

REGULAR CITY COUNCIL MEETING MINUTES
3:00 P.M. Monday, August 10, 2009
City Council Chambers, Legislative Building, 745 Fourth Street, Sparks, Nevada

1. *Call to Order (Time: 3:01:33 p.m.)

The regular meeting of the Sparks City Council was called to order by Mayor Geno Martini at 3:01 p.m.

2. *Roll Call (Time: 3:01:41 p.m.)

Mayor Geno Martini, City Clerk Linda Patterson, Council Members Julia Ratti, Phillip Salerno, Ron Smith, Mike Carrigan, Ron Schmitt, City Manager Shaun Carey, City Attorney Chet Adams, PRESENT.

Invocation Speaker: (Time: 3:01:58 p.m.)

Pastor Ken Kasterko from University Family Fellowship was not present to give the invocation.

Pledge of Allegiance (Time: 3:02:10 p.m.)

The Pledge of Allegiance was led by Council Member Phillip Salerno.

***Comments from the Public** (Time: 3:02:37 p.m.)

None.

Approval of the Agenda (Time: 3:02:45 p.m.)

Consideration of taking items out of sequence, deleting items and adding items which require action upon a finding that an emergency exists. Item 5.3 was pulled from the agenda. Item 5.6 was pulled for separate discussion and vote.

A motion was made by Council Member Carrigan, seconded by Council Member Smith, to approve the agenda as amended. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

3. Recommendation to Approve Minutes of:

3.1 Regular Meeting of July 27, 2009 (Time: 3:03:31 p.m.)

A motion was made by Council Member Smith, seconded by Council Member Salerno, to approve the minutes of the Regular Meeting of July 27, 2009. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

4. Announcements, Presentations, Recognition Items and Items of Special Interest:

4.1 Commendation to Janelle Yee (Time: 3:04:06 p.m.)

Mayor Martini read a commendation for Janelle Yee to recognize her accomplishment as a recipient of the 2009 Alexander Hamilton Citizen Achievement Award, her outstanding academic record, and her active involvement in school and community activities. Ms. Yee and members of her family were present to accept the award and she thanked the Council for the recognition.

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4.2 Proclamation – Kindness Day (Time: 3:07:55 p.m.)

Mayor Martini read a proclamation naming August 15, 2009, as Kindness Day in recognition of the importance and contagiousness of random acts of kindness. The proclamation was accepted by Alexa Bradiodus from The Summit.

5. Consent Items: (Time: 3:11:04 p.m.)

A motion was made by Council Member Smith, seconded by Council Member Schmitt, to approve Consent Items 5.1, 5.2, 5.4, 5.5, and 5.7 through 5.10. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

5.1 Report of Claims and Bills approved for payment and appropriation transfers for the period July 9, 2009, through July 22, 2009

An agenda item from Finance Director Tom Minton recommending approval of the Report of Claims and Bills as outlined.

5.2 Consideration and possible approval of the City of Sparks Public Sector Emergency Retrofit Plan to be submitted to the Nevada Energy Commissioner as required by the passage of Senate Bill 358

An agenda item from Deputy Public Works Director Pete Etchart recommending approval of the City's plan to retrofit public buildings, facilities and structures, including, without limitation, traffic control systems, and to otherwise use renewable energy to serve those buildings, facilities and structures. This bill requires that the governing body of each local government develop and submit a plan to retrofit public buildings, etc.

5.3 Consideration and possible award of the Pioneer Dam Reconstruction Project, Bid No. 09/10-007, PWP# WA-2009-352, to Peavine Construction, Inc., in the amount of \$970,850

This item was pulled off the agenda.

5.4 Consideration and possible approval of the 2009 Summer Pavement Rehabilitation Program, Bid No. 09/10-005, PWP# WA-2009-340, to Atlas Contractors, in the amount of \$655,638.95

An agenda item from Transportation Manager Jon Ericson recommending the City Council award the pavement rehabilitation contract to Atlas Contractors, as outlined. As part of the City's Road Ahead Program, several streets have been identified as needing rehabilitation. These streets will be cold milled and replaced with type 3 asphalt pavement; the existing curb, gutter and sidewalk will be replaced; and handicapped ramps will be installed. The following roadways are scheduled to be rehabilitated: York Way; Oppio Street; Covina Drive; Verano Drive; Lorena Drive; London Circle; and Manchester Way. Atlas was the lowest qualified bidder for this project and funds are budgeted and available.

5.5 Consideration and possible award of the informal quote for the 2008/2009 Police Department Upper Stair Improvement Project, CIP 9039R to Valley Concrete, for the base quote and additive alternative in the amount of \$26,009.90

An agenda item from Capital Projects Manager Chris Cobb recommending the City Council award a contract to Valley Concrete, as outlined. This project will reconstruct the deteriorated

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stairs and railing that provides access to the Police Department Plaza entrance. Valley Concrete submitted the lowest base quote and additive alternative for this project and funds are budgeted and available.

5.6 Consideration and possible approval of the informal quote for the Rock Boulevard and Hymer Avenue Sewer Rehabilitation Project to Gerhardt & Berry in the amount of \$50,234.50 (Time: 3:11:48 p.m.)

An agenda item from Civil Engineer John Martini recommending the City Council award a contract to Gerhardt & Berry, as outlined. This project will rehabilitate approximately 210 linear feet of sanitary sewer pipe located in Rock Boulevard near the intersection at Hymer Avenue. Gerhardt & Berry submitted the lowest quote for this project and funds are budgeted and available.

