

CARSON CITY BOARD OF SUPERVISORS
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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, August 2, 2001, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

PRESENT:	Ray Masayko	Mayor
	Jon Plank	Supervisor, Ward 2
	Robin Williamson	Supervisor, Ward 1
	Pete Livermore	Supervisor, Ward 3
	Richard S. Staub	Supervisor, Ward 4
STAFF PRESENT:	John Berkich	City Manager
	Alan Glover	Clerk-Recorder
	Al Kramer	Treasurer
	Walter Sullivan	Community Development & Planning Dir.
	David Heath	Finance Director
	Daren Winkelmann	Health Director
	Steve Kastens	Parks and Recreation Director
	Mark Forsberg	Chief Deputy District Attorney
	Cheryl Adams	Deputy Purchasing Director
	Ray Saylo	Lieutenant
	Stacy Giomi	Fire Suppression Battalion Chief
	Tony Baker	Safety/Loss Control Technician
	Katherine McLaughlin	Recording Secretary
	(B.O.S. 8/2/01 Tape 1-0001)	

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Board Action Request and/or supporting documentation. Staff members present for each Department are listed under that Department's heading. Any other individuals who spoke are listed immediately following the item heading. A tape recording of these proceedings is on file in the Clerk-Recorder's office. This tape is available for review and inspection during normal business hours.

CALL TO ORDER, ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE - Mayor Masayko convened the meeting at 8:30 a.m. Roll call was taken. The entire Board was present, constituting a quorum. Rev. Patrick Propster of the Carson City Christian Fellowship gave the Invocation. Mayor Masayko lead the Pledge of Allegiance.

CITIZEN COMMENTS (1-0035) - None.

1. APPROVAL OF MINUTES - JUNE 7 AND JULY 5, 2001 (1-0039) - Supervisor Plank moved for approval of the Minutes of the Carson City Board of Supervisors for June 7, 2001, meeting with a revision on Page 8 to clarify what was stated as it had originally indicated that one member of the Board had stated more than had actually occurred by mixing the reports, and, also, approval of the Minutes of the July 5, 2001, with the correction on Page 9 of Ms. Fisher, Mr. James on Page 10, and corrected the word period on Page 11, and added "two of the" to Page 23. Supervisors Williamson and Livermore seconded the motion. Motion carried 5-0.

2. AGENDA MODIFICATIONS (1-0070) - Item 5-5, the appointment to the Massage Examiners Board, was pulled.

3. SPECIAL PRESENTATIONS - ACTION ON A RESOLUTION COMMENDING ALAN ROGERS (1-0090) - Deferred pending Mr. Rogers' arrival.

(1-0155) Mayor Masayko explained the intent to recognize Mr. Rogers' tenure, dedication and effort as a member of the Planning Commission. He then read the Resolution into the record. Supervisor Livermore expressed his

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pride in being able to recommend the resolution for adoption and moved to adopt Resolution No. 2001-R-38, A RESOLUTION COMMENDING ALAN ROGERS. Supervisor Williamson seconded the motion. Supervisors Plank and Williamson thanked him for his dedication and efforts for the betterment of the community and its future. The motion to adopt Resolution No. 2001-R-38 was voted and carried 5-0.

Mayor Masayko congratulated him on his retirement. Community Development Director Walter Sullivan thanked him on behalf of the Commission and staff for his dedication and efforts and presented Mr. Rogers with a pin. Mr. Rogers expressed his appreciation for the recognition and pointed out that the Commission works with several different City Departments and Commissions as well the Board. They must work together for the future of the community. He thanked the Board for giving him the opportunity to serve the community. He applauded staff for its work and efforts.

LIQUOR AND ENTERTAINMENT BOARD (1-0084) - Mayor Masayko recessed the Board of Supervisors session and immediately reconvened the session as the Liquor and Entertainment Board. The entire Board was present including Sheriff's Representative Rod Saylo, constituting a quorum.

4. TREASURER - Al Kramer - ACTION ON A DINING ROOM WITH BEER AND WINE FOR ANGELICA AND REYNALDO OLIVAS, DOING BUSINESS AS EL POTRERO, LOCATED AT 557 SOUTH SALIMAN ROAD (1-090) - Chairperson Masayko cautioned the Olivas against selling to minors. Mr. and Mrs. Olivas indicated that would uphold the liquor laws and train their employees in them. Member Saylo noted the favorable Sheriff's Departmental Report. Mr. and Mrs. Olivas indicated that they did not plan to sell food to go. Member Williamson moved to approve a dining room with beer and wine for Angelica and Reynaldo Olivas, doing business as El Potrero, located at 557 South Saliman Road, under CCMC 4.13; fiscal impact is \$500 Original New Fee, \$575 Investigation Fee, and \$150 per quarter and wished them good luck. Member Plank seconded the motion. Motion carried 6-0.

BOARD OF SUPERVISORS (1-0145) - There being no other matters for consideration as the Liquor and Entertainment Board, Chairperson Masayko adjourned the Liquor and Entertainment Board and immediately reconvened the session as the Board of Supervisors. The entire Board was present constituting a quorum.

5. CONSENT AGENDA (1-0280)

5-1. TREASURER - ACTION ON THE TREASURER'S REPORT FOR THE MONTH OF JUNE 2001

5-2. FINANCE - ACTION ON RATIFICATION OF THE EXPENDITURE APPROVAL LISTINGS FOR THE MONTH OF JUNE 2001

5-3. DEVELOPMENT SERVICES - CONTRACTS - ACTION ON CURRY STREET EXTENSION AND WIDENING PROJECT DESIGN SERVICES, CONTRACT NO. 9900-122, AUTHORIZING DEVELOPMENT SERVICES TO ISSUE CLAIM FORMS TO LUMOS AND ASSOCIATES, INC., 800 EAST COLLEGE PARKWAY, CARSON CITY, NEVADA 89706, FOR AMENDMENT NO. 2 IN THE AMOUNT OF \$9,850 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE ADDITIONAL AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$1,965

5-4. PURCHASING AND CONTRACTS

A. ACTION TO EXTEND CONTRACT NO. 9900-056 JOINDER BID WITH CONWAY COMMUNICATIONS THROUGH THE STATE OF NEVADA TO PROVIDE TELEPHONE, WIRING, CABLE, AND FIBER OPTIC CABLE REPAIRS AND INSTALLATION THROUGH JUNE 30, 2002, PROVIDING THAT CARSON CITY'S APPROVED FUNDING AND PURCHASING PROCEDURES ARE FOLLOWED

B. ACTION ON THE AWARD OF CONTRACT NO. 0102-008 MARSH, INC., AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO NRS 332 TO BE THE BROKER OF RECORD FOR THE CITY'S PROPERTY, LIABILITY, WORKERS COMPENSATION, AND BONDS PROGRAMS THROUGH AUGUST 1, 2004

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C. ACTION ON THE AWARD OF CONTRACT NO. 0102-011 TO RICH BOYCE RECREATION, INC., TO PROVIDE GAME TIME PRODUCTS AND TO DALE GREEN ASSOCIATES TO PROVIDE MIRACLE RECREATION EQUIPMENT COMPANY PRODUCTS PURSUANT TO THE DISCOUNT PERCENTAGES EACH COMPANY BID EFFECTIVE THROUGH AUGUST 1, 2004, WITH THE OPTION TO RENEW FOR TWO (2) ADDITIONAL YEARS AS THEY ARE THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDERS PURSUANT TO NRS 332

D. ACTION ON CONTRACT NO. 0102-027 A REQUEST FOR THE PURCHASE OF ONE (1) FIVE-MAN SEVERE USE WILDLAND TYPE III ENGINE FROM MASTER BODY WORKS, INC., A SOLE SOURCE PROVIDER, FOR A NOT TO EXCEED COST OF \$184,094.20

5-5. PERSONNEL - ACTION TO APPOINT VINCENT BAUM TO THE BOARD OF MASSAGE EXAMINERS

5-6. COMMUNITY DEVELOPMENT - ACTION ON U-00/01-38 - APPROVAL OF A PARKING AGREEMENT WITH GREGG KOECHLEIN AND HRE PROPERTIES, INC., TO UTILIZE PARKING SPACES AT GOVERNORS FIELD PURSUANT TO CARSON CITY MUNICIPAL CODE 18.05.023(4) -

Item 5-5 was deferred to another meeting. Supervisor Plank requested Item 5-1 be pulled for discussion. Supervisor Plank moved to approve the remaining seven items on the Consent Agenda as presented. Supervisor Livermore seconded the motion. Motion carried 5-0.

5-1. (1-0310) - Mr. Kramer felt that the decrease in business license fees was due to the loss of the Ormsby House and its gaming taxes. There had also been a significant drop in the number of individuals applying for a business license. The decrease was felt to a sign of the times and related to the nationwide economic concerns. The City's average portfolio is approximately \$52 million. Its earned interest rate was 7.72 percent. Reasons for this return were described. Supervisor Plank moved to approve the Treasurer's Report as presented for the month of June 2001. Supervisor Williamson seconded the motion. Motion carried 5-0.

6. BOARD OF SUPERVISORS (1-0428)

A. ACTION ON A REQUEST BY RAQUEL KNECHT, REPRESENTING NEVADA HISPANIC SERVICES, FOR A WAIVER OF FEES AT THE PONY EXPRESS PAVILION - Rachel Knecht, Parks and Recreation Director Steve Kastens, Maxine and Fred Nietz of the Arlington Group - Ms. Knecht explained the request for a waiver of the security fees for the pavilion. Discussion indicated that the Convention and Visitors Bureau pays the facility rental fees. Mr. Kastens had purportedly given the Board Members a memorandum regarding the request. (A copy had not been given to the Clerk.) Concerns were vocalized regarding the commencement and termination periods for activities which were felt to be caused by another function. The event is scheduled for two days with one day at the Brewery Arts Center and one day at the pavilion. The activities were described. Ms. Knecht corrected the pavilion application for the event to be from 10 a.m. to 6 p.m. on Sunday.

Mr. Kastens explained the reasons he had submitted a memo to the Board and the problem which had been encountered with a vendor at last year's Salsa y Salsa event. The policy to require cleaning deposits addresses such issues. Therefore, staff had recommended its implementation this year. The deposit will be returned if there are no problems. The event had been held there for five years. Last year was the first time a problem had been encountered. If there are no problems this year, staff may recommended elimination of the cleaning deposit. Staff works with the Nevada Hispanic Services and not the various vendors whom the Hispanic Services recruit for the event. Supervisor Livermore suggested that additional details be obtained regarding the vendors and their products. Mr. Kastens agreed to look into it.

Ms. Knecht expressed the desire to have a safe, family event open to the entire community. Mayor Masayko suggested that the organization police the area while the vendors are still on the premise. Ms. Knecht indicated that this had occurred. The vendor had immediately withdrawn the products from the public and he/she had assured the organization that he would cleanup the mess. She also indicated that this vendor/his merchandise

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would not be allowed to participate this year. She then explained that no alcoholic beverages are allowed or sold. They do police the event to insure against having open containers at the event. As a family event, alcohol is not allowed.

Mr. and Mrs. Nietz explained their involvement with the event this year. The application forms will be clear regarding what the vendors' responsibilities and the event's policies are. Spray paint, etc., is never allowed at their events. If the vendor cannot make a profit without such merchandise, he/she is welcome not to attend/participate in the event. They have always left the park clean. They will continue to work with the Parks Department to insure that it is returned in a clean state. A list of vendors must be given to the Recreation Reservation Coordinator prior to the event as well as one after the event. The vendors will be carefully screened to insure that the operation will be a family event and to maintain the current hospitality of the park.

City staff's concern relates to the need for City staff to have to clean the spray paint, etc., or locating the responsible party and requiring that it do the cleaning. Mr. Nietz reiterated that the Arlington Group had not been on site last year but would be this year. Their reputation for events was noted. The programs for both the Brewery Arts Center and the Pavilion were limned.

