CARSON CITY BOARD OF SUPERVISORS
Minutes of the August 5, 2010 Meeting
Page 1

A regular meeting of the Carson City Board of Supervisors was scheduled for 8:30 a.m. on Thursday, August 5, 2010 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Mayor Robert Crowell
Supervisor Robin Williamson, Ward 1
Supervisor Shelly Aldean, Ward 2
Supervisor Pete Livermore, Ward 3
Supervisor Molly Walt, Ward 4

STAFF: Larry Werner, City Manager
Alan Glover, Clerk - Recorder
Joel Benton, Senior Deputy District Attorney
Kathleen King, Recording Secretary

NOTE: A recording of these proceedings, the Board's agenda materials, and any written comments or documentation provided to the Clerk during the meeting are part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

1 - 4. CALL TO ORDER, ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE (8:30:38) - Mayor Crowell called the meeting to order at 8:30 a.m. Roll was called; a quorum was present. Mayor Crowell called for Tom Nelson, of St. Teresa's Catholic Family; however, no one was forthcoming. Mayor Crowell read a quote, by Dr. Napolean Hill, into the record, and observed a moment of silence. Deputy Sal Acosta led the pledge of allegiance.

5. ACTION ON APPROVAL OF MINUTES - May 17, 2010; June 15, 2010; and July 1, 2010 (8:32:08) - Supervisor Aldean noted a correction to page 12 of the July 1, 2010 minutes, and advised that she would abstain from action on the June 15, 2010 minutes. Supervisor Aldean moved to approve the minutes of May 17, 2010, as presented. Supervisor Williamson seconded the motion. Motion carried 5-0. Supervisor Williamson moved to approve the minutes of June 15, 2010, as presented. Supervisor Walt seconded the motion. Motion carried 4-0-1, Supervisor Aldean abstaining. Supervisor Aldean moved to approve the minutes of July 1, 2010, as corrected. Supervisor Williamson seconded the motion. Motion carried 5-0.

6. ADOPTION OF AGENDA (8:33:46) - Mayor Crowell entertained modifications to the agenda and, when none were requested, deemed the agenda adopted.

7. PUBLIC COMMENTS AND DISCUSSION (8:34:12) - Mayor Crowell entertained public comment. (8:34:16) Jim Bagwell displayed a water bill from "a lot about the same size as mine," and reviewed water rate increases since 1996. He advised of having considered removing his lawn. He suggested, "What you're going to end up doing is not accomplishing what you intended and that was the increase in revenue based on water because I'm going to be paying significantly less than I paid prior to this because of my response." He stated, "If we want to look like Tonopah, we're soon going to do it."

(8:36:08) Carol Howell discussed increases in her water bill, and advised of plans to remove landscape from her yard. In reference to a recently published letter from the Governor's Office, she inquired as to whether the Meridian Report is a public document. Mayor Crowell assured her the Meridian Report is a public document. In response to a question, Mr. Werner explained that the Meridian Report is "a piece of the equation" relative to the P3 Development feasibility study. In response to a further question, he advised

that the P3 Development feasibility study includes consideration of including State offices in the conceptual project. In response to a further question, he explained the decision to extend the 90-day feasibility study period "based on information the City needed to supply P3 ... It delayed the time in which they could then present it." He advised of plans to submit the feasibility study to the Carson Nugget Development Advisory Committee on Monday, August 30th.

Ms. Howell expressed the opinion that Mayor Crowell should abstain from voting on any further items relative to the conceptual development project "based on [his] close relationship with the president that is or was part of the Friends of the Library ..." Mayor Crowell advised he would discuss the matter with the District Attorney. He noted, for the record, that the Friends of the Library President is his brother.

Supervisor Livermore advised of having requested, "on Wednesday, July 28th," for Mr. Werner to agendize an "ongoing status report of the Nugget project." Supervisor Livermore advised that Mr. Werner had expressed a preference to provide the status report as part of item 22, "Staff Comments and Status Report." "Because there's people here in the audience that may be interested in this, status report is the last item on the agenda, ..." Supervisor Livermore requested Mayor Crowell to modify the agenda to address item 22 "so the public can hear what his staff comments may be." [Please see the minutes for item 22.]

(8:48:05) Virgie Miller discussed concerns relative to the current economy, and suggested that the Board "proceed very slowly with this. There is a tremendous amount of citizen unrest with this issue." Mayor Crowell called for additional public comment; however, none was forthcoming.

8. CONSENT AGENDA (8:49:34) - Mayor Crowell entertained requests to hear items separate from the consent agenda. When none were forthcoming, he advised he would abstain from voting on item 8-4, due to his law firm partnership with Airport Authority Counsel Steve Tackes. Mayor Crowell entertained a motion to approve the consent agenda. **Supervisor Livermore moved to approve seven items on the consent agenda, consisting of items 8-1(A), (B), and (C) from the Sheriff's Department; item 8-2, Purchasing and Contracts; two items from Public Works: items 8-3(A) and (B) and item (A) includes Resolution No. 2010-R-43; item 8-4, Airport Authority, as published and presented. Supervisor Williamson seconded the motion. Motion carried unanimously, with the exception of Mayor Crowell's abstention relative to item 8-4.**

8-1. SHERIFF

8-1(A) ACTION TO APPROVE THE ACCEPTANCE OF THE OFFICE OF CRIMINAL JUSTICE ASSISTANCE GRANT, TRINET NARCOTICS TASK FORCE, IN THE AMOUNT OF $160,000.00

8-1(B) ACTION TO APPROVE THE ACCEPTANCE OF THE OFFICE OF CRIMINAL JUSTICE ASSISTANCE GRANT, SUPPRESSION / INVESTIGATION - SET / GANG UNIT, IN THE AMOUNT OF $10,000.00