Mayor Martini noted that Council Member Salerno would be abstaining from the vote on this item.

A motion was made by Council Member Schmitt, seconded by Council Member Smith, to approve Consent Item 5.6. Council Members Ratti, Smith, Carrigan, Schmitt, YES. Council Member Salerno, ABSTAIN. Motion carried.

5.7 Consideration and possible approval to renew the Hospital Services Agreement with Northern Nevada Medical Center, a PPO provider for the City's Self-Funded Employee Benefits Medical Plan

An agenda item from Human Resources Manager Chris Syverson recommending the City Council approve the renewal of the PPO provider agreement with Northern Nevada Medical Center. The current agreement expires December 31, 2009. This hospital services agreement will be effective January 1, 2010 and may be continued through December 31, 2012.

5.8 Consideration and possible approval of a Consultant Agreement with Brown and Caldwell for Design of Digester Repairs at the Truckee Meadows Water Reclamation Facility (TMWRF) with the City of Reno in the total amount of \$305,738, and Sparks' share being \$95,910

An agenda item from Wastewater Treatment Manager Randall Gray recommending the City Council approve a consultant agreement through the City of Reno for design of digester repairs at TMWRF. The City of Sparks will reimburse the City of Reno for our share of the costs. This design contract will review, analyze, and prepare construction documents with engineering support services upon the successful bid and award of this project.

5.9 Consideration and possible award of the Westbound Victorian Sanitary Sewer Rehabilitation Project, Bid No. 09/10-003, PWP No. WA-2009-327, to Peavine Construction, Inc. in the amount of \$141,000

An agenda item from Civil Engineer Andy Hummel recommending the City Council award a contract to Peavine Construction, as outlined. This project will replace an old oversized sewer main no longer required with a new 8 inch PVC sewer line which will be regarded to provide a better slope and flow velocity and tie in the remaining services attached to this line. Funds are available for this project.

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5.10 Consideration and possible approval of an agreement with the Truckee Meadows Water Authority (TMWA) to extend and amend the Grant of Rights of Way Agreement (A-3074) for an additional ten years, through July 31, 2019

An agenda item from Utility Manager JoAnn Meacham recommending the City Council extend and amend A-3074 to extend the terms for an additional ten years and provide for recording of specific easements. There is no change in the provisions to collect and distribute the right-of-way toll of 5% of gross receipts. The TMWA Board of Directors approved the extension of this agreement on July 15, 2009.

6. General Business:

6.1 Consideration and possible approval of renewing the City's financial support for the Economic Development Authority of Western Nevada (EDAWN) for fiscal year 2009-10 (Time: 3:12:14 p.m.)

Assistant City Manager Randy Mellinger stated that we have budgeted for this item and we expect EDAWN to continue the work they are doing trying to create jobs in this area. EDAWN provides updates to the Council on the work they are doing for Sparks and the entire region twice a year.

A motion was made by Council Member Salerno, seconded by Council Member Ratti, to approve renewing the City's financial support for EDAWN for fiscal year 2009/2010 in the amount of \$35,000. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.2 Consideration and possible approval of elected official appointments to the Regional Planning Governing Board Time: 3:13:37 p.m.)

City Clerk Linda Patterson noted that while doing some research on appointments to the Regional Planning Governing Board she discovered that the elected officials needed to be appointed/reappointed to this board. The City of Sparks has three appointed positions for staggered three-year terms. The current members are Mayor Geno Martini and Council Members Mike Carrigan and Ron Schmitt. Mayor Martini's current term expired June 30, 2009. He needs to be reappointed or the Council needs to select a Council Member to take his place. The term will be until June 30, 2012.

She also noted that Council Member Carrigan's term expired June 30, 2008; however, at their meeting of December 15, 2008, the Council approved various boards and commission assignments, including another term for Council Member Carrigan on the Regional Planning Governing Board. His term on the board will expire June 30, 2011.

Council Member Schmitt noted that this board is an unfunded mandate from the State Legislature and it costs the citizens of Sparks over \$300,000 a year. He said that this is an example of how consolidation costs the citizens.

A motion was made by Council Member Smith, seconded by Council Member Salerno, to confirm Mayor Martini's reappointment to the Regional Planning Governing Board for a term

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through June 30, 2012, and reaffirm Council Member Carrigan's term on the Board through June 30, 2011. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.3 Consideration, discussion and possible approval of the Mayor's recommendation of appointment to the Regional Planning Commission (Time: 3:16:32 p.m.)

Scott Barnes' term on the Regional Planning Commission expired on June 30, 2009. The term is for three years and a replacement must be appointed by the Mayor and confirmed by the Council. Mayor Martini stated that he had spoken to all the members of the Sparks Planning Commission and Doug Voelz was willing to serve on this board as a representative for Sparks.

A motion was made by Council Member Schmitt, seconded by Council Member Carrigan, to confirm the Mayor's appointment of Doug Voelz to the Regional Planning Commission. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.4 Discussion and possible acquisition of RTC transit buses for Special Events (Time: 3:18:18 p.m.)

Public Works Maintenance Superintendent Ron Korman noted that staff was directed by Council Member Smith to look into acquiring some buses from the RTC to be used for special events transportation. Staff contacted RTC and examined the busses that they had available for donation to the City. Staff then analyzed the initial costs (\$12,489) and yearly costs (\$16,489, including insurance) for maintaining the buses.