Supervisor Livermore expressed his sensitivity toward the testimony which had been provided and the five year history for the event with only one problem. Supervisor Livermore then moved to authorize the waiver of fees for the Hispanic Services Salsa y Salsa event on September 16 and that the fee waiver is for \$228. Supervisor Williamson seconded the motion. Supervisor Plank questioned the reasons for waiving the fee as the amount is refundable if there are no problems. Mayor Masayko felt that the waiver was due to the fact that cash would be tied up until refunded after the event. Mr. Kastens indicated that the refunds are normally completed within two or three weeks after the event if there are no problems. The deposit must be paid 30 to 60 days prior to the event. It would tie the funds up for approximately 90 days. The motion to approve the waiver was voted and carried 4-1 with Supervisor Plank voting Naye.

Board comments wished them success with the event. Mr. Nietz indicated that a schedule would be provided to the Board and invited Mayor Masayko to make a welcoming speech.

B. ACTION ON A FUNDING REQUEST IN THE AMOUNT OF \$30,000 FROM THE COMMUNITY COUNSELING CENTER (CCC) (1-0735) - CCC Executive Director Mary Jenkins - Discussion noted the funds had been approved as part of the Community Service Grants to the Carson Treatment Center. The CCC was taking over the Center's operation and requested the grant be transferred. The CCC also receives a grant for other purposes. Mayor Masayko thanked the CCC for taking on the Carson Treatment Center. None of the current CCC services will be reduced to provide the additional services.

The request only changes the name of the recipient. Supervisor Plank moved that the \$30,000 which was originally approved for the Carson Treatment Center be reallocated to the Community Counseling Center for the operation of the Carson Treatment Center. Supervisor Livermore seconded the motion. Motion carried 5-0.

C. ACTION ON A CONTRACT WITH WALKER AND ASSOCIATES FOR INTERIM LEGISLATIVE SERVICES (1-0820) - Mary Walker - Discussion pointed out the services which Ms. Walker had provided to both the City and the Hospital and the success of the effort. The need for the services to continue during the interim between sessions was stressed. Ms. Walker agreed to add the mental health issues to her agenda. Mr. Berkich and his staff were to continue their involvement with the mental health coalition and its efforts to be a part of the Governor's budget. The interim health committee and its issues were explained. Efforts to obtain funding and support from the interim committee were indicated. Ms. Walker's services also provide an extra opportunity to watch the activities/promotions undertaken by others, including other interim committees, which could impact/support the City. Supervisor Staub explained his feeling that the City staff with a Board member or two should develop and participate in a Carson City legislative planning advisory board. This board

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would develop the City's legislative package and lobby for it. The economics of having a hired lobbyist to represent the City at the legislature supported hiring Ms. Walker. Mayor Masayko also expressed his concern that the City needed to train a staff member to be able to handle her duties, particularly during the off legislative periods. His comments were not meant to be a reflection on Ms. Walker's abilities or efforts. Supervisor Plank felt that the contract amount was less than that required to hire a staff person to perform the same duties. Supervisor Plank then moved to approve a contract with Walker and Associates for interim legislative services; fiscal impact is \$16,500. Supervisor Williamson seconded the motion. Mayor Masayko noted that there were also funds for expenses. Motion carried 4-1 with Mayor Masayko voting Naye based on his caution regarding the policy which is being established and continued.

BREAK: A recess was declared at 9:35 a.m. The entire Board was present when Mayor Masayko reconvened the meeting at 9:45 a.m., constituting a quorum.

7. ENVIRONMENTAL HEALTH - Health Director Daren Winkelman - ORDINANCE - SECOND READING - ACTION ON BILL NO. 114 - AN ORDINANCE AMENDING CHAPTER 5.11 LANDFILL RATES AND FEES OF THE CARSON CITY MUNICIPAL CODE, ADDING SECTION 5.11.020 OUT OF COUNTY RATES WHICH ESTABLISHES THE RATES TO BE CHARGED FOR OUT OF COUNTY COMPACTED AND UNCOMPACTED WASTE LOADS AND OTHER MATTERS PROPERLY RELATED THERETO (1-1048) - Discussion indicated that the minimal charge an individual pays is \$6.75. This is for 1,000 pounds or less. The fee increases for each pound over the 1,000 pounds. Supervisor Plank moved to adopt Bill No. 114 on second reading, Ordinance No. 2001-13, AN ORDINANCE AMENDING CHAPTER 5.11 LANDFILL RATES AND FEES OF THE CARSON CITY MUNICIPAL CODE, ADDING SECTION 5.11.020 OUT OF COUNTY RATES WHICH ESTABLISHES THE RATES TO BE CHARGED FOR OUT OF COUNTY COMPACTED AND UNCOMPACTED WASTE LOADS AND OTHER MATTERS PROPERLY RELATED THERETO. Supervisor Livermore seconded the motion. Motion carried 5-0.

8. PARKS AND RECREATION DIRECTOR - Steve Kastens - ACTION ON MEMORANDUM OF UNDERSTANDING (MOU) REGARDING PARK, RECREATION AND ATHLETIC FACILITIES BETWEEN CARSON CITY, THE CARSON CITY SCHOOL DISTRICT, AND THE WESTERN NEVADA COMMUNITY COLLEGE (1-1125) - Western Nevada Community College Vice President Helaine Jesse, Superintendent of Schools Mary Piercznski - Justification for sharing facilities was provided. At the current time the number of facilities held by both the City and the School District appeared to be equal. The College's master plan includes athletic facilities. The MOU merely states the intent to work together. Funding commitments are not included at this time. The MOU may eventually indicate a need for funding. Support for the concept was based on the ability to eliminate the need to duplicate facilities and provide an opportunity to maximize the inventory usage and the capital investment. Supervisor Livermore suggested that other services be considered as joint ventures including building maintenance; landscaping; etc. He also volunteered to assist with such ventures. Supervisor Staub also supported the concept and asked that the liability concerns be included within the agreement. Mr. Kastens explained the terms regarding this issue. Board comments supported the College's plan to have adult recreational facilities. Mr. Berkich complimented the team effort to develop a program which will benefit the entire community in the future by maximizing the financial and land resources. The reduction in soccer enrollment was discussed and felt to be due to the drop in student population and an increase in other outdoor recreational opportunities.

Dr. Jesse expressed the intent to provide recreational facilities for her students. Dr. Piercznski noted the good working relationship enjoyed by the School District and City over the years regarding the joint use of facilities program. Her Board of Trustees will be asked to support the MOU.

Supervisor Plank moved to authorize the Mayor to sign the Memorandum of Understanding regarding parks, recreation, and athletic facilities between Carson City, the Carson City School District, and the Western Nevada Community College; no fiscal impact at this time. Supervisor Livermore seconded the motion. Motion carried 5-0. Mayor Masayko indicated that additional details will be submitted to the Board in the future.

9. COMMUNITY DEVELOPMENT - Director Walter Sullivan

A. ACTION REGARDING THE ALLOCATION OF \$2,408,367 IN STATE PRIVATE ACTIVITY BOND VOLUME CAP TO AFFORDABLE HOUSING ASSOCIATES LLC (BROADLEAF/SAGEWOOD MANOR) AND/OR WESTERN AMERICA PROPERTIES INC./SQUIER PROPERTIES LLC (FOOTHILL GARDENS) (1-1435) - Senior Planner Lee Plemel, Foothill Gardens Representatives Bob Crowell, Gary Squier, and James Perley; Broadleaf Representatives Brian Fitterer and Greg Dunfield - The Board's direction regarding whether to fund a project over several years or to only allocate one year's funds at a time was solicited. The bond cap had been returned to the State for several years. The State had not used these funds in this vicinity. Mayor Masayko offered to write a letter to the State asking that any other funds available to used for the unsuccessful applicant. It was felt that approximately \$93 million was available for local projects. The State's total is twice this amount. The City's allocation is \$2.4 million. Discussion explored the proposal, if the Board desires, to allocate two years worth of funds for the one project. Under this concept the State will be asked to hold the funds until adequate funding is provided to do the project. The applicant can ask for funding from the State which is over and above the \$2.4 million which the City has. The State will match whatever allocation the City makes on a one-for-one basis. The State had also indicated that extra funds may not be available. Mayor Masayko noted the extensive packet had included the pros and cons for both applications.

(1-1664) Mr. Crowell briefly described the application and introduced Messrs. Squier and Perley. Mr. Squier outlined his background and Mr. Perley's. They work to preserve existing affordable housing under the HUD program. This program maintains affordable housing into the foreseeable future. Components in their program were limned. He then described the location of Foothill Gardens and the apartment complex. The owner could either place the apartment complex on the open market as the Section 8 terms are expiring or refinance it and continue the Section 8 program. The plan is to have the owner reinvest \$8,000 per unit into the complex. Mr. Squier committed to adding an additional \$5,000 per unit to those funds for additional improvements. The types of improvements were limned. The current rental fee averages \$184 per month. He hoped to maintain this fee for 20 plus years. Tenants will not be evicted during the construction period. Discussion indicated that the rehabilitation had already commenced. The contract includes the terms committing the funding as indicated. Mr. Squier agreed to stipulate to providing this information if his firm is given the funding. Discussion indicated that the firms acquiring the property are privately owned as a limited partnership under the "umbrella of Preservation Properties". The application is for \$3.4 million with \$2.4 million coming from the City and \$1 million from the State. The apartment complex is being purchased for \$3.4 million. The restrictions for using the bond funds for the acquisition mandate that the rental rates be maintained for a specified period of time which ranges from 15 to 40 years. The City can mandate maintaining a relationship with service providers. Their policy has been to maintain the project under the HUD program so long as HUD continues its program. The restrictions go with the land which requires any future buyer to continue the program. Supervisor Staub pointed out that the property could be sold in two years. The firm is borrowing from the public markets at a low interest rate. The incentive for the bonds is the fact that the interest is tax free. The firm is still committed to repay the \$3.4 million. Although there had been an intent to ask for tax abatement for the property, the applicants had no intent of doing so now or in the future.

(1-1925) Mr. Fitterer described his background and introduced Mr. Dunfield. Mr. Dunfield explained his background and the firm's history in Nevada. He then described the Broadleaf Manor project, its location, the current owner's attempts to sell it, its need for revitalization, and stated for the record that the proposal will not remove the property from the tax roles. He then described the \$3.1 million in improvements proposed for the property. He was willing to open the books and to work with the City before the plans are finalized. The benefits the community will receive from the financing program were limned. He proposed to reduce the current rent and to restrict its income level and rental rates. There will be a six month lease and there is a desire to extend the lease term to a full year. This may stabilize the residents living there and improve the property. Approximately 88 percent of the current tenants will qualify for the HUD program. The average annual turnover rate should amortize the remaining tenants and not require displacement. Cost relocation and compensation will be provided if necessary. The property has been operated at the market rate. The difference between the two properties and their

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operations were described. He then explained that the contracts for a majority of the Section 8 properties are expiring. They can then convert to the open market which will eliminate low cost housing in the area. Reasons some of the properties will not be converted were explained. The improvements which are being made to Foothill Gardens are from the reserves that had been accumulated over the 20 year life of the HUD contract. He then described the State bond program, its \$180 million cap, its tax free interest, its tax credit program with which he would make the improvements, justification for seeking more than \$5 million from the bond program, the ability to obtain more than one year's bonding, and the feeling that the State's bonding cap will soon be raised. If the project is approved this year, he committed to returning to the Board for funding next year under a process which commences in November. He urged the Board to consider the benefits which would be provided to the community rather than the technical issue regarding carrying the bond cap forward as carrying the bond cap forward would increase the City's options.

Mayor Masayko thanked both applicants for their presentations. He then explained his personal knowledge of the need for Section 8 and affordable housing in the community. Foothill Gardens is in need of refurbishing. If an industrial development application is submitted next year, funds will not be available for Mr. Dunfield's project. He did not wish to promise something which may not be deliverable in the future. He was certain that the Broadleaf apartments needed the \$10,000 in improvements which had been committed. He also noted the concern about the loss of the Broadleaf units to the Section 8 program.

