mesquite on November 15. Supervisor Feticc then moved to reconsider the last motion on the

scheduled hearing of the Ralph Anderson Study for unclassified employees. Supervisor Swirczek seconded the motion. Following discussion of the motion, Supervisor Fettic moved to withdraw his motion as the next regularly scheduled meeting would be on the 20th. Supervisor Swirczek withdrew his second. Supervisor Swirczek moved that the Board hold its next regularly scheduled meeting on November 20th. Supervisor Fettic seconded the motion. Motion carried 5-0.

Discussion scheduled an evening meeting on the Rotary V&T Railroad Project for December 6. Discussion ensued on the need for a joint meeting with NNDA and the Chamber of Commerce on the solicitation letter to private industry. It was suggested that this be added to a December meeting or during the lunch hour.

BREAK: Mayor Teixeira recessed the session at 3 p.m. When the meeting reconvened at 6 p.m. the entire Board was present constituting a quorum. Staff members present included City Manager John Berkich, Administrative Services Director Mary Walker, Public Works Director Dan O'Brien, Utility Manager Dorothy Timian-Palmer, Deputy District Attorney Bob Auer, Administrative Assistant Margaret Robinson, Recording Secretary Katherine McLaughlin, and Senior Accountant Charles Greer. (3-1461)

12. PUBLIC HEARING REGARDING WATER AND SEWER RATE STUDY - POSSIBLE ACTION ON FINAL DECISION WITH RESPECT TO RATE CHANGES - Mayor Teixeira explained the purpose of the meeting. Mr. Berkich introduced the item by explaining the comparison schedule and introduced staff. Ms. Walker explained reasons for the consultant's proposal to establish a sewer average of 8,000 gallon and the senior citizen rebate program. The report on the Board's suggested options was explained. (A copy was given to the Board and Clerk.) Her explanation included commercial users' ability to pass the cost of water on to its clientele. The proposal would freeze the commercial rates at the present level until the residential rates reach that level. The fire service fee for residents not serviced by the water utility would add \$60,000. Reduced service charges, increased water residential consumption charges, connection fees, conservation measures, and the overall effect on residential users of \$1.01 per month which equates to an 8.2 percent increase were explained. Ms. Timian-Palmer noted the Equivalent Residential Customer (ERC) method utilized to assess hookup fees. Mr. Berkich introduced Public Service Commission Representatives Dr. Bill Stanley.

(3-2325) John Flanders felt that there is no need to "fix what is not broken". He questioned whether the water funds had been used to procure vehicles for other Departments. Ms. Timian-Palmer explained that this could not legally occur. Mr. Flanders then questioned whether any residential users ever have zero usages even when they are absent for lengthy periods. Staff explained that winter averaging was utilized. Mr. Flanders explained his experience with the winter averaging on four separate buildings and a faulty meter. Ms. Timian-Palmer explained the City's approved testing program. Mr. Flanders continued to stress his feeling that the pressure on North Nevada Street was more than 100 pounds. He then questioned the relationship between the sewer and water fees. Ms. Walker explained that this evening's presentation had addressed another option and that the previous meeting had covered his concern. Mr. Flanders noted the senior rebate program, however, felt that only 50 percent of the eligible seniors apply for the rebate. He also felt that he had paid for more than his share of the services and should not be required to pay for any more. Ms. Walker pointed out that Mr. Flanders bill would decrease by 14 percent under the proposal. Mr. Flanders felt that his bill would continue to increase as it had for both the sewer and water services over the last four years.