City Manager Shaun Carey noted that in addition to transportation for special events, the Parks and Recreation Department is anticipating the ability to move children to different activities. We have relied, for a long time, on the Washoe County School District for bus transportation for our recreation programs. The buses will enhance our travel opportunities for recreation programming.

Council Member Smith noted that 22 employees stepped up to take the additional driver testing to be able to drive the buses.

Mayor Martini stated he felt this was a great opportunity for the City

A motion was made by Council Member Smith, seconded by Council Member Schmitt, to approve the acquisition of two RTC buses for special events and other uses. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.5 Discussion, consideration and possible adoption of Resolution No. 3153 revising the membership requirements of the Sparks Tourism and Marketing Committee to two members of the City Council to be appointed by the Sparks City Council (Time: 3:21:22 p.m.)

City Manager Carey noted that this was a "clean-up" item associated with our understanding of Assembly Bill 444. We believe that we should have the City Council responsible for tourism funds. This resolution simply designates that the Chair and Vice Chair of the group will come from members of the Sparks City Council. It does allow for the current members on the

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committee to continue to serve on the committee, but it does remove the prior designation of the Redevelopment Agency.

A motion was made by Council Member Schmitt, seconded by Council Member Smith, to approve Resolution No. 3153, revising the membership of the Sparks Tourism and Marketing Committee to two members of the City Council to be appointed by the Sparks City Council. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.6 Presentation and possible adoption of Resolution No. 3154 to establish a special revenue fund called “Tourism and Marketing Fund” (Time: 3:22:56 p.m.)

Finance Director Tom Minton stated this resolution will clarify the budget and bookkeeping for the Tourism and Marketing (Tourmark) funds. The funds were previously deposited in the revolving fund of the Redevelopment Agency and consequently they were mixed in with other monies. Creating a new fund will allow us to track the statutory payments and also give budgetary approval.

Council Member Smith asked if all the special event funds would be in this account. Mr. Minton clarified that only the Tourmark funds would be in the account—meaning only the RSCVA funds that they pay us.

City Manager Carey noted that staff is still working on the policy considerations to have consistency in the review of special events that are large in nature and which would involve redevelopment agency spending as well as city spending. This resolution is important because it repeals and previous resolution and redirects these funds properly. The actual policies for use of public funds for special events will come back to the Council for review and possible approval at a later time.

Council Member Schmitt stated the purpose of the resolution was to give the Council feedback from the Tourmark Committee. However, under article 11, it gives the City Manager authorization to approve up to \$25,000 in spending. He asked the Council if they wanted just to see what is spent, or do they want to have approval over everything that is spent.

Council Member Salerno stated that they should be aware of any funds that are spent, but shouldn't necessarily have to vote on it. Council Member Carrigan said he would prefer to have the Tourmark Committee “do what they needed to do” and then report once a month or so at a council meeting regarding what had been done. Council Member Smith commented that all they are looking for is “transparency.”

City Attorney Adams stated he crafted the resolution to give the City Manager spending authority up to \$25,000 annually, not per item or expenditure.

Council Member Schmitt said that it has been his experience that this account has been handled very conservatively and openly and he would hate to see things get “bogged down” in Council every time a decision has to be made, particularly since the special event season is very fluid.

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City Manager Carey stated he would prefer that this resolution mirror the City's regular purchasing decisions, which gives the City Manager purchasing authority up to \$25,000 per item/occasion.

A motion was made by Council Member Smith, seconded by Council Member Salerno, to adopt Resolution No. 3154, to establish a special revenue fund called "Tourism and Marketing Fund," amending the resolution to delete Section 11 in its entirety. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.7 Presentation, discussion, and possible direction or approval of the American Recovery and Reinvestment Act (ARRA) (Time: 3:30:49 p.m.)

Government Affairs Analyst provided an update to the Council, stating we did receive COPS grant funding. Sparks was one of only four cities that received funding under this grant. The Public Works Department is diligently working on getting their funding. They have submitted all their paperwork and are hoping to have an answer from the Department of Energy by October. Tracy Wheeler reports that the HUD grant funding is coming along, as well.

We received notice that the markups are almost approved for our Federal FY10 requests. The only thing we have seen so far for transportation is \$1.6 million for the Pyramid corridor.

Mr. Carey noted that Chief Asher has received the grant documents and is working to finalize them; which includes including the COPS grant in the budget and receiving permission from the City Council to fund the grant. He stated the documents have to be completed in a 90 day period and unless the Council wanted to see the paperwork, staff would simply carry it out.

6.8 Consideration and possible approval of Resolution No. 3155, consenting to Relinquishment and Land Transfer Agreement for SR-663 (Oddie Boulevard) (Time: 3:33:28 p.m.)

Real Property Agent David Vill explained that the next three resolutions under Items 6.8, 6.9, and 6.10 are consenting to land transfers (roadways) from the Nevada Department of Transportation to the City. The first one is for approximately 1.53 miles of Oddie Boulevard. The second one is for 0.302 miles of Victorian Avenue. The third one is for .40 miles of Kietzke Lane. Each one of the land transfers were approved in a cooperative agreement in August of 2008 and these resolutions finalize the relinquishments. There are dollars attached to each of the relinquishments and there are some water rights attached to one of the roadways (so far).