(1-2450) Public comments were solicited. Senior Citizens Center Governing Board Chairperson Bruce Scott was not familiar with the details of either proposal. He stressed the critical need Carson City has for affordable housing. There is an 18 to 24 month waiting list for affordable senior housing. He urged the Board to do whatever it could to increase the affordable housing stock for seniors. Additional comments were solicited but none given.

Mr. Crowell expressed their commitment to continue the Section 8 housing for Foothill Gardens and to make the covenant run with the land for the amount of time available under HUD rules which is 20 years. They assured the Board that if the bonding is granted to Foothill Gardens, it would not go to the market rates. The current HUD commitment expires in December.

Supervisor Williamson felt that if a property owner desired, the Section 8 housing could be continued. HUD is not forcing them to leave the program just because the contract expires. Mr. Squier explained his effort to address the expiration of the Section 8 program in Congress. A new owner could convert the property to the market rate. This is possible at the Foothill Gardens apartment. Both applicants indicated that if the bond is not received, they will convert the property to the market. Mr. Dunfield agreed that the vast majority of the funds will be used to acquire the property. He also explained the tax credit rules which mandate ownership for ten years prior to receiving the credit. If the bond is not obtained for Sagewood, the sale will break the ten year commitment, and the credit will not be received. It is also important to have the funds in order to revitalize the property. Mr. Fitterer then described the location of Carson Highlands as being in Moundhouse and is a mobile home park that his firm owns.

Supervisor Staub moved that the Board of Supervisors approve the allocation of the City's portion of the State's Private Activity Bond Volume Cap, a total of \$2,408,367 to the Foothill Gardens project to be owned by Western America Property, Inc., and Squier Properties LLC. Supervisor Livermore seconded the motion. The motion allocated the funds for one year. Supervisor Williamson pointed out the difficulty in making a decision regarding the bonding as both projects have merit. She questioned whether there were additional financing programs available to assist the other project and suggested that they contact Western Nevada Housing Consortium. She also pointed out that the proposal would not add to the senior housing stock but would maintain it. More affordable housing is needed. There must be big money in affordable housing if people from Newport Beach, Seattle, and Santa Monica are interested in it. She hoped that local people will see the advantages and seek some of the financial benefits. Supervisor Plank encouraged the unsuccessful project to contact Western Nevada Development District and seek other funding avenues as a option. Supervisor Williamson felt that the application period begins in January. Mr. Plemel supported the January application period although the Board does not have to act on it until August. Mr. Sullivan described how the application date and bond cap are established. It is

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possible to act on the applications before the August deadline. Discussion with Mr. Squier and Mr. Dunfield explained the tenant demographics for Foothill Gardens and Sagewood. Mr. Grant emphasized that this is the only time they can take advantage of the tax benefits for Sagewood and Broadleaf and refurbish them. If funding is not successful at this time, the seller will put the property back on the market and sell it to an individual/firm who will break the Section 8 title chain. Mayor Masayko responded by reiterating the other resource options available to them for the bonding/funding which included both the Consortium and the State. The motion to grant the bonds to Foothill Gardens was voted and carried 5-0.

Mayor Masayko indicated that the Broadleaf/Sagewood project is commendable and urged them to consider the other options. Mr. Sullivan commended Mr. Plemel on his effort to learn about the program and committed to trying to come back to the Board with the applications in six months--February or March. Mayor Masayko reiterated his concern regarding the use of the State Demographer's figures in the process and his belief that those figures are not available until July. He agreed to consider any applications that can be processed earlier than that date.

B. ACTION ON A RESOLUTION TRANSFERRING \$2,408,367 IN STATE PRIVATE ACTIVITY BOND VOLUME CAP TO THE DIRECTOR OF THE STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY FOR USE BY AFFORDABLE HOUSING ASSOCIATES LLC (BROADLEAF/SAGEWOOD MANOR) AND/OR WESTERN AMERICA PROPERTIES INC./SQUIER PROPERTIES LLC (FOOTHILL GARDENS) FOR AFFORDABLE HOUSING (1-2825) - Senior Planner Lee Plemel - Foothill Gardens is Option 2. The stipulation that the financial and construction information is to be included in the agreement is to be part of Exhibit A. The seller is financing \$8,000 per unit of the refurbishing costs. Public comments were solicited. Supervisor Livermore moved to adopt Resolution No. 2001-R-39, transferring \$2,408,367 in State Private Activity Bond Volume Cap to the Director of the State of Nevada Department of Business and Industry for use by Western America Properties Inc./Squier Properties LLC, Foothill Gardens. Supervisor Plank seconded the motion. Motion carried 5-0. Mayor Masayko indicated that the Board was looking forward to seeing the renovations and wished them success with the project.

10. DEVELOPMENT SERVICES - CONTRACTS - City Engineer Larry Werner and Development Services Director Andrew Burnham

A. ACTION ON THE AGREEMENT FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE CARSON CITY SENIOR CITIZENS CENTER EXPANSION, CONTRACT NO. 2000-142, AUTHORIZING DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO METCALF BUILDERS, INC., 751 BASQUE WAY, CARSON CITY, NEVADA 89701, FOR A NOT TO EXCEED CONSTRUCTION MANAGEMENT FEE OF \$298,000 AND A NOT TO EXCEED REIMBURSEABLE EXPENSE AMOUNT OF \$5,000 (1-2930) - Tom Metcalf of Metcalf Builders, Inc.; Mark Beechum and Jeff Shaheen of Shaheen Beechum Builders; John Martin of Bison Construction; Bob Greth of Greth Construction; Bill Ramsden of Central Sierra Construction Inc.; Paul Hannafin of Hadlock Construction; Senior Citizens Center Governing Board Chairperson Bruce Scott - Mr. Burnham explained the meeting with John Anderson regarding the process and the commitment to work with the contractors to develop a procedure for the selection of future contract managers. The written procedure will be presented to the Board for action before another project is undertaken under this method. Mayor Masayko pointed out that Mr. Metcalf's original contract had been made public. This had placed him at a disadvantage under the reconsideration process used by staff. He wished to receive the best bang for the City's money and to have the highest responsibility and accountability levels possible. The record should clearly indicate that this is the City's intent and that the cost for a general contractor would not be made without the contract manager accepting this level of responsibility and accountability. Five additional individuals were added to the team to review the contractors' qualifications. Messrs. Werner and Burnham were the only ones from the original team who had also served on the second team. The team's composition was identified. Mr. Burnham asked that the contract be approved due to concerns regarding the loss of a grant for the Senior Center if a delay occurs.

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Mr. Metcalf read his prepared statement into the record outlining his construction experience and efforts to become knowledgeable about the construction management and RFQ process. This effort had made him more successful in obtaining such contracts.

Mr. Beechum referenced a letter from nine or ten contractors which he felt was in the Board's packet. These firms purportedly had representative present. He then explained the perception among general contractors that the process was not a level playing field or fair. He urged the Board to develop a process which would include more contractors than originally used. He also suggested that the process be one which would have a construction manager oversee a general contractor rather than a construction manager overseeing a prime contractor. He urged the Board to rethink the process and to use the conventional bidding process for this project. The revised process could then be developed which would be on a level playing field. Mayor Masayko expressed his feeling that once the process started on the wrong foot, the perception did not change. Mr. Beechum felt that there is adequate time for the project to go to public bid and eliminate any perception concerns. Mayor Masayko pointed out that the next item awards the contract for the architect. The construction manager needs to be on the job during the design phase. Mr. Beechum supported having the construction manager on board to assist with the design. Mayor Masayko felt that having a construction manager and a general contractor would duplicate some of the services. Mr. Beechum felt that this is part of the discussion which should occur before the process is implemented. Mayor Masayko committed to allowing Mr. Beechum to have access to City staff and the Board. The Board wants a level playing field. Mr. Beechum reiterated his intent to advise the Board of the perception as indicated by the number of individuals in the audience. Mr. Beechum then responded to Supervisor Staub's questions by indicating that he had been present at the June 7th meeting. He had participated in the RFQ process. He had supported investigating the new process but not the method used for this contract. He agreed that the selection process used to chose a construction manager had been opposed. Supervisor Staub explained the Board's direction on June 7th to staff to fast track the process due to the time constraints. Mr. Beechum expressed his appreciation for the Board's efforts to correct the process, however, he did not believe that the process is the correct method for the City to follow. He urged the Board to establish a group of contractors to debate the pros and cons of having a construction manager and whether he/she should be over the general contractor or the prime contractors. His experience under this process was noted. The letter purportedly includes the disadvantages as currently proposed.

Additional comments were solicited. Mr. Martin felt that developing the policy after the contractor has been awarded the contract was the wrong way to handle the program. He had watched the "Demand Star" notices and had not seen the announcements regarding the Center or the Aquatic facility. The perception is that favoritism is occurring. (2-0001) Mr. Metcalf's efforts to learn about the program appears to have developed the best "dog and pony show in town". Mr. Martin then explained his experience under the construction management process. He also suggested that the City talk to the Clark County School District regarding its costly experiences with the construction manager process. He reiterated his concerns with the perception. The Board's direction to staff to redo the process had not made any changes in the selection. The process should have been developed before a selection was made. He questioned the liability to the City if the project is not completed on time or fails to meet ADA standards. Mayor Masayko felt that lawsuits should be considered lawsuits and that they occur regardless of the efforts. He was unsure whether the construction management process eliminates this concern. Mr. Martin suggested that the cost for a construction manager would equal adding staff to do the same thing. He also offered to go to work for the City if the process increased the project costs by \$300,000 per year. Mayor Masayko felt that the City was not anticipating having these types of projects every year. Reducing or realigning staff positions are difficult to do once they become a permanent part of the budget. This is the reason for contracting the jobs. The construction manager was hired under the regulations for professional service contracts. This does not require an RFP or an RFQ although the he City could require it. The committee is to review the process and develop procedures establishing accountability and responsibilities without duplication of services.

The experience encountered with this project will be used to develop some of the procedures. In the future such contracts could be publicized. Trying to redo the process without significantly changing the specifications is difficult to do once Mr. Metcalf's bid becomes public information. The intent had not been to upset the contractors or eliminate their ability to bid. Mr. Beechum agreed that the public view was tainted from the begin-

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ning. The architect and contract manager are professional services but the contractor for the aquatic facility is not a professional service.

Mr. Greth questioned whether the best use of the taxpayers' monies was being provided by hiring a contract manager. A cost comparison could not be provided without competitive bidding. Fees had not been included in the request for qualifications. The RFQ had, however, included a statement that inclusion of any fees for any purpose would cause the response to be automatically rejected. He reiterated his question concerning whether the contract was the best use of the taxpayers' funds. Mr. Werner reiterated the RFQ process which does not use a fee comparison in the selection process and that the Statutes prohibit their use. Qualifications had been used to select the best firm. If negotiations cannot reach a compromise on the fees, negotiations then commence with the next qualified firm. He felt that the contractors lacked a clear understanding of this process. Mayor Masayko stressed his intent to insure that both responsibility and accountability is provided by the qualified firm hired to do the work. Both Mr. Werner and Mr. Burnham indicated that the negotiations use a cost comparison to determine the reasonableness of the fees. Mr. Burnham also suggested that the City policy be revised to allow a cost comparison. Mayor Masayko supported this inclusion and urged the team to analyze all issues related to the process if not prohibited by Statute. Mr. Greth continued to stress his point that the Board had lacked an adequate amount of information with which to have made a decision.

Discussion between the Board and Messrs. Werner and Burnham described the criteria used to hire previous contractors and the proposed RFQ process. Architects and engineers must be hired based on qualifications only and not cost. The criteria for a construction manager does not have a statutory prohibition against using cost comparisons. The City policy for professional services includes a prohibition against cost comparisons. This policy could be revised. Supervisor Staub felt that the fees should be included in the RFP/RFQ. He also suggested that a caveat be included indicating that the lowest bid may not be chosen and that the cost is only one of the criteria. Mayor Masayko noted that Mr. Metcalf's contract included a not to exceed price as well as several rather rigorous responsibilities and accountabilities. Future contracts should include some of the recommendations which had been presented. He also pointed out the current time restraints which prohibit redoing the process. The original team members who had recommended Mr. Metcalf had been outnumbered by the new team, however, the team still selected Mr. Metcalf for the project. This had sold him on the process.

