

CARSON CITY BOARD OF SUPERVISORS
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A special meeting of the Carson City Board of Supervisors was held on Thursday, June 25, 1987, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 9:30 a.m.

PRESENT:	Dan Flammer	Mayor
	Ron Swirczek	Supervisor, Ward 1
	Tom Fettic	Supervisor, Ward 2
	Marilee Chirila	Supervisor, Ward 3

STAFF PRESENT:	L. H. Hamilton	City Manager
	Ted P. Thornton	Clerk-Treasurer
	Alan Glover	Recorder
	Mary Walker	Finance Director
	Charles P. Cockerill	Chief Deputy Dist. Attorney
	Katherine McLaughlin	Recording Secretary
	(B.O.S. 6/25/87 Tape 1-0000)	

Mayor Flammer called the meeting to order at 9:30 a.m. by leading the Pledge of Allegiance. Roll call was taken. A quorum was present although Supervisor Scrivner was absent.

IV. APPROVAL OF MINUTES - None.

VII. **RESOLUTIONS** (1-0025)

A. DEPUTY FINANCE DIRECTOR

- 1.** **BUDGET AUGMENTATIONS FOR FISCAL YEAR ENDING JUNE 30, 1987**
- 2.** **BUDGET TRANSFERS FOR FISCAL YEAR ENDING JUNE 30, 1987**

Finance Director Mary Walker explained the requests, actions necessary to complete the requests, and statutory requirements. This included a brief review of the affected accounts and reasons for the expenditures. The requests covered the entire fiscal year. Discussion ensued concerning the Fire Department overage due to overtime and minimum manning costs, the Felix/Ontiveros trial costs, the computer equipment changes at Northgate, the personnel savings created by delays in rehiring, and this budget reductions to meet the deficit.

Supervisor Fettic moved to adopt Resolution No. 1987-R-64 **A RESOLUTION TO AUGMENT AND AMEND THE 1986-87 BUDGET OF THE CITY OF CARSON, STATE OF NEVADA.** Supervisor Swirczek seconded the motion. Motion was voted and carried 4-0.

Supervisor Swirczek then moved to authorize staff to proceed with the budget transfers for fiscal year 1986-87 as presented. Supervisor Fettic seconded the motion. Motion was voted and carried 4-0.

Supervisor Fettic then commended staff on the work which had been accomplished to bring the budget in line in view of the budget deficit which had occurred some nine months earlier.

B. **CONSIDERATION OF FINANCIAL SUPPORT FOR NEVADA HOME HEALTH SERVICES, INC.** (1-0560)

Mr. Hamilton explained the request for funding which was discussed at the last meeting. He sought guidance concerning whether the Agency should be funded due to the budget. The request was for \$13,500. Deputy

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Finance Director Mary Walker had reviewed the last three financial statements. While indicating that the Agency did have financial problems, she felt that steps had been taken to correct this situation. Additional financial support had been received from some of the participating Counties, however, others had declined. If the Board wishes to fund the Agency, funds could be taken from the General Fund or a Community Services grant. The grant is for low or moderate income residents as well as indigents. Use of these grants would mandate that the Agency keep strict accounting records. He felt that the entire sum could not come from a grant, however, but it would reduce the impact on the General Fund.

Supervisor Fetic expressed his willingness to support the Agency particularly if the financial situation was being addressed.

Deputy Finance Director Walker explained the ending balances which had occurred since 1985. Although the records reflect a negative ending balance for his year, there were adequate reserves available to show that there was still a positive working capital. The budget cutting measures were briefly explained. Community support for continuing the program was quite apparent.

Supervisor Chirila, while acknowledging the service provided by the Agency, questioned whether this was the best use of City funds and whether there were other Agencies providing the same service. She suggested that these Agencies be combined as she felt that other options should be included in the discussion.

Mr. Hamilton explained that there are currently four home health agencies providing this service to Carson City. Nevada Home Health is the largest of these agencies. The Agency has been serving the public for at least 20 years. He questioned the wisdom of putting City funds into an Agency which may close its doors within the year.

Supervisor Fetic and Mayor Flammer expressed a desire to see other options.

(1-0792) Thelma Calhoun explained her involvement with the Agency since 1975. The Agency is a non-profit organization. During its 25 year history it had always been embroiled in a financial crisis. She felt that the Agency had been providing an excellent service for the community at a rate which low and moderate income families could afford. She cited a personal experience as an example of the service provided. She felt that if insurance companies, including Medicare and Medicaid, made their payments on time, the Agency would be solvent. If the influx of Senior Citizens continues, it may be that the City will face the tremendous financial burden of providing medical care for individuals who cannot afford the private agencies. She noted that Elko County had doubled its contribution due to the value it felt the Agency provided. She urged the Board to increase the amount if at all possible.

Mayor Flammer explained that the Board was well aware of the services provided by the Agency and felt that the issue would be addressed if at all possible.

C. REQUEST FOR DIRECTION CONCERNING IMPLEMENTATION OF LEGISLATIVE BILLS AB 645 (TO RAISE AD VALOREM TAX RATE PURSUANT TO NRS CHAPTER 354) AND SB 583 (TO IMPOSE ADDITIONAL TAX ON TRANSIENT LODGING) - (1-0913)

Mr. Hamilton explained the legal requirements mandated in the Bills. Estimates indicated that 645 would raise approximately \$300,000 and 583 would raise approximately \$140,000. Clarification indicated that the first installment due date on the tax bills had been extended to August 10. The Tax Commission would certify the maximum rate on July 7th. The increase could be handled by Resolution. Discussion also noted that the funds from 583 had originally been intended to be used for Eagle Valley West, however, a last minute change in the Bill would allow other uses as well. The public hearings on these Bills were set for July 2.