Mr. Vill stated the transfer of the roads and rights-of-way will give the City control of operations and maintenance; access to the roads; the right to develop or redevelop; will eliminate FHWA oversight; and will better fit into the regional road system, rather than be a part of the State highway system.

Council Member Smith asked if there was money that came with these roadways. Mr. Vill stated the overall amount is approximately \$836,000, plus water rights, if they are available. Mr. Smith commented that this money will take of the maintenance of the roadways. Mr. Vill stated the roadways are built to highway standards and the Public Works Director has assured him that the roads are in good shape.

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A motion was made by Council Member Salerno, seconded by Council Member Smith, to approve Resolution Nos. 3155, 3156, and 3157, consenting to Relinquishment and Land Transfer Agreements for SR-663 (Oddie Boulevard), SR-647 (Victorian Avenue), and SR-667 (Kietzke Lane), as outlined by staff. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.9 Consideration and possible approval of Resolution No. 3156, consenting to Relinquishment and Land Transfer Agreement for SR-647 (Victorian Avenue) (Time: 3:36:50 p.m.)

The discussion for this item is listed under Item 6.8.

A motion was made by Council Member Salerno, seconded by Council Member Smith, to approve Resolution Nos. 3155, 3156, and 3157, consenting to Relinquishment and Land Transfer Agreements for SR-663 (Oddie Boulevard), SR-647 (Victorian Avenue), and SR-667 (Kietzke Lane), as outlined by staff. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.10 Consideration and possible approval of Resolution No. 3157, consenting to Relinquishment and Land Transfer Agreement for SR-667 (Kietzke Lane) (Time: 3:36:50 p.m.)

The discussion for this item is listed under Item 6.8.

A motion was made by Council Member Salerno, seconded by Council Member Smith, to approve Resolution Nos. 3155, 3156, and 3157, consenting to Relinquishment and Land Transfer Agreements for SR-663 (Oddie Boulevard), SR-647 (Victorian Avenue), and SR-667 (Kietzke Lane), as outlined by staff. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.11 First Reading and possible discussion of Bill No. 2610, a voluntary annexation request, in accordance with the City of Sparks 7-year Annexation Program, by Tahoe Reno Commercial Center, LLC, for a parcel 30.23 acres in size, generally located west of the USA Parkway Interchange, east of the Patrick Interchange, shares the southern property line with the right-of-way of Interstate 80's west bound lanes and is approximately 10.5 miles east of the intersection of Vista Boulevard and Interstate 80 within the City of Sparks Sphere of Influence. Upon annexation, the zoning would convert from a Washoe County designation of Industrial to a City of Sparks zoning designation of I (Industrial) (Time: 3:37:50 p.m.)

City Clerk Linda Patterson read the bill by title. Mayor Martini noted that the second reading and public hearing was scheduled for August 24, 2009.

6.12 Presentation, discussion, and action on the consolidation reports from Human Resources, Information Technology, and Purchasing (Time: 3:38:47 p.m.)

Assistant City Manager Steve Driscoll introduced Community Development Director Neil Krutz and noted that Mr. Krutz is assigned to the Regional Shared Services Team. He noted the Team

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received presentations on possible consolidations at a meeting on July 9th. He asked staff to provide a brief overview of those three presentations to the Council as follows:

Consolidation Project of the Purchasing Function

Purchasing Manager Dan Marran noted that from our perspective, consolidation should be about the improving of efficiency in an organization. In purchasing, we look at what we buy and how we buy it. Regionally, public purchasing has been sharing contracts, bids, and expertise for over 25 years through the Northern Nevada Consortium for Cooperative Purchasing. He said there are not a lot of areas where we can move forward because they are already sharing. However, there are some things that we do not buy together—supplies that the City would not need, that the School District might purchase. Mr. Marran continued his presentation as outlined below:

Current Purchasing Organization:

Summary of Agency's Operations	Washoe County	City of Reno	City of Sparks	WCSD
Type of Purchasing Organization	Centralized	De-centralized	Centralized	Centralized
Public Works Construction Bids	Infrequently	No	Always	No
FY 2010 Purchasing Division Budget Total	\$512,478.00	\$190,179.96*	\$337,910.00	\$513,707.00
Staffing				
• Purchasing Manager	1	1	1	
• Purchasing Supervisor				1
• Senior Buyers			1	
• Buyer II (WCSD) / Buyer (WC) (SP)	3		1	3
• Buyer I (WCSD)/ Assistant Buyer (WC)	1			1
• Administrative Secretary				1
• Secretary II/OAll		1		1
• Program Technician				1
Number of Total FTE's	5	2	3	8
Current Limits of Authority	\$50,000.00	\$25,000.00	\$25,000.00	\$25,000.00
Agency Finance Software (Includes Purchasing Module)	SAP	New World	AGRESSO	Bi-Tech

Total Combined Staff = 18 Total Combined Budget = \$1.5M

Purchasing is Integrated

- (It's not just about buying "stuff.")

Purchasing Affects or is Affected by:

- NRS & Local County/Municipal Codes or Policies
- Associated Legal Interpretations
- Enterprise Software Systems

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- Budget Rules
- Account Code Structures
- Approval Limits (electronic and organizational)
- Payment Processes
- Accounting & Reporting

Challenges

- Enterprise Resource Software
- Operational Model – Effects of Shifting Authority
- Policies and Procedures – Finding the “*Best Match*” Affects all Levels
- Finance Implications - Access to Real-Time Data Accounting/Budget Functions
- Funding and Governance – Work Cannot Proceed Until Addressed

Summary

- Centralizing/Consolidating authority can make operational sense in organizations that function and govern in the same manner.
- Given the varying levels of service and organizational differences that exist between agencies, consolidating this function will not result in any immediate budget savings.
- The Purchasing divisions of the represented agencies work hard to serve the specific needs of their individual clients and will endeavor to continue to provide this level of service in to the future in whatever form that may hold.