Mr. Ramsden did not agree with having a construction manager on a project without a general contractor. He felt that a general contractor would have made approximately \$300,000, or less, in profit but would have been responsible for all of the subcontractors. The contract manager is not responsible for the subcontractors.

Mr. Hannafin opposed the RFQ process due to the feeling that all of the contractors who were present were equally qualified to perform the duties contained in the contract. He asked to be part of the panel when the discussion occurs.

Chairperson Scott supported approval of both contracts under Items 10A and 10B. The effort to complete the contract for Item 10B had taken almost a year. He supported the City's willingness to consider different procedures and overcome issues encountered in other contracts. The Center had, unfortunately, become caught in the middle of this process. The Governing Board was comfortable with the process used to bring the contract to the Board and urged them to approve it. The Community Development Block Grant is in jeopardy of being lost if action is not taken today. He acknowledged the perception raised by the contractors. As a member of the selection team, he felt that Metcalf Builders had earned the ranking it received. They had made a superior effort and job in their presentation. Because he was aware of the concerns when joining the team, he had been prepared to judge that effort. Metcalf had earned the ranking.

Supervisor Williamson disclosed that she had heard mixed comments regarding the construction management process. The desire is to have projects completed on time and within budget. She applauded staff for its efforts to develop a new process although it may have been over-eager. The process has both proponents and opponents as well as successes and failures. Her brother, who is a contractor, claims that a well crafted contract with a general contractor including liquidated damages, justifications, bonuses, and penalties will get you a lot further than a

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construction management firm who justifies its existence by creating problems. She felt that today's comments indicate that additional education is needed which should include outside individuals with experience in this field. The most important thing, however, is to have a well crafted contract which outlines the responsibilities for both sides. She expected this contract to be on time and in budget due to all of the scrutiny which will be occurring.

Supervisor Plank noted that changes had occurred as a result of problems in the past. Supervisor Plank moved to accept Development Services recommendation on Construction Management Services for the Carson City Senior Center Expansion, Contract No. 2000-142, authorizing Development Services to issue payments to Metcalf Builders, Inc., 751 Basque Way, Carson City, Nevada 89701, for a not to exceed Construction Management Fee of \$298,000 and a not to exceed Reimbursable Expense Amount of \$5,000; funding source is 215-1500-451-7524 Senior Citizens Construction Management Fund. Supervisor Livermore seconded the motion. Mayor Masayko noted for the record that the project is slightly under \$3.1 million. The motion was voted and carried 5-0.

B. ACTION ON THE AGREEMENT FOR ARCHITECTURAL SERVICES FOR THE CARSON CITY SENIOR CENTER EXPANSION, CONTRACT NO. 2000-143, AUTHORIZING DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO EISSMANN-PENCE ARCHITECTURE/LANDSCAPE, LTD., P. O. BOX 1309, WESTCLIFFE, CO 81252, FOR A NOT TO EXCEED ARCHITECTURAL FEE OF \$272,500 AND A NOT TO EXCEED REIMBURSEABLE EXPENSE AMOUNT OF \$3,000 (2-0605) - Mr. Werner's introduction included an explanation that the work which is now being done had been paid for by the Senior Center from other accounts. This funding source is ending. The architect has had experience working with construction managers. Supervisor Plank moved to accept Development Services recommendation on Architectural Services for the Carson City Senior Center Expansion, Contract No. 2000-143, authorizing Development Services to issue payments to Eissmann-Pence Architecture/Landscape, Ltd., P. O. Box 1309, Westcliffe, Colorado 81252, for a not to exceed architectural fee of \$272,500 and a not to exceed Reimbursable Expense in the amount of \$3,000; the funding source is the Senior Center Private Funds \$23,000 and 215-1500-451-7520 for \$252,500. Supervisor Livermore seconded the motion. Motion carried 5-0.

11. BOARD OF SUPERVISORS - CONTINUATION OF NON-ACTION ITEMS (2-0665) - Continued.

BREAK: A recess was declared at 12:20 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 1:30 p.m., constituting a quorum.

REDEVELOPMENT AUTHORITY (2-0673) - Mayor Masayko recessed the Board of Supervisors session and passed the gavel to Chairperson Williamson. She immediately reconvened the session as the Redevelopment Authority. For Minutes for the Redevelopment Authority, see its folder.

BOARD OF SUPERVISORS (2-0875) - Following adjournment of the Redevelopment Authority, Mayor Masayko reconvened the Board of Supervisors session. The entire Board was present constituting a quorum.

12. FINANCE - Director David Heath

A. ACTION ON A RESOLUTION MAKING CERTAIN DETERMINATION IN CONNECTION WITH A LOAN TO THE CARSON CITY REDEVELOPMENT AUTHORITY; AND PROVIDING THE EFFECTIVE DATE HEREOF (2-0877) - Mayor Masayko asked for public testimony two times. No one responded. The items required on Page 2 of the Resolution are found within the Authority Resolution on Pages 3 and 4. It was felt that these requirements had been followed. Additional public comments were solicited but none given. Supervisor Williamson moved to adopt A RESOLUTION MAKING CERTAIN DETERMINATION IN CONNECTION WITH A LOAN TO THE CARSON CITY REDEVELOPMENT AUTHORITY; AND PROVIDING THE EFFECTIVE DATE HEREOF, to be known as Resolution No. 2001-R-40. Supervisor Livermore seconded the motion. Motion carried 5-0.

B. ACTION ON A RESOLUTION INDICATING INTENT OF CARSON CITY, NEVADA, TO ISSUE ECONOMIC DEVELOPMENT REVENUE BONDS TO FINANCE A PROJECT FOR THE ACQUISITION, IMPROVEMENT AND EQUIPMENT OF HEALTH AND CARE FACILITIES; FIXING THE TIME AND PLACE OF A HEARING CONCERNING SUCH BONDS; PROVIDING FOR THE PUBLICATION OF A NOTICE CONCERNING SUCH HEARING; AND PRESCRIBING OTHER DETAILS IN CONNECTION THEREWITH (2-0971) - Hospital Administrator Ed Epperson, Bond Counselor Kendra Follett - Mayor Masayko indicated that the City serves as a conduit for the tax deferred bonds for the Hospital. There would be two additional public hearings before the bonds can be issued. The \$85 million is for defeasance and capital improvements. The City taxpayers are not guaranteeing either the interest or principal payments on the bonds. Mr. Epperson indicated that the defeasance is between \$25 and \$27 million and the remaining \$60 million will be used for capital acquisition which may include a new facility. The Hospital is now considered a non-profit organization and had filed with the Secretary of State's office. Ms. Follett explained that the amount of the agreement, which is to be considered under Item 14, had to be the same as the fair market value of the facility. This figure cannot be tied to the bond defeasance. Supervisor Livermore moved to adopt Resolution No. 2001-R-41, A RESOLUTION INDICATING INTENT OF CARSON CITY, NEVADA, TO ISSUE ECONOMIC DEVELOPMENT REVENUE BONDS TO FINANCE A PROJECT FOR THE ACQUISITION, IMPROVEMENT AND EQUIPMENT OF HEALTH AND CARE FACILITIES; FIXING THE TIME AND PLACE OF A HEARING CONCERNING SUCH BONDS; PROVIDING FOR THE PUBLICATION OF A NOTICE CONCERNING SUCH HEARING; AND PRESCRIBING OTHER DETAILS IN CONNECTION THEREWITH. Supervisor Williamson seconded the motion. Mayor Masayko noted for the record that the first public hearing would be conducted on September 6, 2001. The motion to adopt Resolution 2001-R-41 was voted and carried 5-0.

C. ACTION ON APPROVAL OF RESOLUTION TO LEVY THE CARSON CITY FISCAL YEAR 2001-02 AD VALOREM TAX RATE AS CERTIFIED BY THE NEVADA TAX COMMISSION (2-1098) - A rounding error had occurred in the original resolution establishing the ad valorem tax rate. The change impacts only two areas of the community and amounts to 1/10th of a point. Discussion explained the reasons for having a new number assigned to the resolution. Supervisor Plank moved to adopt Resolution No. 2001-R-42, A RESOLUTION TO LEVY THE CARSON CITY FISCAL YEAR 2001-02 AD VALOREM TAX RATE AS CERTIFIED BY THE NEVADA TAX COMMISSION. Supervisor Livermore seconded the motion. Motion carried 5-0.

13. DISTRICT ATTORNEY - Chief Deputy District Attorney Mark Forsberg - ACTION APPROVING A RETAINER AGREEMENT BETWEEN CARSON CITY AND THE LAW FIRM OF THORNDAL, ARMSTRONG, DELK, BALKENBUSH, AND EISINGER (BRENT KOLVET, ESQ.) FOR LEGAL SERVICES TO BE RENDERED FOR THE CLASS ACTION LAW SUIT SANTOYO VERSUS CARSON CITY, CASE NO. 99-01640A, A LAWSUIT ARISING FROM CONSTRUCTION DEFECTS IN THE MOUNTAIN PARK SUBDIVISION AND OTHER MATTERS PROPERLY RELATED THERETO (2-1162) - Discussion explained Mr. Kolvets background. The contract is for a professional service and should not exceed \$45,000. Public concerns were noted regarding the City's failure to participate in some of the conference hearings conducted on the lawsuit. An example of the type of items contained in the lawsuit was noted. For this reason the City had consciously distanced itself from the activities until the effort to remove the City from the lawsuit was completed. The City will now participate fully in the legal process. Supervisor Plank moved to approve the retainer agreement between Carson City and the law firm of Thorndal, Armstrong, Delk, Balkenbus and Eisinger (Brent Kolvets, Esquire) for legal services to be rendered for the class action lawsuit Santoyo versus Carson City, Case No. 99-01640A, a lawsuit arising from construction defects in the Mountain Park Subdivision; fiscal impact is \$40,000 to \$45,000; and the funding source is the insurance fund. Discussion pointed out several typographical errors. Mr. Forsberg assured the Board that a corrected original had been given to the Clerk. Supervisor Plank revised his motion to approve the most current contract with the corrections. Supervisor Williamson seconded the motion. Following a request for an amendment to the motion, Supervisor Plank amended his motion to read: an alleged lawsuit arising from construction defects in the Mountain Park Subdivision. Supervisor Williamson concurred with the amendment. Motion carried 5-0.

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14. CITY MANAGER - John Berkich - ACTION TO APPROVE AMENDMENT NO. 1 TO THE TRANSFER AND ASSUMPTION DATED JULY 19, 2001, AGREEMENT BETWEEN THE CITY AND CARSON-TAHOE HOSPITAL, A NEVADA NON-PROFIT CORPORATION, AND OTHER MATTERS RELATED THERETO, PURSUANT TO NRS 450.500 (1-1340) - Hospital Legal Consultant Mike Pavlakis explained an IRS arbitrage restriction which limits the City's ability to issue bonds to \$10 million a year. The amendment on Page 2, Section 6, extends the closing date to January 2, 2002, or no later than March 31, 2002. If a method can be found to complete the transaction sooner, the agreement will be amended again. The remaining amendments deal with the bond defeasance which must be made in cash. It is estimated that it will be in the \$25 million to \$27 million range. The other terms in the agreement will not be disturbed. Bond Counsellor Kendra Follett restated her comments concerning the need to preserve the tax-free bond status on bonds that had already been sold. There is no intent to disturb any other sections of the agreement. Public comments were solicited but none given. Supervisor Livermore expressed his hope that additional amendments would not be needed in the future. Mayor Masayko agreed. Supervisor Livermore then moved to approve Amendment No. 1 to the Transfer and Assumption Agreement dated July 19, 2001, between the City and Carson-Tahoe Hospital, a Nevada non-profit corporation and other matters properly related thereto pursuant to NRS 450.500. Supervisor Plank seconded the motion. Motion carried 5-0.