8-1(C) ACTION TO APPROVE THE ACCEPTANCE OF THE OFFICE OF CRIMINAL JUSTICE ASSISTANCE GRANT, REGIONAL GANG INITIATIVE, IN THE AMOUNT OF $270,281

8-2. PURCHASING AND CONTRACTS DIVISION - ACTION TO APPROVE CONTRACT NO. 1011-081, JOINDER CONTRACT WITH ARNOLD MACHINERY COMPANY THROUGH THE HOUSTON - GALVESTON AREA COUNSEL (H-GAC) FOR THE PURCHASE

OF A VOLVO VIBRATORY COMPACTOR, MODEL SD70D, FOR A NOT-TO-EXCEED AMOUNT OF $94,467.00, TO BE FUNDED FROM THE WATER MACHINERY AND EQUIPMENT FUND, AS PROVIDED FOR IN FY 2010 / 2011

8-3. PUBLIC WORKS DEPARTMENT - OPERATIONS

8-3(A) ACTION TO ADOPT A RESOLUTION APPROVING AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO SIGN AN ASSISTANCE AGREEMENT WITH THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, WHEREBY CARSON CITY WILL RECEIVE $91,850.00 IN GRANT FUNDING TOWARD THE COST OF PHASE 1 OF THE MARLETTE / HOBART SYSTEM IMPROVEMENT PROJECT

8-3(B) ACTION TO APPROVE A WATER AGREEMENT BETWEEN SILVER BULLET OF NEVADA, LLC AND CARSON CITY FOR THE PURCHASE OF 11.29 ACRE FEET OF EAGLE VALLEY GROUNDWATER FOR $90,320.00

8-4. AIRPORT AUTHORITY - ACTION TO APPROVE THE 9TH ADDENDUM TO EL AERO "MOBILL" LEASE AND THE 9TH ADDENDUM TO EL AERO "PORTAHANGAR" LEASE BY THE CARSON CITY AIRPORT AUTHORITY WITH EL AERO SERVICES, INC.

9. RECESS BOARD OF SUPERVISORS (8:51:07) - Mayor Crowell recessed the Board of Supervisors at 8:51 a.m.

LIQUOR AND ENTERTAINMENT BOARD

10. CALL TO ORDER AND ROLL CALL (8:51:09) - Chairperson Crowell called the Liquor and Entertainment Board to order at 8:51 a.m. Roll was called; a quorum was present, including Member Furlong.

11. ACTION ON APPROVAL OF MINUTES - June 3, 2010 and June 17, 2010 (8:51:32) - Member Aldean moved to approve the minutes, as presented. Member Williamson seconded the motion. Motion carried 6-0.

12. SHERIFF - ACTION TO APPROVE THE ACCEPTANCE OF THE FY 2011 ENFORCING UNDERAGE DRINKING LAWS GRANT IN THE AMOUNT OF $25,000.00 (8:51:53) - Chairperson Crowell introduced this item. Member Furlong reviewed the agenda report, and introduced Detective Dan Gonzales, Deputy Sal Acosta, Local Enforcing Underage Drinking Laws ("EUDL") Coordinator Linda Lang, and Statewide EUDL Coordinator Kathy Bartosz.

Detective Gonzales reviewed statistical information relative to compliance checks for FY 2009 / 2010. Ms. Lang reviewed statistical information relative to mandatory alcohol server training. She expressed concern over a "lack of teeth" in the ordinance with regard to enforcing mandatory alcohol server training. She advised that, beginning September 2010, a $15 fee will be imposed for alcohol server training classes. The revenue will be allocated to Partnership Carson City to "support the law enforcement activities."

In response to a question, Ms. Bartosz advised of a state law which imposes a fine for failure to appropriately train alcohol servers. She clarified that the law is only applicable to jurisdictions with more than 100,000 residents. She discussed options, including a "graduated ... fine for first, second, and third offense." She advised that the State has contracted with the Center for the Study of Law and Enforcement

Policy "who are the experts on alcohol policy in the country." She further advised of having recently received a call from a representative of the National EUDL, who inquired as to whether Carson City would be nominated as the national exemplary law enforcement agency of the year based on reports submitted. She advised that Carson City could not be nominated again this year after having received last year's award. She commended the "phenomenal work under the Sheriff's direction, and particularly ... Linda, Detective Gonzales, and Deputy Acosta, [who] are really committed, on a heartfelt level, to the kids in our community." Ms. Bartosz responded to questions of clarification relative to the previously referenced state law. In response to a further question, she advised that the 82 percent compliance rate compares "extremely well" to other jurisdictions. She explained that the statewide compliance rate is "hovering ... around 75 to 77 percent ..." Deputy Acosta explained the method by which compliance checks are conducted, and discussed a recent undercover operation. Member Furlong discussed the importance of including a mechanism in the ordinance to hold businesses accountable for ensuring their employees complete alcohol server training.

Chairperson Crowell entertained public comment and, when none was forthcoming, a motion. Member Williamson congratulated the Sheriff's Department on the $440,000 in grant funding, approved under the consent agenda, and on the grant funding which is the subject of this item. **Member Williamson moved to approve the acceptance of the FY 2011 Enforcing Underage Drinking Law grant in the amount of $25,000.00. The motion was seconded.** Member Furlong acknowledged the intent to present a proposed amendment to the ordinance at a future meeting. In response to a question, Detective Gonzales advised that the Sheriff's Department does not track data relative to the outcome of court proceedings following a citation for serving alcohol to a minor. Ms. Lang advised that "sentencing is inconsistent." In response to a question, she discussed the notification procedure associated with alcohol server training. Detective Gonzales advised that alcohol server training compliance is only inquired into if a citation for serving alcohol to a minor is issued. "We don't do something specifically just ... looking for server training certificates." Member Walt commended the relationship between Partnership Carson City and the Sheriff's Department. Chairperson Crowell called for a vote on the pending motion. **Motion carried 6-0.** Chairperson Crowell thanked the Sheriff, Detective Gonzales, Deputy Acosta, Ms. Lang, and Ms. Bartosz for their presentation.