Council Member Schmitt expressed concern regarding the cost of staff time to put together all the consolidation reports versus the amount of savings we may or may not see if consolidation actually did occur.

Human Resources Consolidation Analysis and Report - June 2009

Human Resources Director Chris Syverson stated they were charged with putting together a cross-functional group from different agencies to look at consolidation. She noted that in addition to Washoe County, Reno, and the School District, they also invited RTC and the RSCVA to participate in the study. She said she was asked to give a disclaimer that although the participants agreed to participate in the study, it doesn't mean that they are willing to go forward with consolidation. She said the premise they based their study on was “what are the things we would have to consider if we had to go forward with consolidation?” Ms. Syverson then continued her presentation as outlined below:

The Present World of HR

- We Represent:
 - Over 100 HR employees with 53 distinct job titles
 - 15,184 Employees
 - A combined operating budget of: \$8,385,592
 - 35 Collective Bargaining Agreements
 - 17 Non-Represented Groups or Resolutions
- We Utilize:
 - 6 recruiting software platforms
 - 9 HR information systems

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- 3 testing software platforms
- 9 payroll software platforms
- 5 timekeeping systems
- 2 background checking systems
- 4 office applications
- We Provide:
 - 5 self insured funding programs
 - 1 fully insured insurance program
 - 3 third party administrators
 - 10 separate health plans
 - 3 preferred provider networks
 - 2 insurance brokers
 - 19 optional benefit providers

Post Consolidation

- Primary Goals:
 - Improved efficiency
 - Potential cost savings after recovery of initial expenditures
 - Potential cost recovery of significant start up expenditures required to initiate and implement consolidation
 - Continue to maintain and build on the 'relationship' nature of HR to agencies
 - Retain institutional knowledge of individual agency employees and expand to the consolidated organization
- Challenges
 - Governance
 - Legal & legislative requirements
 - Compliance requirements
 - Financing model
 - HRIS & payroll systems technology
 - Policies & procedures
 - Communication
 - Organizational structure
 - As a separate organization, HR as a key driver of organizational culture may be lost, when no longer tied to individual entity
- Transition Requirements
 - Project Plan
 - Methodology
 - Cost estimate
 - Timeline
 - Key deliverables
 - Change management
 - Communication
 - Risk assessment
 - Facilities & equipment
 - Maintenance & operations

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- Estimated Costs
 - Transition to single systems
 - Elimination of current systems
 - Cost of running multiple parallel systems
 - Capital costs to be “one” conversion
 - Risk Analysis
 - Stewardship of public funding
 - Related staff replacement costs
- Recommendations & Next Steps
 - Legal review and analysis
 - Governance decision
 - Detailed cost analysis
 - Detailed time analysis

Council Member Schmitt asked Ms. Syverson how much money she thought would be saved by consolidation. Ms. Syverson said there are certainly some economies scale with regard to recruiting and contracts, so it would be more than 10%, but that was a guess on her part.

Information Technology Consolidation Report - August 10, 2009

Information Technology Manager Rick Bareuther noted stated the committee members for this study worked well together because we already share some IT services with other public entities. He stated that consolidation of the IT function depended on the complexity of the agency they work for. The potential for savings is there; if there was an intensive effort to standardize business functions among all the entities, across the board. If this were done, we would possibly achieve 5 to 10 percent savings by consolidating. He continued with his report as outlined below:

Challenges

- Current IT environment is extremely diverse among agencies
 - Software Applications (pg. 11-28)
 - Hardware (pg. 10)
 - Infrastructure (pg. 10)
 - Responsibilities (pg. 10)
 - Geography (pg. 10)
 - Contracts
 - Staff Skill Sets
 - End-User Expectations

Selected Metrics

	Sparks	Reno	Washoe Co	WCSD
Budget FY10	\$1,483,114	\$5,829,338	\$11,654,219	\$6,167,675
Staff (FTE)	13	33	123	70
Computer Technicians	2	4	8	12
Locations	14	58	135	120
Employees	866	1,847	2,914	8,852/63,000
Applications	73	97	68	44

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	Sparks	Reno	Washoe Co	WCSD
Servers	39	125	149	370
PC's	463	1,375	3,720	20,200
Printers	150	418	1,140	2,500
Calls for Service (Year)	4,140	5,200	8,250	18,000

Moving Forward

- Follow Best Practices
 - Retain quality service
 - Maintain end-user/management confidence
 - Set realistic goals/deliverables/time frames
 - Focus and balance service delivery vs. cost savings
 - Define, Set and Enforce IT standards
 - Create/implement \$\$ charge back system

Findings

- IT consolidation can be successful
- A shared philosophy of following best IT, customer service and consolidation practices must drive project
- Short term cost savings are limited
- (one to three years)
- Long term cost savings are possible
- (four to ten years)
- IT organizations have proven ability to utilize shared resources – (see Shared Services report)

Mr. Driscoll thanked the staff for their presentations, stating they did the studies with the attitude of “what would happen if...” He said they do not have the ability, right now, to run the numbers on what it would cost to consolidate, but they do know that it would be very expensive to convert and/or consolidate some of our systems and the return on our investment might be small operational efficiencies on the back side.