6. D. AND 11. NON-ACTION ITEMS - INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (2-1468) - Supervisor reports included the following meetings/activities: Supervisor Staub - Public Transit Advisory Committee; Mary Walker on legislative issues; residents on Hillview Drive; and the Regional Transportation Commission. Supervisor Livermore - the Fuji Park focus meeting at the High School Senator Square and complimented City staff on its attempt to educate the public on the proposal; Youth Sports Association including the Babe Ruth Team tournament and the Carson Comets championship efforts; Carson-Tahoe Hospital Board of Trustees including its Humanitarian Award which was presented to the Nevada Highway Patrol; Capital City Humane Society's fundraiser; Capitol City Fair; and Fuji Park Users Coalition. Mayor Masayko - Nevada Works/Job Opportunities in Nevada; Boys and Girls Club's Ice Cream Social; Landmarks' Millennium Housing Subdivision groundbreaking; the Fuji Park Open House at the Carson High School Senator Square; Chamber of Commerce Transportation Forum including NDOT's discussion regarding the status of the freeway overpass at College Parkway; Salvation Army's Christmas in July activities and his invitation to them to have another Angel Tree at City Hall; Convention and Visitors Bureau recognition luncheon for outgoing Chair Brian Smith and welcome for incoming Chair Brian Severe; recognition of The Sausage Factory and its "Made in Carson City" efforts; Economic Development Team; the Trains, Planes, and Automobile event activities; the Public Officials Workshop; Capitol City Humane Society fundraiser; American Heat Celebration/Silver Dollar Car Classic; and with Dr. James Parker regarding the V&T Railway and his vision for the eastern portal. Supervisor Plank - The Millennium groundbreaking; the Fuji Park open house at Carson High School Senator's Square; TRPA; Dave Morgan's television program; judging activities at the Pets and Projects Parade; Mary Walker regarding future legislations and her contract; Hillview neighborhood meeting; and Community Development Director Walter Sullivan regarding the Costco landscaping. He announced a meeting with Utilities Manager Tom Hoffert and Senior Planner Skip Canfield regarding Costco's landscaping and invited a Supervisor to participate if so desired. Supervisor Williamson - The Millennium project; the Ormsby House's major project review; State Buildings and Grounds Director Mike Meizel and Mr. Berkich regarding the proposed downtown parking structure, the Clear Creek Camp, and the Stewart School site; the Fuji Park open house; Tom Metcalf regarding the construction management issues; Carson River Advisory Committee; and her family activities.

Mayor Masayko explained the newly established Nevada Commission to Restore V&T Railway and its composition. Supervisor Plank thanked Community Development Director Walter Sullivan and Kathy Laster for their assistance in finding an office where the RSVP could stuff envelopes for the Planes, Trains, and Automobiles event. Supervisor Plank relayed some of the Sertoma's complimentary remarks to City Engineer Larry Werner and Consultant Randy Bowling on their presentation regarding the drainage program. He also felt that the survey Mr. Berkich had conducted on Fuji Park was more meaningful as it had been conducted after the open house.

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E. STAFF REPORTS (2-2241) - None.

BREAK: A recess was declared at 2:50 p.m. The entire Board was present when Mayor Masayko reconvened the session at 6 p.m. in the Community Center's Bob Bolderick Theatre; constituting a quorum. Staff members present included: City Manager Berkich; Development Services Director Burnham; City Engineer Werner; Finance Director Heath; Parks and Recreation Director Kastens; Deputy District Attorney Rombardo; Senior Engineer Fellows; and Recording Secretary McLaughlin.

15. CITY MANAGER - John Berkich - DISCUSSION AND POSSIBLE ACTION TO DIRECT STAFF TO PREPARE A RESOLUTION FOR THE SALE AND DEVELOPMENT OF A PORTION OF THE FAIRGROUNDS/FUJI PARK (3-0001) - Mayor Masayko thanked the audience for attending and staff for relocating the meeting to the theater. He then explained the protocol for the session. Mr. Berkich introduced the staff members who had worked on the presentation. He then reviewed the list of documents contained in the Board packet for this meeting and highlighted his Board Action Request Form. He thanked Principal Glenn Adair and his staff for hosting the Fuji Park Open House at the High School Senator Square and the people who had attended it. He felt that the window of opportunity for Fuji Park's development is quickly closing and direction needs to be provided regarding the Park's future.

Parks and Recreation Director Steve Kastens used slides to display and describe the Park and Fairgrounds. (A copy of the map was given to the Clerk.) The parcel is comprised of 35.3 acres. This parcel was officially named the Carson City Fairgrounds by the Parks and Recreation Commission in 1990. Fuji Park is the turfed portion of the Fairgrounds. The turfed area, the exhibit building, the site previously used for the caretaker's house, storage area, and the old restroom building is approximately 11.8 acres. The livestock area totals approximately 12.6 acres. The area surrounding the go-cart area, the pits, and its parking area totals approximately 5.8 acres. The Clear Creek riparian area totals approximately 5 acres. He then described the events which occur there. The turf area equates to approximately 3.6 acres and the stream area is approximately 4.6 acres.

Senior Engineer Robb Fellows explained his involvement with the proposal to move the creek. The other State and Federal Agencies do not support moving it. Part of the analysis for moving the creek had included a wetlands delineation and cultural inventory of the cultural resources in the area. Mr. Fellows then used the map slides to explain the creek bed and slides illustrating cutaways of the current and proposed riparian areas. Benefits provided by improving the riparian area were noted. He then described the slide showing how an upscale mall could be developed on the site incorporating the creek bed. Discussion compared the concept with the Creekside Deli and the feeling it provides that an individual is a part of the creek zone.

Deputy District Attorney Neil Rombardo indicated that there are no legal impediments to the sale or the proposed inclusion of Mr. Fellows' concept in the building requirements. He indicated that he was aware of the Federal patient on the original five acres. The status of this patient is not clear at this time as two of the acres are currently located under Highway 395. The terms of the lease stipulate that the land must be used for recreational purposes. These terms can, however, be negotiated with the United States government. He acknowledged that there were several issues raised regarding the 4-H parcel. The deed lacks any restrictions regarding its usage or ownership. A resolution had been approved by the Board, however, a subsequent resolution could be adopted which changes the original resolution. This parcel does not restrict or prohibit the sale of the property in any manner.

Mr. Berkich then explained the voter survey conducted on Fuji Park, the Fairgrounds, and their future. (A copy is in the file.) He stressed the common ground all of the participants had been working on is to have a better future for Carson City. He acknowledged that the method used to reach this conclusion is not always agreed upon by all of the participants. He committed all of the participants to supporting the Board's decision regardless of the direction provided based on the belief that the decision is the best for the future of the entire community. He thanked all of the members of the audience and those who had attended the open house for coming to either or both meetings or submitting letters. He also thanked Jack Anderson, the Fuji Park users group, the Coalition to Preserve the Fairgrounds, and staff for their participation. Mayor Masayko also thanked these groups for their

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time and efforts. He pointed out that staff had been on point without knowing the Board's direction and credited them for taking on the issue. Supervisor Plank explained his contact with a friend who felt the survey had been done professionally. Mr. Berkich indicated that the survey had contacted 400 voters and residents of Carson City. Mayor Masayko then introduced Jack Anderson and asked him to comment.

Jack Anderson, representing the Users Coalition and President of the Karson Kruzers, explained his involvement with the coalition and the delay in developing the fairgrounds into the facility it could be. The 1990 master plan for the area was described. Costco had eliminated a portion of the parking in that plan. Costco had been beneficial to the users as it has attracted more visitors to the events. He thanked Mr. Kastens for his help over the last 18 months. A master plan study was conducted on alternate sites. The study indicated that the cost to relocate the park and fairgrounds will be very expensive. The coalition did not wish to separate the park from the fairgrounds due to the need for a park area. He asked that whatever decision the Board makes be made permanent so that the effort and resources can be dedicated to improving the facility and not fighting a potential relocation. The Fairgrounds is large enough to allow several events to occur at the same time. With \$2.3 million the amenities needed by the Coalition could be provided. He did not feel that the Park would provide the "saving grace" needed to eliminate the City's debt problem. The question is what is more valuable--keeping the Park and Fairgrounds or hopefully obtaining additional sales tax monies. He urged the Board to keep and improve the fairgrounds. Some of the master plans had included improvements to the riparian area. A year ago an unnamed individual had suggested creating a small fishing pond with fishing derbys. He questioned how the Park would be maintained if the pressure is so strong that it demands the sale of the Fairgrounds. This is the beginning of an erosion of City parks and property. The volunteers had put a lot of effort into the facility which is not being recognized. He had left Los Angeles because it was becoming a jungle. He was afraid the same thing was happening to Carson City.

Vivian Kuhn, President of the Concerned Citizens to Save Fuji Park and Fairgrounds, thanked the Board for the opportunity to talk to them and supported Mr. Anderson's comments. It is a beautiful park which should be made better rather than destroyed. The sale of the property would be a breach the public's trust as the facility had been constructed from donations made by the community. The Quality of Life Initiative had included funds for parks improvements and their preservation and maintenance. She urged the Board to support the Coalition and preserve, protect, and maintain the parks, specifically Fuji Park and the Fairgrounds.

Susan Hoffman explained that they have a petition purportedly containing over 2,200 signatures of which 2,100 were active registered voters. She felt certain that the 3,000 signatures would be obtained before the end of the six month period allocated for the process. She then explained her feeling that City staff had been trying to make it look as if "a few were speaking for a majority". The Open House was cited as an example of City staff's efforts. The majority of the individuals who had attended the Open House had not favored selling Fuji Park or the Fairgrounds. Therefore, a telephone survey was contacted. An examination of the survey results show that: 32% see traffic as the most pressing problem for Carson City. One of the worst traffic areas is the south end of Carson City which is where the City wants to put more development. 23% consider growth as the most pressing problem. Commercial developers love heavy traffic areas while citizens hate it. 3% see taxes as a pressing problem. There are many other areas of the community which are ripe for development such as Highway 50 East and, specifically, the area which Walmart has expressed an interest in. 60% indicated a willingness to shop at a Walmart on Highway 50 East rather than go south of town. As 53% rarely or never shop at Target, why would anyone want to develop south of town. 50% shop/eat in the downtown area at least once a week. The areas needing commercial development are downtown and Highway 50 East. 57% felt preserving Fuji Park enhances the quality of life even though 49 percent have not visited Fuji Park during the last year. 70% have never visited the Fairgrounds but 49% want it preserved as it is. If the promised improvements were made, more people would visit the Fairgrounds. 64% do not golf. 76% do not use the Senior Citizens Center. Even though she does not use either the golf course or the Senior Center or have children in baseball or soccer, she felt as a responsible citizen of the community she should support those activities as well as Fuji Park and the Fairgrounds. "These facilities make the community a home". 69% want the Park preserved. Question 7 assumes that by relocating the Fairgrounds, the lost tax revenue will be made up. The validity of this assumption will be questioned. 53% still opposed the relocation. Relocation of the Fairgrounds is only supported with couched with replacement with a bigger and better facility. She questioned the City's ability to build such a facility and noted that such a program has yet to be supported with

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details or cost estimates. She asked the Board to listen to the electorate.

Mayor Masayko stated for the record that applause is fine, however, it would delay the process as the next speaker would not be called upon until it dies out. Whistling and hollering should not occur in a public meeting. He asked the audience to mind their manners and to work with him.

(3-0898) Charlie Kuhn, a member of the Concerned Citizens for Fuji Park, indicated that he was not related to Ms. Kuhn. He explained his educational background, employment history, and his wife's background in the community. His wife had objected to visiting Fuji Park when she was young due to the lack of mature trees, etc. The four alternative sites have been rejected by the Parks and Recreation Commission based upon scientific facts which had been presented. The Stewart Indian Community was suggested as another alternative last week. That area is State property. State employees deny that their property is for sale or will be in the future. The Edmonds Sports Complex will require extensive reconstruction and is located in a prime residential area. These residents will oppose Fairground activities. He questioned the reasons two of the Board members had never seen the pre-application for the cultural and environmental study conducted on Clear Creek. Three studies were conducted for this application process at a cost of \$33,000. He questioned how some of the wildlife setting could be preserved while others are destroyed. Maintaining a park-like setting with natural resources creates an island which will fail due to the surrounding commercial development. The loss of the Fairgrounds will be a "death nail for Fuji". The trees will die. The Creek will go and then the wetlands. He felt that the poll had indicated the loss of creditability and public trust. Walmart should be developed along Highway 50. He then read an editorial from July 29th edition of the Nevada Appeal that indicated a loss of creditability and public thrust. He urged the Board to allow the electorate to decide the future of the Fairgrounds as it had the Open Space Initiative. The U.S. Forest Service may invoke the reversion clause in its public purpose lease. The amount of City owned property at the site is slowly being reduced in size. The cost of land and the facilities clearly indicates that the amount of funds raised from the sale of the property will not provide an adequate amount of funding to replace the facilities and site. He urged the Board to maintain and preserve the Fairgrounds and Park in its natural setting by saying no to commercial development of public property. The sale of public property is not a business the City should be involved in.