(3-2613) Orvis Reil expressed his feeling that winter averaging should be continued and no changes made to the present billing systems. He questioned who would pay for the sewer measuring devices at residences not on City water. He also expressed his feeling that he should not have to pay for 8,000 gallons of water when he only uses 1,000 gallons. Ms. Timian-Palmer explained that the sewer user would be required to pay for the water meters at the wells and that he would only be billed for 1,000 gallons or actual water usage to a maximum of 8,000. Mr. Reil continued to stress that this would be an unfair burden on him as his summer irrigation needs increase his

water usage to 40,000 gallons. Discussion ensued on the present billing process, the proposed process, and the methodology of both. Ms. Timian-Palmer noted that the average summer sewer usage does jump as indicated from her own personal experience. Mr. Reil then stressed his feeling that water rights needed to have high priority dates. Mayor Teixeira responded by expressing his feeling that the water purchases had been a good deal for the City.

(4-0075) Del Frost acknowledged the work undertaken in the proposal, however, felt that although the proposal was to equalize the rates, it may not be equitable. He opposed decreasing commercial rates and increasing residential rates. He then questioned the reasons for increasing the fees if the fund was solvent. Ms. Walker explained the change in hookup fees, the increased consumption charges, and decreased monthly service charge. Only inflationary increases would be sought during the next year or two. Mr. Frost then elaborated on his feeling that the Guastella report had not considered conservation including construction of new homes which would mandate water conserving fixtures.

(4-0223) Builders Association Representative David Nielsen felt that neither side should subsidize the other and that steps should be taken to encourage conservation. He questioned whether Guastella's 8,000 gallon average was any more arbitrary than the present winter averaging system. He felt that the water acquisition funds needed to be restricted and held accountable, which was not accomplished under the proposal. He suggested that the proposal to use the water acquisition funds to reduce the service charge not be approved. He felt that this \$80,000 should be made up from the water costs. To do otherwise would unbalance an otherwise equitable system.

(4-0345) PSC Supervising Economist Dr. Bill Stanley expressed his feeling that the study had been a step forward as a majority of the issues had never been considered. All approaches have problems including his feeling that the study was overly kind to the residents. It was "not an off the wall study" and was conservative. He wished the Board luck in dealing with all the issues.

(4-0401) Frank Page suggested a careful review of the decision to reduce connection fees and increase user rates based on his feeling that old-time users had been paying their fair share through the rates. New construction should pay its fair share of the costs. He then questioned the number of citations issued for wasting water last summer. Ms. Timian-Palmer explained that there had been fewer actual citations but more warnings. Mr. Page felt that this was an indication of the residents desire to conserve. He then expressed a feeling that the City needs to watch its irrigation systems particularly at the Library. Ms. Timian-Palmer then explained the purpose of the 34 cents/gallon charge.

(4-0501) Charles Mac Quarie, 700 Wagner Drive, supported the approach which would charge more for using more water, however, opposed the proposal to eliminate the winter average. He did not feel that he used 8,000 gallons during the summer. Conservative sewer users would subsidize those who do not conserve.

(4-0545) Mary Keating expressed her concern about the water right analysis. Staff explained that the higher finance charges are charged initially. She felt that annually 413 new customers were needed to meet the connection fees mandated by the water rights. However, over a 20 year period adequate water rights would not have been procured. Ms. Walker explained that the City already owns some water rights and that these are for future growth. The water rights now owned by the City had been procured under other means. Future needs and funding were explained. Ms. Keating felt that the new construction/resident should be responsible for the additional cost for acquiring the water, however, the storage and plant, etc., could be taken from the service costs. Her concern about the rate of growth and the potential for current users to be responsible for the acquisition and expansion costs were explained at length. She also expressed her concern about Guastella's proposal to spread the rates over a five year implementation period. An option would be to set a six or eight percent rate limitation. She then read goal three from the study and questioned whether this had been a Board directive or whether it was the end result of the study.

(4-780) Carson City Chamber of Commerce Representative Brent Holderman expressed his concern about using commercial rates to offset the residential rates due to commercial's ability to pass the cost on to their clientele. Any subsidization should be from excessive users. Once the rates are equal, subsidization could be considered for anyone who conserves.