13. ACTION TO ADJOURN THE LIQUOR AND ENTERTAINMENT BOARD (9:14:43) - Chairperson Crowell adjourned the Liquor and Entertainment Board at 9:14 a.m.

14. RECONVENE BOARD OF SUPERVISORS (9:14:48) - Mayor Crowell reconvened the Board of Supervisors.

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

15. ANY ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME (9:14:50) - None.

16. PARKS AND RECREATION DEPARTMENT - OPEN SPACE DIVISION - INTRODUCTION OF FOREST SUPERVISOR JEANNE HIGGINS, U.S. FOREST SERVICE, HUMBOLDT-TOIYABE NATIONAL FOREST (9:14:54) - Mayor Crowell introduced this item. Open Space / Property Manager Juan Guzman introduced Ms. Higgins, and provided background information on her experience and new responsibilities. Mr. Guzman provided an overview of the status of the federal

lands bill, the Open Space Program, and the City's participation in the Southern Nevada Public Lands Management Act and Forest Legacy Programs. He expressed an interest in maintaining the good relationship between the City and the U.S. Forest Service ("USFS"), and welcomed Ms. Higgins.

(9:17:10) Mayor Crowell welcomed Ms. Higgins, who reviewed her management responsibility over the 6.2 million acres of the Humboldt-Toiyabe National Forest, together with the appurtenant USFS personnel. She expressed appreciation to former Forest Supervisor Ed Monnig, and acknowledged the important relationship between the USFS and the counties and cities throughout Nevada. Ms. Higgins provided background information on her USFS experience and related education and training. She discussed the status of a recent wilderness fire, and listed significant USFS personnel.

Supervisor Aldean welcomed Ms. Higgins and advised of an ongoing issue between the City and the USFS relative to the use of grazing for fuels reduction. Supervisor Aldean requested to continue the dialogue with USFS representatives. Supervisor Williamson welcomed Ms. Higgins, commended the "wonderful relationship" between the City and the USFS, and looked forward to continuing to work together. Supervisor Walt welcomed Ms. Higgins, and discussed the educational opportunities represented by the grazing projects. She thanked Ms. Higgins for the USFS cooperation on development of the trail between Kings and Ash Canyons. Ms. Higgins noted challenges associated with working through federal processes, and discussed the importance of open communication and collaboration. Supervisor Livermore noted the importance of cooperation between federal, state, and local agencies. Ms. Higgins thanked the Board for the opportunity to hear their issues of importance, and reiterated encouragement to contact the USFS with concerns. Mayor Crowell discussed the importance of open space in this community, and advised of his intent to highlight the benefits as he attends the First World Emerging Industries Summit in China at the end of August. He thanked Ms. Higgins for her management of the Humboldt-Toiyabe National Forest. Mayor Crowell entertained public comment and, when none was forthcoming, Mr. Guzman thanked the Board.

17. SHERIFF - ACTION TO APPROVE THE APPLICATION AND ACCEPT THE 2010 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT (DIRECT AWARD) IN THE AMOUNT OF $24,587.00 (9:28:48) - Mayor Crowell introduced this item, and congratulated Juvenile Services Coordinator and D.A.R.E. Officer Lisa Davis on the success of the recent National Night Out event. Sheriff Furlong reviewed the agenda materials, and discussed Deputy Davis' responsibilities as the Sheriff's Department Community Education Program Manager. He commended Deputy Davis' hard work, and discussed the importance of collaborative community prevention programs. He noted that the community prevention programs, managed by Deputy Davis, "focus on ... prevention, education, and ... some element of enforcement." Mayor Crowell commended Sheriff Furlong and Deputy Davis, and discussed the importance of community outreach.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Aldean moved to approve the application and accept the 2010 Edward Byrne Memorial Justice Assistance Grant in the amount of $24,587.00. Supervisor Livermore seconded the motion. Motion carried 5-0.** Mayor Crowell thanked Sheriff Furlong and Deputy Davis.

18. CITY MANAGER - PRESENTATION OF THE ANNUAL ACTIVITIES REPORT FOR THE OPERATION OF PUBLIC, EDUCATIONAL GOVERNMENT ACCESS PROGRAMMING BY THE BREWERY ARTS CENTER (9:33:18) - Mayor Crowell introduced this item. Mr. Werner introduced Brewery Arts Center Executive Director John Procaccini, and provided background information.

(9:34:09) Mr. Procaccini reported on the success of a recent Greenhouse Project event, which raised approximately $20,000. He advised of having assumed the role of ACCTV General Manager, beginning in January 2010, and that, more recently, Darla Bayer was appointed to the general manager position. In response to a question, he advised that ACCTV is encompassed within the Brewery Arts Center's 501(c)(3) corporation. In response to a further question, he provided an overview of revenue disbursement. In response to a further question, he advised that ACCTV "is probably the only function of the Brewery Arts Center that can stand on its own."

Mr. Procaccini reviewed the Annual Activities Report included in the agenda materials. Supervisor Livermore suggested including an organizational chart in the report. In response to a question, Mr. Procaccini advised of having received approximately $8,000 in the Autumn of 2009. "... as a result, we continued to operate. It just caused us to tighten our belt rather extremely." In response to a further question, he advised that all payments on the performance hall property are current. Discussion took place to clarify the City's position relative to the performance hall mortgage.