(3-1059) John Nowlin gave the Board and Clerk a written statement (that he called a "packet") which he read and expanded upon. (A copy is in the file.) He also felt that the sale of any portion of the Park and Fairgrounds would violate the public trust and question the Board's creditability. He urged the Board to direct staff to return to making the improvements which the Board had already approved and stop selling City property. Preservation of the land is an opportunity which will not occur again. Development of the land is not an opportunity. The public opinion polls, the surveys, the open house comments, and the user community's comments support retention of the Fairgrounds. He asked the Board to direct the Parks and Recreation Commission and City staff to update and commence developing the conceptual plan approved by the Board last year. He then used the survey to point out support for the Coalition. Question 7 clearly reflects the unbalanced presentations staff has been making and are trail balloons. City staff should create positive comments concerning the alternative sites and provide good cost benefit analysis.

Mike Hoffman, Vice President of the Coalition to Save Fuji Park and a Carson City resident, explained his involvement with the issue. He felt that there is an adequate amount of vacant stores within the community, however, City staff continues to demand the sale of a much loved and used Park and Fairgrounds. This area is owned by the Carson City residents and is designated as a recreational area. The Board is the trustees for the public and should safeguard these holdings for future generations. He opposed the sale of any or all of the Fairgrounds. He also urged the Board to maintain and improve the Fairgrounds at its present location. This should include updating the master plan. Any development along the creek will destroy the creek and create additional flooding problems further downstream. He then indicated that 2.6 acres of the creek belongs to the U.S. Dept. of Interior and is leased to the City for recreational purposes. The Coalition's attorney has indicated that there is a problem with selling this portion. He urged the Board to take this issue to a judge for a ruling in as much as there are two different opinions regarding the ability to dispose of this portion of the Fairgrounds.

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Leaders Council of Carson-Storey 4-H President Diane Barndt explained the Storey-Carson partnership, her role in the Ambassador Program and the program. She introduced County Ambassador Corey Bonner. Mr. Bonner described the ambassadors' role and their use of Fuji Park. The loss of Fuji would make it difficult, if not impossible, for the Club to continue to function. He also explained his relationship to former Mayor Scrivner, former Mayor Scrivner's involvement with Fuji and 4-H, and Mr. Bonner's mother's involvement with Fuji and 4-H as a youth. He felt that the Park was part of the legacy for youths and should not be eliminated.

Ms. Barndt then explained the number of youths served by the Carson-Storey 4-H and the leaders from both Carson City and surrounding counties. Their use of the Park was limned. This usage requires the youths and leaders to be at various different show areas in a relatively short period throughout an event, i.e., from showing dogs to rabbits to dogs to speaking, etc. The suggested improvements will be more than adequate to meet the needs for the proposed statewide fair. Their trust had been placed in Resolution No. 66-1 which was voted upon by the Ormsby County Commissioners on September 6, 1966. It promised that the ten acres which 4-H gave to the Ormsby County would continue to be dedicated for public events such as horse and livestock shows, rodeos, and related events in cooperation with 4-H and Cooperative Extension programs. She hoped that the Board action this evening would not break that trust. She thanked the Board for the opportunity to make a presentation and for listening to one of tomorrow's leaders.

BREAK: A recess was declared at 7:30 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 7:40 p.m., constituting a quorum.

Mayor Masayko reiterated the protocol which was to be followed during the remainder of the evening. Public comments were then requested.

Bill Goni described his role in construction of Fuji Park. He urged the Board to keep the Park and allow them to use the money from the sale to Costco to improve it. There is enough traffic in the community now. Additional commercial development is unnecessary. The volunteers who had developed the site should be recognized. A Park is needed on the south end of the City. He asked that the Park be preserved for Fuji and himself.

Fran Handler, a Carson City resident, explained her use of the Elko parks and acknowledged that she did not use Carson City parks very much. The children and their families should have Fuji Park. It needs to be improved. She did not wish to see it become the next "Mapes". The volunteers had committed a lot of effort to the Park. It should be preserved.

Donald Towne, a Carson City resident, explained his contact with ten different state capitals. None of them are planning to commercially develop their parks. Large commercial establishments destroy small businesses. Progressive communities are adding parks. His neighborhood does not have any parks for the area youths to play in. He also felt that the desire to sell the Park is ethnic discrimination of the memory of Fuji Moon. The same discussion would not occur if the park had been dedicated to a "Laxalt" or Caucasian resident. He had been informed by a leading Carson City businessperson that "Fuji Park is a done deal and to forget it". He questioned the reasons business people and millionaires are so eager to sell Fuji Park. Where is the money trail? What does an insider know that the rest of the community does not? The citizens want to save Fuji Park. This is still a democracy. He hoped that the decision making process would reflect the majority.

Edward Neidert, a Carson City resident, thanked Supervisor Livermore for his support the last time he made a presentation to the Board. He then expressed his feeling that this is an emotional issue and that the Board has a creditability problem. The electorate had approved a \$4 million bond for Fuji Park improvements in 1989. Its master plan was then approved which included a regional park, gazebo, bandstand, walking areas, and riding areas. Since 1989 Fuji had been allowed to deteriorate purportedly due to a lack of funding. Yet Mills Park had received the Pavilion which was originally to have been an ice skating arena. The Open Space Initiative was approved four years ago which imposed a quarter cent sales tax for upgrades to Fuji Park including "picnic areas, restrooms, and parking" according to a sample ballot. This promise should be upheld. Funding from this initiative has been used to acquire sagebrush on the east side of Carson City, which no one cares about. He had purportedly been told by

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City staff that funding for upgrades at Fuji was not available as few people use it. The Redevelopment District had been established to renovate the downtown Carson City area. The sales tax from Costco cannot be used for parks and schools because it goes to the Redevelopment District. Mayor Masayko indicated that some of Mr. Neidert's facts are wrong. Mr. Neidert then expressed his feeling that the sale of property to Costco had been expedited under the Redevelopment process. The original protests to the sale of Fuji Park had been met with statements from Mr. Berkich that they were premature as the Park was purportedly not yet for sale. Now, Mr. Berkich is telling them that there is only a narrow window of opportunity which requires its immediate sale. The public has been advised that only a portion of the Park is to be sold and that the balance will be developed into a "nice park and nature walk area". The plans, which have been shown, only show parking lots in the grassy area and nature walks along loading docks. The Open House indicated that there are three sites which are being considered for relocation of the Fairgrounds. The Open House had, however, failed to mention that the Parks and Recreation Commission had rejected all three sites. The Commission also opposes the plan. The commercial development concept had shown parking where the trees are now and a large box store, all plans which the Coalition opposed. The Open House had also indicated that staff is evaluating locating the Fairgrounds to Stewart or the Edmonds Sports Complex. He felt that the opposition is from more than a small minority of voters and questioned the reasons the issue is not put to the electorate. The funding which is being spent convincing the public to support the concept should be used for a special election. Mayor Masayko responded by expressing his feeling that some of the representations were misguided if not inaccurate. Mr. Neidert does, however, have the right to his perception. Mr. Neidert indicated that his statements were based upon what he had read or been told. If he was mistaken, he apologized. Supervisor Williamson explained that Redevelopment law allows the sale of any blighted or under used property. This is State law. The property taxes go to Redevelopment. The sales taxes go to the General Fund. There had been a series of meetings commencing in 1999 and terminating in August 2000 regarding this sale. Everyone had had an opportunity voice his/her concerns. Mayor Masayko indicated that her comments were correct according his perception of the process.

Chamber of Commerce Chief Executive Officer Larry Osborne explained the last time a Board meeting had been held in the Auditorium had been to increase the gas tax for funding the freeway construction. This evening is another important issue. The Chamber of Commerce was not aware of it being a "done deal". Public opinion was being heard. The Chamber's mission statement was quoted to support the need for a healthy, strong economy and a high quality of life for the community. This requires consideration of the majority's need for public health, welfare, and safety including staffing and services levels for the fire and sheriff departments, balancing the budget, etc, without increasing the burden on the taxpayers and residents of the community. The economic opportunity provided by the proposal must evaluate whether the property is blighted, under utilized, and/or illogically located. The Fairgrounds is felt to be such a properties due to the private commercialization which has occurred around it and that proposed when the freeway is extended to that area. He questioned the wisdom of putting additional funding into a facility which will be under continuing pressure from surrounding private commercialization and create more conflicts. The Chamber encouraged the Board to consider the relocation of the Fairgrounds to another area without these conflicts, will last for a long period, and be an appropriate mix of projects. He also indicated for the record that he was a member of the Parks and Recreation Commission and had been the Chairperson when the sale to Costco occurred. His recent vote as an individual member of the Commission had not been against the proposal as presented this evening. He was certain that a suitable location for the Fairgrounds could be found that will be better for the community.

Phyllis Quincy, a 30 year downtown Carson City property owner who resides in Lyon County, pointed out that many residents in the surrounding valleys have rental homes and businesses in Carson City. She strongly supported keeping Fuji Park and Fairgrounds where they are. She also indicated that she no longer has children in school but does not object to the school tax. Business owners should stand up and be counted for things which add quality to the community and its life. The Park and stream are irreplaceable. Her business is in the Redevelopment District. She felt certain that as a business person she should support the large number of individuals who want the Park and Fairgrounds to remain where they are.

Guadeloupe Rivera, a Washoe Shaman, explained his ancestral history of the site and his belief that development of the Fairgrounds and Park would destroy his ancestry for money. He urged the Board to think about his history

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and stop destroying Mother Earth. His personal visits to Fuji Park were described. He urged the Board to return the land to the people. He then explained the location of Shoshone-Pauite cemetery and questioned whether the land had been studied for archeological resources. He asked if it was worth \$2.3 million to watch history die. Mayor Masayko indicated that all of the work on the Costco site had been done in compliance with the Antiquities Act in accordance with the Statutes.

Craig Steele, a Carson City resident, explained his personal use of the facility which he did not feel had representatives present, i.e., cross-country racers, country western dancers, goat shows, the RSVP fair, etc. Public places for people to gather at are treasured throughout the United States. Carson City is a better place for being able to provide a location for such diverse activities. He urged the Board to continue to provide the ability to have these diverse activities with its vote.

Marcey Neirdert indicated she had attended the Open House. She felt that there is vacant land within a mile of the freeway which could be used for the proposed mall. She would patronize the stores if they are "good enough". She pointed out that there are lots of other stores in the community which she does not patronize as they are too expensive. The site she referenced would not require removal of the Cottonwoods, relocation of the creek, etc. The Fairgrounds should be retained and enjoyed by the residents.

(3-2145) Fran McClain expressed her feeling that the green golf courses were fine but picnics and animals are not allowed there. There are few parks. The Board has systematically been reducing the green in Mills Park as indicated by the Pavilion. Additional recreational opportunities are needed which will benefit youth and adults that are not ball fields. The Fairgrounds and Fuji Park offers such an opportunity. A park is needed at the south end of town. Fuji Park is the only park there now. Originally traffic on Spooner had seen the Fairgrounds. Now it sees the top of Costco. Walmart's relocation to the general vicinity will increase the commercial view of the community. Open space is needed. She urged the Board to maintain the Park and ignore more developers who only want to construct another large box store. She also took Mr. Berkich's attitude and decorum during the meeting to task.