(4-0845) Dwight Millard distributed a copy of his points illustrating his feeling that business and commercial users already support the City through the sales, business license, and property taxes. Therefore, he did not feel that they should pay through a basic utility charge. He felt that current customers also benefit from improvement and plant expansion which was not being considered in the proposal to assess new customers. Discussion ensued on the actual cost to produce 1,000 gallons of water. This discussion supported Mr. Millard's position that the low volume users were being subsidized by the high volume users. This creates a conservation measure. He then explained how he arrived at his connection fee of \$2,616. Therefore, an increase was not necessary at this time.

(4-1182) Jim Oddie, Sr., questioned if there are any other communities which base the sewer rate on water usage? He compared his sewer fees with his Reno son which indicates that Carson City's sewer rates are double Reno's. He felt the water and sewer fees should not be dependent on each other. Ms. Timian-Palmer explained that Reno-Sparks do not have water meters. Mr. Oddie then explained Los Angeles' fee structure and his feeling that the entire system in Carson City was a loop hole which generates funds without the taxpayer being allowed to vote on the issue. PSC does not control municipal systems. He acknowledged the indicated imbalance in the rates but expressed a feeling that the current rates appeared to meet the needs. At this time he felt that the residential sewer user would be stuck with the bill.

(4-1369) May Ruth French expressed her feeling that the sewer bills should be based on the monthly water use. Staff responded by explaining that water used for summer irrigation does not go into the sewer system. Commercial water users have a regular meter and an irrigation meter. Ms. French suggested that at least one summer reading be taken.

(4-1480) Bruce Scott noted that the rates were to be phased in over a five year period and would more equitably reallocate the source of revenues. His comments supported stabilizing the commercial rates until residential rates are the same. He also explained his feeling that the 8,000 gallon minimum discouraged conservation and was higher than his own experience indicated. His comments also acknowledged the peak demand problems. While not supporting sewer meters, he felt that conservation measures and metering were necessary to reach an equitable rate. His desire to retain the present winter averaging system was discussed.

(4-1725) John Flanders expressed his feeling that the Water Department computer program could determine water usage for any residence. He could not support the 8,000 gallon average usage and felt that the computer program would reflect his position.

BREAK: At 7:40 p.m. a ten minute recess was taken. When the meeting reconvened at 7:50 p.m. the entire Board was present constituting a quorum.

Board discussion indicated that the resident equivalent fee for connection fees should be implemented and the fire flow protection charge should be assessed against residents not on the water system should be considered in the final ordinance. Board and staff discussion ensued on when the sewer plant will have to be expanded, lack of funding for that expansion, and the proposed sewer connection fee reduction. If this proposal is implemented, it will mandate a bond for the expansion. The philosophy behind charging present versus future users under the program was discussed at length.

(4-2485) Orvis Reil expressed his feeling that the controlling factor for the Valley was not the amount of money available but rather the amount of water. City growth had been restricted by the State engineer. The present

drought should be considered in future development.

Board discussion ensued on the need to adjust the block of water rates whereby water was being sold for 30 cent a gallon when it was costing more than a \$1, that the commercial rates should be frozen, desire to obtain information from PSC on the equity issue, and issues which may be considered in categorizing the rates. Mr. Berkich felt the Board's direction to staff was to present alternatives to the winter averaging process and funding considerations for the sewer plant expansion project. Bonding concerns were noted by Supervisor Bennett. Further Board discussion noted that staff should also evaluate Mr. Millard's proposed sewer connection fee, legal parameters including a summary of the Vegas Valley Water District case, and the need to include conservation measures in the fee structures.

Mayor Teixeira commended the audience on its attendance and participation. There being no other matters for discussion, Supervisor Fetic moved to adjourn. Supervisor Tatro seconded the motion. Motion carried 5-0. Mayor Teixeira adjourned the meeting at 8:40 p.m.

The Minutes of the November 1, 1990, Carson City Board of Supervisors meeting

ARE SO APPROVED ON ____December_6_____, 1990.

_____/s/_____
Marv Teixeira, Mayor

ATTEST:

_____/s/_____
Alan Glover, Clerk-Recorder