Supervisor Aldean noted that SNCAT had shut down its Reno operation because of having lost its contract with the City of Reno. She discussed concerns over the Brewery Arts Center being overly dependent upon the contract with the City, and over the $1,500 production service income projection for the current budget year. Mr. Procaccini advised of having attempted, over the last five years, to "instill new revenue streams so that we were not totally a donor / member / grant dependent institution." He advised of having created approximately 9 to 10 "different types of revenue streams, from ticketing fees to the café to other rental properties to ... live event production services." He reviewed cutbacks to Brewery Arts Center salaries "based on about $220,000 of income for the digital media center ..." He suggested the $1,500 production service income figure reflected in the report should be $15,000. He reviewed ACCTV operations, as outlined in the report. Mr. Procaccini advised that Mr. Werner had requested an audit. He explained that "a review and compilation" will be done by the Brewery Arts Center CPAs "based on our year-end." In response to a question, Mr. Werner advised that the contract requires an annual report, reviewed financial statements, and a full financial audit every three years. He advised of having discussed with the contract internal auditor the possibility of a contract performance audit. Discussion followed.

Supervisor Williamson discussed opportunities to "tell our story" using ACCTV. Mr. Werner agreed, and discussed social networking opportunities, as well. Mr. Procaccini discussed the need for direction from the Board, and described ACCTV capabilities. He advised of having "tightened our belt this coming year," and acknowledged the dangers of co-mingling funds.

Mayor Crowell thanked Mr. Procaccini for his report and expressed appreciation for the Brewery Arts Center as an integral part of the community. In response to a question, Mr. Procaccini explained the purpose of the Access TV Advisory Committee to "create the process, procedures, the rules, the regulations, and the operating conditions of Access Carson City." He explained that the advisory committee is "essentially governed by our board." He further explained that, since there has been no significant change in operating procedures, there has been no activity for the advisory committee. Mayor Crowell encouraged Mr. Procaccini to reactivate the advisory committee. At Supervisor Williamson's request, Mr. Procaccini reviewed upcoming Brewery Arts Center events.

Mayor Crowell entertained public comment. (10:08:54) Virgie Miller suggested that the Brewery Arts Center is "not doing very well ... as a business." She further suggested that the Board consider "how far do we need to keep investing money in it."

Mayor Crowell entertained additional public comment and, when none was forthcoming, recessed the meeting at 10:09 a.m. Mayor Crowell reconvened the meeting at 10:21 a.m.

19. PURCHASING AND CONTRACTS

19(A) ACTION TO DETERMINE THAT SIERRA NEVADA CONSTRUCTION, INC. IS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER, PURSUANT TO NRS 338, AND TO AWARD CONTRACT NO. 1011-051 TO SIERRA NEVADA CONSTRUCTION, INC. FOR A BID AMOUNT OF $1,237,007.00, PLUS A CONTINGENCY AMOUNT NOT TO EXCEED $123,700.00, TO BE FUNDED FROM THE PRISON HILL STORAGE TANK FUND, AS PROVIDED IN FY 2010 / 2011 (10:21:23) - Mayor Crowell introduced this item. Purchasing and Contracts Coordinator Sandy Scott - Fisher reviewed the agenda materials. In response to a question, she advised that the bid protest had been resolved. Public Works Department Director Andy Burnham responded to questions of clarification regarding the funding sources and project costs. "We budgeted $3 million and it's going to end up costing the City about $300,000." In response to a question, Ms. Scott-Fisher reviewed the project subcontractors. In response to a further question, Mr. Burnham advised that the project will create a fair number of jobs.

In response to a question, Mr. Burnham discussed the requirement for an environmental assessment which cost approximately $55,000 and took approximately six months to complete. In reference to a question regarding the bid protest, Ms. Scott-Fisher explained that subcontractors are not allowed to subcontract over 50 percent of the bid. Mr. Burnham acknowledged the intent to prohibit having general contractors serve as overseers.

Mayor Crowell entertained public comment. (10:27:33) Virgie Miller inquired as to whether the water rates would be reduced as a result of the grant funding. Mr. Burnham advised that the "overall scheme of things will reflect ... a better balance sheet as we go forward." He acknowledged that the subject project is not related to the intertie project. He explained that the Prison Hill water tank is failing and that repair was determined to be infeasible based on structural analysis.

Mayor Crowell entertained additional public comment and, when none was forthcoming, a motion. **Supervisor Williamson moved to determine that Sierra Nevada Construction is the lowest responsive and responsible bidder, pursuant to NRS Chapter 338, and to award Contract No. 1011-051 to Sierra Nevada Construction, Inc. for a bid amount of $1,237,007.00, plus a contingency amount not to exceed $123,700.00, to be funded from the Prison Hill Storage Tank fund, as provided in FY 2010 / 2011. Supervisor Livermore seconded the motion. Motion carried 5-0.**

19(B) ACTION TO DETERMINE THAT CONTRACT NO. 0910-203 IS A CONTRACT FOR THE SERVICES OF A PROFESSIONAL ENGINEER, PROFESSIONAL LAND SURVEYOR, OR REGISTERED ARCHITECT; THAT THE SELECTION WAS MADE ON THE BASIS OF THE COMPETENCE AND QUALIFICATIONS OF THE ENGINEER, LAND SURVEYOR, OR ARCHITECT FOR THE TYPE OF SERVICES TO BE PERFORMED AND NOT ON THE BASIS OF COMPETITIVE FEES; AND, THEREFORE, NOT SUITABLE FOR PUBLIC BIDDING, PURSUANT TO NRS 625.530; AND TO APPROVE CONTRACT NO. 0910-203 WITH BLACK AND VEATCH CORPORATION TO PROVIDE ENGINEERING SERVICES FOR THE SAW MILL CANYON PIPELINE AND WATERLINE DELIVERY PROJECT THROUGH MAY 20, 2012, FOR A NOT-TO-EXCEED COST OF $616,364.00, TO BE FUNDED FROM THE WATER FUND ACCOUNT, AS PROVIDED IN FY 2009 / 2010 (10:29:30) - Mayor Crowell introduced this item, and Deputy Public Works Director Ken Arnold reviewed the agenda materials. Supervisor Aldean

reviewed necessary revisions to the contract. In response to a question, Mr. Burnham explained the purpose of the project. In response to a comment, he advised that the value of every professional contract is considered on the basis of service rendered. He further advised that Public Works Department staff has seen and negotiated significant reductions in contract amounts "from what we saw two years ago." He explained the request for proposals process which is done on a bi-annual basis. He advised that the process takes an "enormous amount of staff time," and is, therefore, impossible to conduct for every project.