Builders Association of Western Nevada President and Carson City resident Ron Kipp read the Association's letter of support into the record. Commericalization around the Park and Fairgrounds prohibited its future expansion. The Association did not support selling off the Fairgrounds and Park but would support its sale and replacement with site(s) that is/are expandable in the future and more compatible for fairground needs and parking requirements. The Fairgrounds will need to expand if the City ever hopes to be the site for the State Fair. The Board had been accused of attempting to operate the City like a business. The Association thanked them for these efforts and recognized the City's operation on sales tax revenue. With the City facing a \$2 million shortfall, the Association believes that the sale and relocation will serve the City well and allow an increase in the sales tax base while providing for a better, expandable site for the Fairgrounds. If the sale of both the Fairgrounds and Park will provide the best economic benefit to the City, then the Association supports both sales. It was felt that the minority is a very vocal group of individuals in opposition to this sale. It is hoped that a balanced decision can be obtained which will guide Carson City's future.

Tom Hughes, a Carson City resident, expressed his feeling that the audience had supported the speakers for keeping the Fairgrounds and Park. The perception that the Board had a creditability problem is realty. The public's perception is that the Park issue is a "done deal". He understood the reasons Mr. Berkich would recommend the sale. Action supporting the sale of any part of the Fairgrounds/Park would make the perception real. He encouraged the Board to place the issue on the ballot. As comments had indicated that the 2,000 signatures represented only a small percent of the public, what percent does the poll of 400 people represent? The petition was felt to be more representative than the 400 particularly as they were not 100 percent supportive of the sale. The window of opportunity would still be there after an election. The revenue the business(es) would provide will not save the City. The electorate should have an opportunity to speak.

Jean Gable, a Carson City resident, felt that the funding would not be adequate to relocate the Fairgrounds and Park. The Commission had indicated that the cost would be \$8 million if "free BLM land is used". There is \$2.3

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million from the sale to Costco and \$750,000 from Question 18 funds. The sale will not make up the difference. How can a quality project be completed?

Tom Keeton, a Carson City resident, described his personal tour of Fuji Park and the Fairgrounds. Noise pollution from Costco is beginning to invade the Park. The Board should either keep the facility as it is or relocate the entire Park and Fairgrounds. He urged the Board to keep it as it is. Fairgrounds and parks are noisy and should be able blend with the surroundings. The trees cannot be replaced. He urged the Board to be cognizant of the location selected for replacement as the freeway will bisect the proposed locations and create additional pressure for commercial sites. He urged the Board to vote their conscious and continue conducting business in the open.

Glen Martel, a Carson City resident, thanked the Board and City staff for their dedication, time and effort on the issue. As Chairperson of the Commission he thanked the other Members for their time, efforts and dedication to find a compromise and resolve the issues regarding the Park and Fairground location. He assured the Board that the Commission was ready and willing to pursue the direction provided by the Board.

Lorie Walsh, a Carson City resident, felt that Fuji Park was a symbol of Carson City's future direction which appeared to be the same as she had seen in Southern California, which she described. Another box store will have the same effect on Carson City. The stream bed and enormous trees are at risk of replacement similar to that she had seen before. They are not replaceable.

Dini French urge the Board to send the issue to the electorate. Her sign clearly indicated where she stood on the issue (against the sale). It is not an urgent situation requiring a decision now.

Melan Potter, a Douglas County resident, indicated she had been attending the meetings. She felt there is no place where the Fairgrounds could be put. The three places proposed had been turned down due to money.

Martha Nickols, a Carson City resident, had resided in Columbus, Ohio, where they do not sell their beautiful parks. She loved the community and had personally or her family had participated in many activities at Fuji Park and the Fairgrounds. They are unique. She did not wish to give it up.

Elizabeth Neidert, a Carson City resident, described her use of Mills Park and Riverview Park. This year she had discovered Fuji Park and the Fairgrounds. She expressed her willingness to do whatever is necessary to save the Park. Mayor Masayko then closed public comments.

(3-2655) Mayor Masayko thanked the public for their comments. The comments this evening related to the Park, the trees, and the stream. These items had been raised long ago. A year ago he had indicated that the Park would not be going anywhere. There still is no intent to do anything to the green area known as Fuji Park or the trees. This is not on the agenda for this evening. The issue as presented by staff is whether or not to pursue the sale or disposal of the Fairgrounds, the eastern portion of the facility. In his view everything west of the exhibit hall is to be preserved as part of the Park. He was prepared to put on the record whatever is necessary to document the Board's intent to proceed with the promised improvements to the Park. The go cart area and wetlands should be included in the discussion with the area east of the Exhibit Hall. They could be added to the mobile home park, which in itself could be part of a redevelopment district. This area includes the horse arena. He agreed that the Fairgrounds and Park are connected, however, a replacement site could be built for the Fairgrounds which could include grass, staging of events, etc. Fuji Park could not be replaced. He also explained the Board's duty to examine issues to determine what is in the community's best interest and the need to do so with this issue. The Commission had not considered all of the issue. It had returned the item to the Board due to their function and the lack of clear direction. The focus this evening has been narrowed. He agreed with the public that the riparian area, the grass and trees could not be replaced. They should be saved. It is necessary to have a vision for the future of the community. Fallon has a better arena and fairgrounds than Carson City but is only one-third the size of Carson City. He was unsure whether the State Fair would ever come to Carson City. These issues need to be analyzed. He did not advocate selling just because a large box had indicated an interest. Reasonable conjunctive use for a park and fairgrounds at the right location should be considered such as along the eastern portal of the

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community. This could tie into the V&T Railway. Another step could not be taken on this concept without exploration. He questioned the wisdom of holding off until after the election in 2002 and whether there would be an interested buyer at that time. Developers are looking for locations now in Carson City and its vicinity. He was concerned about their landing near Carson City. Economic issues and budget needs must be considered in the equation.

Supervisor Staub thanked the audience for attending and acknowledged the difficulty of the issue. It is an emotional issue. The nation was founded upon the democratic process which dictates that the officials are elected by the public who will carry out the will of the people. He, as an elected official must use his judgement to weigh decisions which come before him. He could not ignore public will. He supported the Mayor in his statement that Fuji Park is not going anywhere. It, with the trees and grass, should remain where it is. An alternative location should be sought for the Fairgrounds. A better fairgrounds could be provided with a larger facility with the capability of expansion and alternative uses. He had watched the efforts which had been pursued by some of the audience present this evening. Although he could not ignore those efforts, he could not ignore City staff's efforts and attempts to obtain public opinion on the matter. While the Coalition represents that it has 2100 signatures on a petition, he also must consider the open house comments of which only ten appeared to support relocating the Fairgrounds. The remainder of the comments are to maintain the Park and Fairgrounds. The survey indicates 69% support preserving the Park; 56% want to preserve the Fairgrounds; and 63% want better fairgrounds. The survey supports maintaining the Park at its present location. Those results should not be ignored. He also felt that a silent electorate exists in the community which should not be ignored. This silent majority must be considered in the mix. The taxpayers may be facing a tax short fall which will require the Board to make serious decisions impacting them. This concern cannot be ignored. This leads him to the conclusion that the electorate should vote on the issue. This position has been made public for several weeks. Comments have indicated that this position makes him appear to be indecisive or "copping out". The profoundness of the issue is one which makes it important that the electorate have its say in the process. He acknowledged that this may delay development, however, the process should not overrun the will of the residents.

(3-3095) Supervisor Livermore explained that he was aware of the difficult decisions he would have to face when he ran for office and that those decisions may not agree with all of the community. He hoped that it would agree with the majority of the community. Community-wide discussions on the issue were noted. He had supported the Coalition's right to file the petition.

He also struggled with the knowledge that there is a lot of information still missing regarding the appropriate relocation site and the need for additional debate on the issue. The City constantly faces growth and its related issues. The vision 50 years ago may not have foreseen all of the changes which have occurred. Laws and efforts to provide for each other occur based on the information and knowledge at the time. Previous leaders have also faced difficult decisions with which everyone has not agreed. The operation of any city/community costs money regardless of the size. Carson City has established a high service level of affordable police, fire, snow removal, safe crosswalks, clean streets, a vibrant downtown, as well as things to do such as shopping facilities, libraries, swimming pools, etc. Future generations should also be able to enjoy and afford the community. Affordable housing, good jobs, and affordable service levels will make this possible. The future of Fuji Park and the Fairgrounds is a difficult decision to face. Parks are important to the quality of life of the community. He had dedicated the majority of his adult life to supporting parks. Fair-

grounds are an asset to the City as they support horses and 4-H activities which are a wholesome way of life. His enjoyment of the 4-H activities and tour of Fuji Park last week was expressed. He wished to do what was right for the entire community. Fuji Park with a rebuilt green belt and riparian area along the creek could not be replaced. He supported leaving Fuji Park as a park. His statement indicating Fuji Park was not for sale still stands. The need to keep the economic environment of the community healthy was also noted. The threat from Douglas County places the community at a critical crossroads and will impact the cost of Carson City services. Residents along the northern border of Douglas County utilize the Carson City services including the libraries and other activities but only pay sales taxes for those services. As more and more businesses locate south of Carson City's border, the City will lose this source of revenue. This negative impact on Carson City must be mitigated. The attraction of new businesses is important to the community in order to maintain the current service level provided

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by the City. The budget projections requires City staff to develop resources for future needs. He believed that Stewart would be an ideal location for a fairgrounds. The survey supports his contention.

If another appropriate location cannot be found for the Fairgrounds, it should remain where it is. He also supported allowing additional research to consider other potential relocation sites. He thanked the audience for attending and raising his conscious level at the neighborhood meeting.

Supervisor Plank also stressed that Fuji Park is not for sale. The Fairgrounds lack shade trees, is congested, and provides an opportunity to improve the City's financial position while providing for the public safety and welfare. This costs a lot of money. If it doesn't work, then it should be left as it is. There is a great opportunity to improve Fuji Park by expanding it along the stream with attractive paths and accommodations which will attract events with a passive approach similar to those that are there now. He did not want to see the major activities which occur there now, i.e., the dog and car shows, 4-H activities, etc., to be interrupted. His participation in one or two annual 4-H events was noted. He felt that these activities could be continued by keeping the exhibition hall even though this may require relocation to the west end. The Park could be shielded with vegetation, etc., to eliminate any interference with development to the east and vice versa. The vista from Spooner will be further impacted when Walmart is constructed, however, this is beyond the City's control. He then read a list of parks which have been added since 1980 to illustrate that the Board has not been disposing of parks. He supported analyzing the proposal to sell the Fairgrounds. His awareness of the fairgrounds in other communities was also noted. The current facility could not have horses races as they do at other sites as there is no room to expand. Concerns about damaging the stream will also prohibit expansion.

Supervisor Williamson thanked the audience for attending, participating, and for the work undertaken to become educated on the issue. The issue is difficult for her. If she had not been on the Board, she may have been supporting the audience and the comments regarding the need for parks, quality of life issues, etc. The reports she had received have indicated that what has been done in the past will not be done in the future unless sustained economic vitality occurs. When developers come to the community looking for sites, they always ask about Fuji Park. She had supported adding the area to the Redevelopment District due to the benefits which could occur if the sales taxes are created. She had stated at that time that a for sale sign had not been placed on Fuji Park. Commitments had been made regarding the revenue from the sale with the caveat that the users had to convince the Board that that is the best site for a Fairgrounds. She had visited Fuji Park a lot but did not see the users who are allegedly using it except during events. Her visits to the site were noted. She was certain that the stream bed could be made beautiful, effective and do what a stream is supposed to do by supporting the wildlife and vegetation while improving the water quality, etc. The trees are not permanent and are constantly being re-evaluated with removal of the unsafe trees as required. The Fairgrounds is an incompatible use, is too small, does not have the ability to expand, and is constantly receiving additional pressure from the surrounding uses. Although it is very difficult for her, she supported looking for alternative sites for the Fairgrounds and keeping the grassy Fuji Park where it is.