VIII. ORDINANCES - FIRST READING - None.

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XII. CITIZENS COMMENTS (1-1303)

In response to Richard Waiton's request, Supervisor Swirczek and Finance Director Walker explained the 1981 tax reform, the five percent increase granted by this Legislature, which would create a six cent increase per \$100 assessed valuation, and that the three percent public safety tax override had been rejected but would be reconsidered next week. The items covered in the override were included in the explanation.

IX. ORDINANCES - SECOND READING (CONTINUED FROM JUNE 18, 1987, MEETING OF THE BOARD OF SUPERVISORS) - BILL NO. 121 - CARSON CITY MUNICIPAL CODE TITLE 5, CHAPTER 5.02 - FRANCHISE AGREEMENT BETWEEN CARSON CITY AND T.C.I. OF NEVADA INC. (CABLE TV)

Supervisor Swirczek explained his concern about the business economics of the firm absorbing the difference in franchise fees if the Department of Taxation approves the proposed five percent rate. The firm had indicated that its rates had been based upon a two percent increase in the franchise fee. While acknowledging that this was a concern which Federal mandates prohibited the Board from considering, he felt it was a germane issue. Ms. Walter noted that the Tax Commission would ultimately determine which rate would prevail.

BREAK: - At 10:35 a.m. a ten minute recess was called. When the meeting reconvened at 10:45 a.m. a quorum was present as noted originally.

(1-1700) Linda McGrath explained her concern about the build-out schedule for the Riverview Terrace area. Purportedly, if the area provided \$3 to \$5,000, it would become one of the first areas to receive the cable. Frank Gallic explained that Riverview was one of the areas which his firm would construct at the firm's cost and was listed on the schedule as being done within the second 12 month period.

Supervisor Chirila explained her concern about Mr. Gallic's statement that "It is a crap shoot." Mr. Gallic could not recall the context of that statement but felt that as cable television is not a necessity, its success is a gamble.

(1-1900) Mr. Hamilton explained for James Chico that the second year of the schedule would begin July 2, 1988, and end June 30, 1989.

(1-1962) Mr. Cockerill explained for Thelma Calhoun that the franchise could be cancelled for noncompliance.

(1-1988) Mr. Gallic explained for Ms. McGrath that the current average number of residences in Riverview was 21 homes per mile. The franchise dictates construction where there are 48 per mile. Supervisor Swirczek then questions the reason construction would occur if funding is provided by the residents. Plant Manager Steve Walker explained that, if the residents are willing to subscribe by participating in the expansion costs, a need would be indicated and a change in dates considered. Mr. Hamilton explained that the current franchise agreement allows for participation by the subscribers and changes in the construction phases. Negotiations for the current franchise were based on the desire to have the cable throughout the City and, with a few limited areas, construction is to be at no cost to the City or its residents. Mr. Gallic acknowledged these comments. Supervisor Feticc showed Ms. McGrath the franchise and the section dealing with the construction schedule and costs. Supervisor Swirczek expressed his feeling that the rate increase had included the construction costs so in actuality the residents were paying for the construction costs. Mr. Cockerill read the schedule into the record. Mr. Gallic states that that this schedule was the one reached in negotiations.

Supervisor Feticc moved to adopt Ordinance 1987-21, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE CHAPTER 5.02 BY ENACTING A FRANCHISE BETWEEN CARSON CITY AND T.C.I. OF NEVADA, INC. FOR THE OPERATION AND MAINTENANCE OF A COMMUNITY ANTENNA TELEVISION SYSTEM, PROVIDING FOR CRIMINAL VIOLATIONS THEREOF AND OTHER MATTERS PROPERLY RELATED THERETO. Supervisor Swirczek seconded the motion.

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Mr. Cockerill read from the Franchise that the five percent fee would be applied on a monthly basis to the operation of a cable system. In accordance with Federal law, a copy of which was attached to the Ordinance, any decrease in the fee would be passed on to the consumers.

As the franchise spelled out a five percent rate, if the Tax Commission decreases this rate, the reduced rate would be passed on to the consumer. Mr. Gallic expressed his intent to meet the Federal requirements, however, as his firm had used a two percent franchise fee and was willing to maintain at the rates for 12 months, a decrease by the Tax Commission would not require a rate change. Mr. Cockerill then explained that the final page of the agreement had been sent to the corporate office for signatures.

Supervisor Feticc then amended his motion to adopt the Ordinance conditioned upon T.C.I. of Nevada signatures. Supervisor Swirczek continued his second. Ayes - Feticc, Chirila, Swirczek, and Mayor Flammer. Nays - None. Motion carried unanimously and so ordered.

X. CITY MANAGER RESOLUTIONS, REPORTS, AND BOARD DIRECTIVES (1-2398) - None.

XI. BOARD OF SUPERVISORS RESOLUTIONS, REPORTS, AND PROCLAMATIONS - None.

There being no other matters for consideration, Supervisor Feticc moved to adjourn. Supervisor Swirczek seconded the motion. Motion was voted and carried 4-0. Mayor Flammer declared the meeting adjourned at 11:05 a.m.

A tape recording of the proceedings is on file in the Clerk-Recorder's Office. This tape is available for review and inspection during normal business hours.

The Minutes of the Carson City Board of Supervisors Special June 25, 1987 meeting

ARE SO APPROVED ON____March 3, 1988

/s/_____
Dan Flammer, Mayor

ATTEST:

/s/_____
Alan Glover, Clerk-Recorder