Supervisor Aldean noted that Black and Veatch has an office on North Division Street. In response to a question, Mr. Burnham advised that the Purchasing and Contracts Division keeps an annual list as well as a database of all contracts. Supervisor Aldean suggested making the list available on the City's website.

Mayor Crowell entertained public comment and, when none was forthcoming, requested Mr. Benton to review the contract with Supervisor Aldean's revisions. Mayor Crowell entertained a motion. **Supervisor Aldean moved to determine that Contract No. 0910-203 is a contract for the services of a professional engineer, professional land surveyor, or registered architect; that the selection was made on the basis of the competence and qualifications of the engineer, land surveyor, or architect for the type of services to be performed, and not on the basis of competitive fees and, therefore, not suitable for public bidding, pursuant to NRS 625.530; and to approve Contract No. 0910-203 with Black and Veatch Corporation to provide engineering services for the Saw Mill Canyon Pipeline and Waterline Delivery Project, through August 5, 2012, for a not-to-exceed cost of $616,364, to be funded from the water fund account, as provided for in FY 2009 / 2010. Supervisor Livermore seconded the motion. Motion carried 5-0.**

20. FINANCE DEPARTMENT

20(A-1) ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE OF THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA DESIGNATED BY THE SHORT TITLE "2010E WATER BOND ORDINANCE;" PROVIDING FOR THE ISSUANCE OF ITS GENERAL OBLIGATION (LIMITED TAX) WATER BOND (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES 2010E (TAXABLE DIRECT PAY BUILD AMERICA BONDS); PROVIDING THE FORM, TERMS, AND CONDITIONS OF THE BOND; PROVIDING FOR THE LEVY AND COLLECTION OF THE ANNUAL GENERAL (AD VALOREM) TAXES FOR THE PAYMENT OF SUCH BOND; ADDITIONALLY SECURING ITS PAYMENT BY A PLEDGE OF REVENUES DERIVED FROM THE WATER SYSTEM OF THE CITY; AND PROVIDING OTHER MATTERS RELATING THERETO (10:46:00) - Mayor Crowell introduced this item, and Finance Department Director Nick Providenti provided background information on the subject and the following three items. (10:47:51) Bond Counsel Jennifer Stern provided additional clarification on the financial advisor's suggestion to issue "under a taxable, direct pay build America bond. And that would subsidize the interest rate on the bond by 35 percent under the American Recovery and Reinvestment Act," which is scheduled to terminate at the end of December 2010. Ms. Stern advised that the State revolving fund receives matching federal grant funds "already offered to local governments at a below-market interest rate." She related feedback from the Internal Revenue Service Chief Counsel that, if pressed for a private letter ruling, "he would say, 'This is fine. It's not a problem to have the state revolving fund utilize this build America bond; that the legislation does not prohibit it.'" Ms. Stern advised that the private letter ruling process takes approximately nine months. She noted the possibility of risk that, at some point in the future, the 35% interest rate subsidy may be revoked. "But then the City already has the ... discounted interest rate."

In response to a question, Ms. Stern advised "there is no downside from the City's perspective." She recommended issuing the build America bond rather than the tax-exempt bond if the State will accept it. The issue is whether the State, as the purchaser of this bond, will accept the build America bond. "They have ... assured ... that they will have an answer by the time we hold second reading on the ordinance." Ms. Stern explained the reason for introducing both options, the taxable build America bond and the tax-exempt bond for both the water and the sewer systems. She responded to questions of clarification relative to the introduction and adoption process. In response to a question, she assured the Board that one or the other will be adopted on second reading. Discussion followed, and Mr. Burnham suggested, "It's really just a cash flow issue. We aren't yet ready to go out to bid for the portions of the projects that we're building. Douglas County ... is awarding a bid this ... afternoon as a part of the regional project which these bonds are going to pay for. Our obligation for that portion is a little over $2 million. We're going to start incurring costs for that $2 million over the next six or eight months and so, at some point, we need to have the cash flow ability to pay for that."

In response to a question, Ms. Stern advised that the State Treasurer's decision is not dependent upon the Board's action at this meeting. Supervisor Aldean expressed concern over postponing action in consideration of the timing of the State Treasurer's decision. Ms. Stern advised that she has communicated the timing issue to the State Treasurer's Office; "that you've already had to postpone it a month and that we would have to know by second reading." In response to a question, Mr. Providenti expressed the opinion that interest rates have been fairly steady. Discussion took place regarding the appropriate action. In response to a question, Ms. Stern advised that the principal amount is authorized $21.9 million for the water and $4 million for the sewer. She clarified it's a not-to-exceed amount, and explained the draw-down operation of the state revolving fund.

Mayor Crowell entertained public comment. (11:00:47) Ward 3 Supervisor Candidate John McKenna inquired as to the possibility of the State not having the money if you delay a month. He advised of having heard this morning, on the radio, that mortgage interest rates have hit historic lows.