He said that the reason these presentations were made is so that the Council can give policy direction to staff that can be reported back to the joint meeting as to whether or not the City of Sparks is looking to continuing the discussion on consolidation and at what level the Council is willing to commit its resources.

Mayor Martini noted that there was a request to speak regarding this item and he invited Trey Abney with the Reno/Sparks Chamber of Commerce to speak.

Mr. Abney stated is has always been the Chamber’s policy “to support functional consolidation of appropriate services to optimize operational efficiencies and reduce the effective cost of government.” That being said, that is not a statement in support of consolidation for consolidation’s sake. He urged the Council to continue conversations regarding consolidation, but at the end of the day, it has to make sense to your citizens and it has to actually save tax dollars. If it doesn’t we shouldn’t do it.

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A discussion ensued regarding the wisdom of going forward with consolidation if there are no cost savings in doing so.

Mayor Martini stated we have spent a lot of staff time studying consolidation, but we have to do this to make sure our constituents know we are trying to put their best interests forward with regard to consolidation or shared services. What sticks out for him is that it is going to cost quite a bit to consolidate and the cost savings will be very minimal, if any. For him, no consolidation is a “no-brainer.”

Mr. Driscoll pointed out that currently there are over sixty services that we are doing in the region that are combined, consolidated, merged, or shared. A couple of years ago we made a business decision to move taxing authority from the municipalities to the county to spend more money for animal control—this was not additional taxes, but using the money differently to provide a better building and more services. This City has a great record of direction staff to be prepared to participate in conversations with regard to shared services and/or consolidation of services that will help the citizens of Sparks. He said that staff is looking for direction from the Council on what policy they want them to present at the joint meeting on August 17th on these three services and/or consolidation in general.

Mayor Martini said we need to continue to get the word out to our citizens with regard to what we are being forced in to doing by other agencies. It was evident to him that there were a couple of agencies (Reno and Washoe County) that wanted to forge ahead with this with out knowing what the consequences or numbers actually were.

Council Member Salerno noted that it is evident by the number of shared services that Sparks participates in that we are, and have been, looking for ways to save money. He felt that we should confirm our resolution that says where we stand and where our citizens stand on the issue of consolidation.

Mr. Driscoll pointed out that the consolidation report that was approved by the City Council in November, 2008, has been personally given to each of the legislators during the recent session; it is on the City’s web site; and it has been given to each of the elected officials that are part of the joint meeting.

Mayor Martini said the Council needs to provide direction to staff and he recommended that the Council accept the reports as presented and to state that we don’t see the savings or economies of scale for consolidating these three functions.

Council Member Ratti stated that she believed that the reason the consolidation discussion got “ratcheted up” community wide had a lot to do with the scarcity of resources that has resulted from the economy. Consolidation may have looked good because it was a way to reduce the impact of making drastic budget cuts. She said if we asked staff to look at this in a different way, would we get a different answer? She said most of the discussion she has had with other elected officials that are very pro-consolidation has been discussed in generalizations, but there is not a lot of detail. The detail lives at the staff level, throughout the each organization, so maybe we need to ask them where they see possibilities to save money, rather than just ask them to study consolidation. She suggested we could reward employees for innovations that save money

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across the community. Ms. Ratti said she supports our resolution because she does not see any savings and no one has made the case for consolidation; however, she wanted to make sure we left a very wide door open for innovation, particularly on the part of staff, to bring us ideas to save money.

Mayor Martini remarked that Sparks has always been open to innovation, but this item is requesting action on total consolidation and whether the joint consolidation teams have found any cost savings to be had by consolidation.

Community Development Director Neil Krutz noted that the City has had an innovations reward program for quite a number of years.

Mr. Driscoll noted that the City of Reno took action a couple of weeks ago to go study these three functions intensely for dollar savings and implementation plans to determine whether or not total consolidation of these three functions made sense and in what order they should be done. They spent staff time and hard dollars to hire an outside consultant to do this work because they feel that if staff is the only one that does the work, even though it will be great work, no one outside their organization will believe the results.

Mr. Driscoll stated that the City of Reno has committed to go forward with consolidation; however, they respect anyone who doesn't want to play and they have invited us to be "at the table to listen to their conversations" and if at any point that staff thought that best practices or if participation made sense, we would have the ability to participate at a later time. He said Washoe County will have the same conversation we are having today at their meeting to be held tomorrow.

Council Member Carrigan asked if staff is looking for the direction of a combination of [the City of Sparks] being out [of consolidation], but continuing with shared services. Mr. Krutz stated the direction from Council could come in three steps: 1) to reiterate the Council's commitment to looking for shared services when they improve the service, generate efficiency, or save money; 2) to say that, based on the information received to date regarding the three functions discussed, the Council does not believe it is in the City's best interest to continue with consolidation of these functions; and 3) go one step further and say it is not in the best interest of our citizens to expend any tax dollars to expend to study any of these three functions further. Council Member Carrigan said he would like to make this his motion. Mr. Driscoll clarified that the Council could vote on two of these issues under this item and vote on the third step under the next item.