(4-0030) Mayor Masayko explained that the Board did not want the process to continue indefinitely. The alternative site should be found quickly. The users should be encouraged to continue to work with the Board on that selection. He and Supervisor Williamson felt that 90 days should be an adequate amount of time for the search. Supervisor Williamson also asked that proposals be requested from developers in order for the community to understand what could be provided at the site. Mayor Masayko felt that the infrastructure costs should also be included in the analysis. The proposal should be first class. It should not "nickel and dime" the Fairgrounds based on the lack of money from the sale of the land. Question 18 funds should also be included in the funding. He pointed out that the Question 18 funds are derived from a quarter cent sales tax and acknowledged that it may have other priorities. If a job is to be done, it is to be first class. If a site cannot be found, they are to return to "square one". He wanted the information right after Nevada Day and not next Easter. He also directed that staff stop "messing around with the improvements for Fuji Park". Whatever additional work/improvements that have been committed there or that Parks and Recreation say are needed there with the \$3.2 million should be done. The entire Board had indicated that it is to stay. He also directed that the Board be given an opportunity to place the parcel in a trust or whatever for the people of Carson City in perpetuity. This will eliminate the worry that a future Board would go back on this Board's word. These paths should be parallel and concurrent with the search for

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alternatives. Discussion between Supervisor Williamson and Mayor Masayko expressed the desire to have staff request RFPs for the "back land" for a nice project. Supervisor Williamson indicated that if the RFPs come back with another box and large parking lot, the Board can turn down the proposal. Mayor Masayko agreed that this process may not provide "something that could be taken to the bank" but it may provide a vision on which it is hoped that they will produce.

Supervisor Plank expressed his feeling that the large dirt area west of the grassy site could be used as a parking area for the park. The green turfed area could also be expanded into that area. He also stressed that once construction for the irrigation system commences, some trees will be lost. His personal experience indicates that this cannot be avoided as the root systems will be damaged.

Clarification between Mr. Berkich and Mayor Masayko indicated that area to be considered for requests for development/proposals is to be the area east of the existing exhibit hall. The exhibit hall is to stay with the Park. It could be moved, if feasible. The area is perpendicular to Clear Creek Road and runs across the creek to the south boundary. Supervisor Livermore gave Mr. Berkich a map.

Development Services Director Andrew Burnham explained staff's concerns regarding the compatibility of the exhibit hall with future development and suggested that enhancements to it be included within the RFP process. Mayor Masayko indicated he was not opposed to this approach or the inclusion of Community Services Director Walter Sullivan's concept of having a different exterior treatment or adding trees around the building. Mayor Masayko then explained that if a case can be made for moving the exhibit hall to the western side of the Park, he was willing to consider it. Supervisor Plank pointed out that an added benefit of relocating the building to the west could be that it would serve to block the wind. This would make the Park more enjoyable. He also agreed that the exterior could be made more presentable. Discussion between Mayor Masayko and Supervisor Plank also indicated that the improvements/enhancements to the riparian area of the creek is to be included within the RFP and to run the full area of the Park from the bridge to the south portion on both sides of the creek. The exhibit hall is to stay with the Park.

Board discussion then indicated that the seven acres in Douglas County should also be improved. Mayor Masayko indicated that the Parks and Recreation Commission is to develop a plan for this area and then staff is to complete it. There is money available from the Costco sale. The improvements should be made as quickly as possible. Supervisor Plank felt that this would make it almost a ten acre park as there is 6.3 acres there right now.

Mr. Rombardo reiterated for the record that there is no legal trust regarding the property at the Fairgrounds and Park as indicated by the opinion from the District Attorney's office. Mayor Masayko indicated that this opinion relates to the 4-H issue.

Mayor Masayko felt that the direction was clear and that there is 90 days for staff to complete it.

(4-0255) Supervisor Livermore moved to direct staff to prepare a resolution for the sale and development of a portion of the fairgrounds with the provisions: That the proceeds necessary from the disposition of the subject property be set aside in a special account to be used only for the relocation and rebuilding of the fairgrounds facilities and improvements in the Clear Creek corridor and remaining park area; that those portions of the subject property that are to be preserved, i.e., the stream corridor and the park area, be set aside in a separate parcel, ownership of which will remain with the City; that the park area be held in trust by Carson City for the public's health, safety, and welfare; that the Parks and Recreation Commission be charged with developing a master plan and budget for improvements to the park area; that the sale and development of the site be subject to the developers receiving prior approval of the Army Corps of Engineers and Carson City of a master plan and budget for any and all improvements to Clear Creek; that the future development of the site be subject to approved plans for the preservation of the onsite tree inventory which will be approved subject to the satisfaction of Carson City with the assistance of the Shade Tree Council and the City Parks Department's staff; preserve the existing Clear Creek irrigation rights and their delivery to all required downstream parties; and that City staff return to the Board of Supervisors with a Board action request to ask the Parks and Recreation Commission to work with all user

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groups to identify and evaluate all site alternatives for the relocation and rebuilding of the fairground facilities and provide a ranking of those sites to the Board of Supervisors within 90 days. Supervisor Plank requested an amendment to include John Nowlin's suggestion to require a factual cost benefit analysis of any relocation sites. Mr. Nowlin indicated that the analysis is to occur before the sale. Mayor Masayko agreed by indicating that nothing is to move forward until the Board acts on that issue. He guaranteed that he would not agendize anything until we are past the site selection, if there is one, for a replacement fairgrounds. Supervisor Plank also indicated that this would not create an impairment to the development of the park area. Mayor Masayko agreed that the work that had been promised on a master plan of Fuji Park should occur immediately. Mayor Masayko then indicated that the amendment to Supervisor Livermore's motion is to provide a cost analysis of the sites. Supervisor Livermore agreed to the amendment. Supervisor Plank seconded the motion and its amendment. Mayor Masayko then described the motion and direction being provided to staff. The Fairgrounds have not yet been sold. Staff and the advisory commissions are to search for an alternative site with the assistance of the various user groups and to bring the issue back to the Board. He urged the audience to participate in this process and indicated that without the audience's participation, the necessary expertise will not be provided. It may be possible that the Fairgrounds will remain. This analysis is to be completed within 90 days. He also suggested that the "back side" also be reviewed. This will issue RFPs to determine what type of development would/could occur on the site. Mr. Berkich requested clarification of this parallel path and if the staff is to advertise for RFP's for the area that the Board had identified as being east of the site to be preserved. Mayor Masayko felt that it should be informal RFP's which provide the value of the property. Discussion between Supervisor Williamson and Mayor Masayko indicated that if the property is advertised, it would be going to sale. Mayor Masayko felt that Supervisor Williamson's intent is for staff to obtain some "real informed prices" or "development plans and some value figures" from people who may do the development indicating what they would pay for the parcel. Supervisor Williamson and Mayor Masayko indicated that it should also include conceptual plans showing "what the parcel will look like". Mayor Masayko agreed that this runs counter to what is normally required for the public auction under specified conditions and "is a slippery slope" as it may require a "potential bidder to expose his hand". Supervisor Plank suggested that a lease option also be considered which would allow the City to continue the ownership while allowing a revenue stream for doing the development of the fairgrounds. Mayor Masayko agreed with this concept. Mr. Berkich agreed that it would be a "slippery slope". Mayor Masayko then indicated that Mr. Berkich had several parallel paths--site, fixing and doing what is necessary to the existing Fuji Park and getting the Board the information on the potential parcel. Mr. Berkich indicated that this requires looking at the appropriate alternative sites for the fairground facilities, identifying the development potential of the area identified by the Board, and proceeding with the improvements to the park area that were planned. Mayor Masayko agreed. Discussion between Mr. Berkich and Mr. Kastens indicated that there were other improvements in addition to the irrigation system proposed at the park. They include a restroom and picnic pavilion. These improvements were part of Question 18 and were for Fuji Park. Mayor Masayko encouraged the Parks and Recreation Commission and Department to think outside the paradigm of items which would make the area more usable and add to its functionality and to bring such items forward. The Board will make those decisions if necessary. Supervisor Plank questioned the status of the caretaker's house. Mr. Kastens explained his feeling that if the use of the facility is changed by separating the two parcels, it may not be necessary to continue to have a caretaker on site. The Fairgrounds and its usage require a caretaker due to the maintenance, upkeep, and control requirements. He would analyze the need for a caretaker at the park. He also asked Mr. Anderson to have a meeting of the users as soon as possible. If the exhibit hall remains as part of the Park, it may be possible to accommodate a majority of the users at the site. He also asked the users to bring forward any ideas which may make the site work for a majority of the events. Clarification indicated that the cost analysis is to be part of the site relocation analysis. Public comment were then requested.

(4-0446) Mike Hoffman requested that the cost analysis also include the benefits which be obtained from the selling or leasing the land including the amount of sales tax which could be generated. Mayor Masayko felt that the economic analysis should include these figures. Diane Barndt questioned whether the motion included keeping the exhibit hall and the Park area together and whether the sale of the property could be restricted for perpetuity. Mayor Masayko asked the District Attorney's office to develop the legal materials necessary to accomplish this restriction. The exhibit hall is to stay with the Park but may be moved to the west side of the Park. This will make the area more functional. Mayor Masayko read the portion of the motion for Dave Nickols that conditioned any

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sale upon an evaluation of all potential sites and reconsideration by the Board of those sites. Mayor Masayko also reiterated his intent to not agendize any other issue until that occurs. Mr. Nickols requested this statement be made a part of the motion. Mayor Masayko felt that this intent is part of the motion. Supervisor Livermore did not revise the motion. Mayor Masayko indicated that there would not be any "back door deals".

Jack Anderson indicated that he would call the meeting of the users as quickly as possible. This process may take ten days to two weeks. He was glad to see that the Parks and Recreation Commission would be involved in the process. Discussion between Mr. Anderson and Mayor Masayko indicated that the ability to have pets/dogs in the park will be up to the Commission. The motion will direct the Department/Commission to make the improvements as had been approved previously which may include the playground equipment. If questions arise, Mayor Masayko agreed to reagendize this issue.

Mayor Masayko reiterated for Calvin Jones that if a suitable site cannot be found within 90 days, the City will stop looking. This will place the necessary pressure on staff to make it a priority and not delay the process until next April. This deadline will make a decision regarding relocation of the Fairgrounds.

Dini French indicated that although she was very upset by the motion, she appreciated the time the Board had taken. Several individuals had purportedly left due to their anger over the Board's direction. She then questioned the amount of money which would be spent "dancing" the public around when the only pressure is being created by the Board. She felt that they were working within the budget which the Board had allocated. She was willing to bring people into the process to help address the budget issues and questioned the reason the Board had information which the public did not have and why the public is not informed. She felt that her group had been more concise, direct, and to the point than the Board had been this evening. The situation was felt to be one where the Board desired to take the issue to the electorate but, at the same time, the Board was ignoring all of the comments as if they had not been made. Mayor Masayko thanked her for her comments and explained that the majority vote will prevail.

Edward Neidert expressed his feeling that no-one is using the Park as there is no playground equipment or other amenities for the children to play on. The equipment had been removed as Mr. Kastens had felt that it was dangerous. New replacement equipment had not been installed as Mr. Kastens was purportedly waiting to be sure that the Park is not sold. Mayor Masayko felt that Mr. Kastens is now sure of the Board's direction. Mr. Neidert then indicated that the Commission had been advised that there would not be adequate space unless the grassy area is used. Mayor Masayko responded that the Commission is now being told something different. The Board is the final authority.

The motion as amended was then voted and carried 4-1 with Supervisor Staub voting Nave.

Mayor Masayko indicated that Mr. Berkich had received his direction and thanked the public for attending and participating. He pointed out that the Board had done its job and was sorry that some individuals were disappointed in its decision.

There being no other matters for consideration, Supervisor Livermore moved to adjourn. Supervisor Williamson seconded the motion. Motion carried 5-0. Mayor Masayko adjourned the meeting at 9:45 p.m.

The Minutes of the August 2, 2001, Carson City Board of Supervisors meeting

ARE SO APPROVED ON September 20,

/s/

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Ray Masayko, Mayor

ATTEST:

/s/
Alan Glover, Clerk-Recorder