Mr. Providenti advised that the money is available in the state revolving fund. Mayor Crowell called for additional public comments and Board comments or discussion. When none was forthcoming, he entertained a motion. Supervisor Williamson noted the City's aggressiveness in getting as low interest rates as possible to develop projects. **Supervisor Williamson moved to introduce, on first reading, Bill No. 109, an ordinance of the Board of Supervisors of Carson City, Nevada, designated by the short title "2010E Water Bond Ordinance;" providing for the issuance of its general obligation (limited tax) water bond (additionally secured by pledged revenues), Series 2010E (taxable direct pay Build America Bonds); providing the form, terms, and conditions of the bond; providing for the levy and collection of the annual general (ad valorem) taxes for the payment of such bond; additionally securing its payment by a pledge of revenues derived from the water system of the City; and providing other matters relating thereto. Supervisor Walt seconded the motion. Motion carried 5-0.**

20(A-2) ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE OF THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA, DESIGNATED BY THE SHORT TITLE "2010E WATER BOND ORDINANCE;" PROVIDING FOR THE ISSUANCE OF ITS GENERAL OBLIGATION (LIMITED TAX) WATER BOND (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES 2010E (TAX-EXEMPT); PROVIDING THE FORM, TERMS, AND CONDITIONS OF THE BOND; PROVIDING FOR THE LEVY AND COLLECTION OF THE ANNUAL GENERAL (AD VALOREM) TAXES FOR THE PAYMENT OF SUCH BOND; ADDITIONALLY SECURING ITS PAYMENT BY A PLEDGE OF REVENUES DERIVED FROM

THE WATER SYSTEM OF THE CITY; AND PROVIDING OTHER MATTERS RELATING THERETO (11:03:27) - Mayor Crowell introduced this item, and Mr. Providenti reviewed the agenda materials. He advised that action will be taken to adopt one of the ordinances and to not adopt the other, at second reading. Mayor Crowell entertained a motion. **Supervisor Aldean moved to introduce, on first reading, Bill No. 110, an ordinance of the Board of Supervisors of Carson City, Nevada, designated by the short title "2010E Water Bond Ordinance;" providing for the issuance of its general obligation (limited tax) water bond (additionally secured by pledged revenues), Series 2010E (tax-exempt); providing the form, terms, and conditions of the bond; providing for the levy and collection of the annual general (ad valorem) taxes for the payment of such bond; additionally securing its payment by a pledge of revenues derived from the water system of Carson City; and providing other matters properly related thereto. Supervisor Williamson seconded the motion. Motion carried 5-0.**

20(B-1) ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE OF THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA, DESIGNATED BY THE SHORT TITLE "2010F SEWER BOND ORDINANCE;" PROVIDING FOR THE ISSUANCE OF ITS GENERAL OBLIGATION (LIMITED TAX) SEWER BOND (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES 2010F (TAXABLE DIRECT PAY BUILD AMERICA BONDS); PROVIDING THE FORM, TERMS, AND CONDITIONS OF THE BOND; PROVIDING FOR THE LEVY AND COLLECTION OF THE ANNUAL GENERAL (AD VALOREM) TAXES FOR THE PAYMENT OF SUCH BOND; ADDITIONALLY SECURING ITS PAYMENT BY A PLEDGE OF REVENUES DERIVED FROM THE SANITARY SEWER SYSTEM OF THE CITY; AND PROVIDING OTHER MATTERS RELATING THERETO (11:04:39) - Mayor Crowell introduced this item, and Mr. Providenti reviewed the agenda materials. Mayor Crowell identified this as the $4 million bond, and entertained public comment. When none was forthcoming, he entertained a motion. **Supervisor Walt moved to introduce, on first reading, Bill No. 111, an ordinance of the Board of Supervisors of Carson City, Nevada designated by the short title "2010F Sewer Bond Ordinance;" providing for the issuance of its general obligation (limited tax) sewer bond (additionally secured by pledged revenues), Series 2010F (taxable direct pay Build America Bonds); providing the form, terms, and conditions of the bond; providing for the levy and collection of the annual general (ad valorem) taxes for the payment of such bond; additionally securing its payment by a pledge of revenues derived from the sanitary sewer system of the City; and providing other matters relating thereto. Supervisor Aldean seconded the motion. Motion carried 5-0.**

20(B-2) ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE OF THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA, DESIGNATED BY THE SHORT TITLE "2010F SEWER BOND ORDINANCE;" PROVIDING FOR THE ISSUANCE OF ITS GENERAL OBLIGATION (LIMITED TAX) SEWER BOND (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES 2010F (TAX-EXEMPT); PROVIDING THE FORM, TERMS, AND CONDITIONS OF THE BOND; PROVIDING FOR THE LEVY AND COLLECTION OF THE ANNUAL GENERAL (AD VALOREM) TAXES FOR THE PAYMENT OF SUCH BOND; ADDITIONALLY SECURING ITS PAYMENT BY A PLEDGE OF REVENUES DERIVED FROM THE SANITARY SEWER SYSTEM OF THE CITY; AND PROVIDING OTHER MATTERS RELATING THERETO (11:06:21) - Mayor Crowell introduced this item, and Mr. Providenti reviewed the agenda materials. **Supervisor Livermore moved to introduce, on first reading, Bill No. 112, an ordinance of the Board of Supervisors of Carson City, Nevada designated by the short title "2010F Sewer Bond Ordinance;" providing for the issuance of its general obligation (limited tax) sewer bond (additionally secured by pledged revenues), Series 2010F (tax-exempt); providing the form, terms, and conditions of the bond; providing for the levy and collection of the annual general (ad valorem)**

taxes for the payment of such bond; additionally securing its payment by a pledge of revenues derived from the sanitary sewer system of the City; and providing other matters properly relating thereto. Supervisor Walt seconded the motion. Motion carried 5-0.