Council Member Ratti said that we have discussed the three reports that we have submitted to various elected officials and she asked what reports or information have we received from Reno or Washoe County on their perspective on consolidation. Mr. Driscoll stated we have not received anything from them in writing. Our information has come from attending their meetings; listening to their conversations; and the official actions they have taken with regard to consolidation. We have received a copy of the agenda item [for consolidation] from Washoe County that is scheduled to be discussed at their meeting tomorrow. They will be discussing the same three reports, because those reports were done jointly by all three agencies. Mr. Driscoll said to his knowledge, no one has done the research and studies that our staff has with regard to consolidation. He said Las Vegas has used similar information and studies and they are talking

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about it, but their consultant had not been hired at that time. Mr. Driscoll stated that once again Sparks is the leader on this issue, because we are looking for anything that can help us save money and provide efficient operations and services to our citizens, not simply consolidation.

Council Member Schmitt suggested that Ms. Ratti be provided minutes of past joint meetings from 2001, 2002, and 2003, and consultant reports in order to show how shared services came about, with the most recent shared services being in public works, where we are doing crack sealing for them and they are providing their street striper, etc.

A motion was made by Council Member Carrigan, seconded by Council Member Salerno, to reiterate the City's commitment to shared services where it saves money, generates efficiencies, or saves money; that it does not appear to be in the City's best interest to continue with consolidation of the three areas of study (Purchasing, Human Resources and Information Technology); and that we don't believe it is in our citizens' best interest to expend any tax dollars to study consolidation any further. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.13 Presentation, discussion, and action on Assembly Bill 494 (2009) requiring the city to submit a report to the Legislative Counsel Bureau on consolidation (Time: 4:57:16 p.m.)

Community Development Director Neil Krutz noted that this was a continuation of our previous conversation regarding consolidation. AB494 required the government agencies within both Clark and Washoe Counties to submit a report on governmental consolidation and reorganization to the Legislative Council Bureau by September 1, 2010, for Public Safety, Public Works, and General Government. Staff is seeking policy direction from the Council as to how the Council wants to go forward in responding to this bill, so that both the council and staff are prepared for the Joint Meeting scheduled for August 17th.

Mr. Krutz stated that Washoe County has brought up the possibility of all the agencies in Northern Nevada doing a joint report/study. However, the City of Sparks could also choose to go forward on our own and it might be in our best interest go do our own report. We have already done a lot of work on this issue and that information is posted on our Web site.

Mayor Martini said we have already completed a large part of the required study and we need to put forward our thoughts and processes—we don't want the other two entities to put words in our mouth.

Community Development Director Neil Krutz asked the Council how they want to respond to the Legislative's request regarding this study – do a joint study or our own study. He noted that Sparks has already done an extensive study on consolidation.

Mayor Martini said he felt we should put forth our own study so that Sparks' view point is made clear.

Council Member Schmitt said past history has shown that all three entities are not going to agree upon the same study—whatever the results, one or another of the entities will “chew it apart” and

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create discontent. We have started the work, we did a great job during the legislative session, and we should just continue the process on our own.

Council Member Carrigan said a good foundation for the required study is the information that we have already handed out, minus the three functions we have studied and insert the public safety, public works and general government functions. We already have shared services in these areas and can simply show all the things we do together. Mr. Krutz agreed that we already have a great deal of the work completed. Mr. Carrigan commented that he agreed we should do our own report—he did not want to “consolidate” the consolidation report.

Council Member Smith made a motion, per the staff report. Council Member Carrigan requested a caveat to the motion that we put in what was talked about at this meeting... in other words, he did not want to see time spent on the report. He stated he felt we had all the information; we just needed to collate it.

Council Member Schmitt said he did not mind staff spending time working on the report in order to present a very professional report. However, he did not want us to pay for an outside consultant to do the reports.

A motion was made by Council Member Smith, seconded by Council Member Carrigan, to direct staff to prepare and submit a City of Sparks report on consolidation or reorganization to the Legislative Counsel Bureau on or before September 1, 2010, as requested by Assembly Bill No. 494, with the caveat that we add the shared services information. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

6.14 Presentation, discussion, and action on Resolution No. 3158, re-affirming the Council’s position on regional government consolidation taken on January 28, 2002, under Resolution No. 2776 (Time: 5:04:52 p.m.)

Assistant City Manager Steve Driscoll stated in meeting with the elected sub-committee for shared services, it was suggested that we refresh our previous resolution regarding government consolidation to update it with current information and allow the Council an opportunity to consider whether or not that resolution was still viable and whether they wanted to take action on the new proposed resolution.

Council Member Salerno moved to approve the resolution and requested that in the reports that are submitted to the legislature it is made clear exactly what we have done as far as the resolution.

A motion was made by Council Member Salerno, seconded by Council Member Smith, to adopt Resolution No. 3158, a resolution of regional government consolidation for the City of Sparks, as presented by staff. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

7. Public Hearings and Action Items Unrelated to Planning and Zoning:

7.1 Second Reading, Public Hearing, and possible approval of Bill No. 2609, amending the Sparks Municipal Code by eliminating the requirement that

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an individual have actual knowledge that a person is under the age of 21 to violate a criminal code section prohibiting the sale or furnishing of alcoholic beverages to a person under the age of 21; and providing other matters properly relating thereto (Time: 5:06:25 p.m.)

Assistant City Attorney Tom Riley noted that this ordinance removes the word “knowingly” from the criminal provision in our Municipal Code pertaining to the sales of alcohol to minors.

Mayor Martini announced his recommendations for appointment to the Civil Service Commission were Steve Burley and Louis Dauria. He noted that when the word “knowingly” is in the ordinance, we have to prove, as prosecutors, that the person actually knew that they were selling to a person under 18 years of age. What has happened over the course of time is that some of those who have sold alcohol to underage persons have discovered that if they don’t ask for an underage person’s identification (ID) and then sell alcohol to them, if they are prosecuted, they have a defense because they did not ask if the person was underage, so they can claim didn’t know the person was not over 18 years of age. This is contrary to public policy against selling alcohol to minors (or underage persons); a policy which the City has been strongly enforcing.

Mr. Riley stated that at the last meeting where this ordinance was discussed there was input from the Retailer’s Association and the Chamber of Commerce regarding the way the new ordinance would operate. They were concerned that their clerks could suffer a form of entrapment by virtue of the way the ordinance was written. To alleviate that fear, an immunity provision which is contained in the Nevada Revised Statutes (NRS), was added to our ordinance. This provision states that if the clerk asks for an ID and the ID appears facially valid, in as far as the persons age and identity (it is not clearly a false ID), then if that clerk then sells alcohol to the underage person, the clerk is immune to prosecution.

Council Member Carrigan stated he did not see this provision in the ordinance as submitted to staff. Mr. Riley noted that the wrong ordinance was inadvertently provided to the Council in their packets. He stated when he realized the incorrect ordinance was on the internet, he asked the Clerk’s Office to put the correct ordinance on the City’s web page. Concern was expressed as to whether this met the requirements of the open meeting laws. A suggestion was made to defer the discussion on this ordinance to the next meeting (August 24th) in order to allow the public ample time to review the proposed ordinance, as amended.

Mayor Martini opened the public hearing and asked if anyone wished to speak regarding the proposed ordinance.

Mr. Tray Abney, Reno Sparks Chamber of Commerce and Ms. Lea Tauchen, Retail Association of Nevada, stated that after speaking at the last meeting regarding their concerns with the proposed ordinance and working with Mr. Riley, City Attorney Adams, and Police Chief Asher to incorporate some changes, they now fully support the revised ordinance.

There being no further comment, the public hearing was closed.

A motion was made by Council Member Salerno, seconded by Council Member Smith, to defer Bill No. 2609 to the August 24, 2009 meeting for a second Public Hearing and 2nd Reading. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

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7.2 Public Hearing and possible approval of the abandonment of an easement for roadway and utility purposes described as Parcel 2 of that certain Grant, Bargain and Sale Deed, as filed in Official Records of Washoe County, Nevada on December 4, 1969 as Document Number 161114 (Time: 5:19:31 p.m.)

Property Agent David Vill provided some visual history of this abandonment and noted that Exhibit A1 has been revised and there is a new Exhibit and legal description. He explained that Ms. Furbeck's parcel ownership extends to the middle of "I" Street. After extensive research it is apparent that the City never acquired right-of-way for "I" Street in that particular area. The original intention was to abandon portions of the street, but because we don't own them, we can't abandon them. The revised drawing and revised legal description show the area which is the subject of this abandonment. The portion north of Parcel B is owned by Ms. Furbeck and she is an applicant, along with the Truckee Meadows Water Authority (TMWA) for this abandonment. TMWA, the City, and Ms. Furbeck have agreed to do a merger and re-subdivision map which provides for the boundary lines and fence lines to be "cleaned up" and the portion that Ms. Furbeck owns in the middle of "I" Street will be dedicated to the City of Sparks.

Mr. Vill stated that the City expected to find that we owned "I" Street, but we don't. Therefore the appropriate action is to abandon a portion of the street to provide for the new sewer treatment plan for TMWA and continue with the merger and subdivision map which will give the City that portion of "I" Street that Ms. Furbeck now owns.

Mr. Vill noted that this is the second time this item has come before the Council. The first time it was discovered that the maps were incorrect. They have since been corrected and the abandonment can proceed forward. He noted that TMWA is paying for all the work regarding this abandonment and they are also paying Ms. Furbeck's taxes for last year.

Council Member Schmitt asked for clarification regarding the abandonment. Mr. Vill assured the Council that the correct legal description was published in the newspaper and staff has not uncovered any other rights-of-way that are not owned by the City. He did note that TMWA is still researching this project and may encounter any further irregularities, but that is not the expectation.

Mayor Martini opened the public hearing and asked if anyone wished to speak regarding the proposed abandonment. There being no comment, the public hearing was closed.

A motion was made by Council Member Schmitt, seconded by Council Member Smith, to approve the abandonment of a roadway and utility easement, and the relinquishment of the public easement rights retained by the City, as outlined by staff. Council Members Ratti, Salerno, Smith, Carrigan, Schmitt, YES. Motion carried.

8. Planning and Zoning Public Hearings and Action Items: (Time: 5:25:47 p.m.) None.

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9. Comments:

9.1 *From the Council and City Manager (Time: 5:25:47 p.m.)

City Manager Shaun Carey announced that applications are being accepted to serve on the Northern Nevada Water Planning Commission. He read the application requirements and noted that applications would be accepted by the Western Regional Water Commission until August 14, 2009 at 5:00 p.m.

10. Adjournment (Time: 5:27:57 p.m.)

There being no further business, the meeting was adjourned at 5:27 p.m.

Mayor

City Clerk

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