21. CITY MANAGER - REVIEW OF THE CARSON CITY OPERATIONS SCORECARD AND PRESENTATION OF REVISED OBJECTIVES AND MEASURES UNDER THE PERSPECTIVES TITLED, "A CLEAN AND HEALTHY ENVIRONMENT," AND "AN ACTIVE AND ENGAGED COMMUNITY" (11:07:50) - Mayor Crowell introduced this item. Special Projects Coordinator Linda Ritter reviewed the agenda report, and narrated the operations scorecard which was displayed in the meeting room and included in the agenda materials.

In reference to a recent house fire, Supervisor Aldean noted that the yard had "always been extraordinarily cluttered." In consideration of defensible space, she discussed the importance of removing brush and vegetation debris as well as reducing clutter. Fire Chief Stacey Giomi advised of a significant accumulation of personal property behind the fence of the residence. "That, in and of itself, didn't contribute to the start of the fire but certainly contributed to our ability to control that fire" in consideration of fuels and access. In response to a question, Chief Giomi advised that Fire Department Inspectors work together with Code Enforcement Officers. "Every opportunity we get to co-enforce ... where we send one letter and work with the property owner one time ... we take that ..." In response to a question regarding foreclosed homes, Chief Giomi advised that Fire Department Inspectors must rely on the public to report accumulation of weeds or debris in a neighbor's yard. He advised of having received a significant number of complaints about weeds and debris accumulating in yards and, in some of those cases, it turns out to be foreclosed property. He discussed challenges associated with homes in the foreclosure process; i.e, the homeowner isn't usually interested in spending additional money to clean up and become compliant and the bank doesn't yet own the property. "We are sending letters to the property owner but, ... they don't really care about the weeds." Chief Giomi advised that lending institutions typically respond quickly, "but it's in that transition period that it's a little more challenging from an enforcement perspective." In response to a further question, he reviewed ordinance provisions allowing the City, through a series of notifications, to enter a property to abate a hazard and, in turn, bill the property owner. Mayor Crowell advised of community volunteers who may be willing to help save the City on costs associated with weed and debris abatement. Chief Giomi offered to consider compiling a list of volunteers interested in weed and debris abatement in combination with the Fire Department trailer and dumpster program. He described the trailer and dumpster program. In response to a further question, Chief Giomi advised that the Fire Department has used Pick-N-Pull to haul away donated vehicles. He suggested that Pick-N-Pull may charge a citizen to haul away a vehicle, and noted that clear title to the vehicle would be very important. Chief Giomi reviewed June fire losses.

Ms. Ritter narrated the "Healthy Community," "Vibrant, Diverse, and Sustainable Economy," and "Clean and Healthy Environment," portions of the operations scorecard. In response to a question, Mr. Burnham reviewed the Public Works Department policy on taking home City vehicles. Mr. Werner advised that the City's overall policy requires a substantial reason to take home a City vehicle. Discussion followed, and Mr. Werner offered to provide more detailed information to the Board.

Ms. Ritter provided an overview of the "Active and Engaged Community" portion of the operations scorecard, and narrated the various statistics. She advised that calculations on cost recovery percentages will be reworked and presented at a future meeting. Discussion followed, and Mr. Moellendorf noted the importance of further defining the statistical information to determine the difference between the number of participants and participation. Additional discussion followed, and Supervisor Aldean suggested

reporting the number of different people participating in an event as opposed to repeat customers. Supervisor Williamson commended the effort to track the information for the benefit of the City leadership, users, and tournament organizers. She noted the importance of requiring facility users to provide sufficient use documentation. Mr. Moellendorf acknowledged that the reworked statistical information will demonstrate costs to the City, per organization and per participant. Supervisor Livermore noted the importance of including the "volunteer adult component that comes with it." Additional discussion followed.

Ms. Ritter narrated the Business Review, which was displayed in the meeting room and included in the agenda materials. She reviewed information to be presented in next month's report. Mr. Burnham responded to questions of clarification regarding the Goni Road sidewalk improvement project. In response to a question, Ms. Ritter advised that performance measures are being requested from agencies and organizations to which community support services grant funding has been allocated. Mayor Crowell entertained public comment and, when none was forthcoming, thanked Ms. Ritter for her presentation.

22. BOARD OF SUPERVISORS NON-ACTION ITEMS:

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS - None.

CORRESPONDENCE TO THE BOARD OF SUPERVISORS - None.

STATUS REPORTS AND COMMENTS FROM THE BOARD MEMBERS (12:02:07) - Supervisor Williamson reported on the National Association of Counties meeting recently held in Reno. She referred anyone interested to "NaCO.org" for all the sessions, and advised she would leave a copy of the presentations at City Hall. She described the benefits of the NACO prescription card, available through the City's Health and Human Services Department. At Mayor Crowell's request, she and Mr. Werner provided additional detail on the NACO prescription card. Supervisor Williamson described one session of the National Association of Counties meeting which focused on "civility and decorum in discourse in public meetings." She suggested giving consideration to establishing a policy in Carson City. She announced the Nevada Association of Counties conference scheduled for November 17th in Reno, and advised that efforts are underway to schedule the civility and decorum session.

Supervisor Aldean reminded the Board members of the invitation to preview the Tahoe Prosperity Plan on August 16th at the Hyatt. She noted that Carson City is an honorary co-host of the event, and provided an overview of the event. She further noted the Tahoe Summit scheduled for August 17th at Sand Harbor.

Supervisor Walt provided an overview of discussion which took place at a recent Parks and Recreation Commission meeting regarding the joint use gymnasium facility.

Mayor Crowell suggested agendizing a presentation by Waste Management regarding recyclable materials. Mr. Burnham agreed that such a presentation would be timely.

STAFF COMMENTS AND STATUS REPORTS (8:41:14) - In reference to the questions, under public comment, regarding the status of the P3 Development feasibility study, Mr. Werner reiterated that he is awaiting the feasibility study in order to schedule a presentation, "... because we're waiting for all that stuff to come in and ultimately be presented, by P3, to the citizens advisory committee which, ultimately, then goes to the Board of Supervisors." Mr. Werner advised of no interim reports to discuss. He reiterated having extended the 90-day feasibility study period due to the realization that "we weren't going to make

the August 9th meeting." He advised that the only anticipated activity, between now and August 30th, is receipt of the completed feasibility study. In response to a question, he discussed the need to have ground appraisals completed in order to determine the land value. "That's outside P3's control, totally within the City's control." Based on that, presentation of the feasibility study was extended to August 30th. Mr. Werner advised that the letter issued from the Governor's Office was completely unrelated. Supervisor Livermore discussed the importance of transparency. Mr. Werner advised of having sufficiently publicized postponement of the feasibility study presentation. In response to a question, he advised that the project is still in the conceptual stage "until we understand the dollars." Once P3 Development presents potential costs and options, "and this Board makes a decision, that's when there's a project. Until this Board makes a decision, there is no project. That's never changed."

Mayor Crowell discussed the importance of getting things right. "The fundamental decision ... is whether the process works and ... if it's been given sufficient time to develop a credible result that we can make an informed decision on rather than ... a knee-jerk reaction."

(12:12:59) With regard to the proposed City Center development project, Mr. Werner advised of two contracts, one with a firm highly recommended by both the California and Nevada Redevelopment Authorities "to kind of be our eyes ... on the development agreement ... to make sure we haven't missed something." The contract will be less than $10,000. In consideration of the concern over vacant buildings, Mr. Werner discussed another firm with expertise in the area of "vacancy mitigation for redevelopment projects." Said firm will develop guidelines for consideration by the Board to direct the Office of Business Development in strategies for addressing vacant buildings. Mr. Werner acknowledged the vacancy strategies would be applicable citywide.

(12:16:03) Virgie Miller advised of having "taken it upon [herself] since this project started to go out in parking lots and chase people down and ask them, 'What do you think about the redevelopment project?'" She advised of having "done this seven different times, and the majority of the people in this town think, 'What? Are you crazy? We don't need to do this now.'" She further advised that others have inquired as to why the proposal isn't being placed on the November ballot. "Other people say, 'It doesn't matter if we vote or not. They're going to do what they want to do.'" Ms. Miller requested the Board to consider the concerns. She expressed concern over existing vacant buildings.

At Mayor Crowell's request, Ms. Miller advised that, when she approaches people, she describes the proposed project as "... a project that is put before, I don't tell them that I know all the details because I don't, but I say that they're considering taking the Nugget, the gentleman who is the head of the foundation for the Nugget and he has proposed to the City this development that he has in mind where he's also indicated that government offices will be moving into his complex. And they all go, 'Well ... we've already got offices we're paying for. Is this going to be more?' And I say to them, I don't know all the details but I think I should get to vote on this and I think it should be put out before us all the information that we should know. My grievance is that I don't know enough and no one is able to tell me enough and neither do they, but we know you all are considering it." She inquired as to the right to more information and the right to vote on it "since it's the biggest project that's ever been done."

In response to a question, Mr. Werner expressed discouragement "because we've had tons of workshops, tons of open meetings. Our office is always open for people to step in and ask us what's going on." Ms. Miller expressed the opinion, "It's reached fever pitch enough that I got involved." Ms. Miller stated, "I

know that I'm probably misinformed. My whole thing is that I think we should get to vote on it. ... Or else fill up the newspaper with enough information that you can make me think, 'Wow, this is the greatest thing that's ever going to happen.'"

Supervisor Aldean expressed frustration over statements relative to a lack of information to make a decision, but a request to "vote on it." She discussed the importance of being well informed prior to casting a vote, and suggested the better approach would be to increase outreach. She encouraged Ms. Miller and anyone she knows to attend the Carson Nugget Development Advisory Committee meeting, scheduled for Monday, August 30th, and provided background information on the advisory committee membership.

Ms. Miller reiterated "... there's so much objection to it from the people that I talk to." She acknowledged she does not "know all the details," and expressed the opinion that the Board of Supervisors' job is "to do this." She reiterated, "The citizenry is greatly unrested about this."

Supervisor Walt advised of having met Ms. Miller at the Farmer's Market where a petition stand was set up. "At the sign where the petitioners stand, it says, 'The City is broke.'" In response to a question, Mr. Werner advised that the City is not broke. Mayor Crowell advised that the City submitted an ending fund balance in compliance with applicable statutes. Supervisor Walt expressed concern over the misinformation.

Supervisor Livermore noted that Ms. Miller's questions "were very pointed," and reiterated the desire to "have this discussion when there were other people in this room this morning that have the same concerns that you have." He reiterated the request to agendize a status report for every Board meeting and stated, "If you think you don't know everything, I can bet you that I don't know everything because I'm not in all the loops ..." He expressed the belief that Ms. Miller's concerns "whether budget issues or things like that, you know, how you understand this stuff is difficult, at best, for even us that go there every day to understand this." He discussed the importance of transparency. In reference to Supervisor Walt's comments, Ms. Miller advised she would take back her statement that the City is broke.

23. ACTION TO ADJOURN (12:24:50) - Supervisor Aldean moved to adjourn the meeting at 12:24 p.m. Supervisor Williamson seconded the motion. Motion carried 5-0.

The Minutes of the August 5, 2010 Carson City Board of Supervisors meeting are so approved this 2nd day of September, 2010.

_____
SHELLY ALDEAN, Mayor *Pro Tem*

ATTEST:

_____
ALAN GLOVER, Clerk - Recorder