

CARSON CITY BOARD OF SUPERVISORS

Minutes of the September 15, 2011 Meeting

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A regular meeting of the Carson City Board of Supervisors was scheduled for 8:30 a.m. on Thursday, September 15, 2011 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Mayor Robert Crowell
Supervisor Karen Abowd, Ward 1
Supervisor Shelly Aldean, Ward 2
Supervisor John McKenna, Ward 3
Supervisor Molly Walt, Ward 4

STAFF: Larry Werner, City Manager
Alan Glover, Clerk - Recorder
Randal Munn, Chief Deputy District Attorney
Kathleen King, Deputy Clerk / Recording Secretary

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

1 - 4. CALL TO ORDER, ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE (8:30:11) - Mayor Crowell called the meeting to order at 8:30 a.m. Mr. Glover called the roll; a quorum was present. First Christian Church Pastor Ken Haskins provided the invocation and, at Mayor Crowell's request, led the pledge of allegiance.

5. PUBLIC COMMENTS AND DISCUSSION (8:31:47) - Mayor Crowell entertained public comment. (8:32:55) Janna Rager, of Empire Contractors, read a prepared statement into the record in opposition to the landfill rates and fees ordinance which was introduced, on first reading, at the August 4, 2011 Board of Supervisors meeting. She expressed opposition to the method by which the business impact statement was advertised. She requested the Board to immediately repeal the ordinance, and to direct staff to "do its true due diligence and complete a business impact statement to present to the Board at a future meeting. Then the Board can truly make an informed decision as to the true impact of an 85 percent rate increase."

(8:36:53) Empire Contractors and Empire Waste Systems Owner Matt Rager described his business as "a local demolition, excavation, and trash hauling company." He read a prepared statement into the record in opposition to the landfill rates and fees ordinance. He discussed opposition to the lack of notice provided "to the biggest customers and those most affected by rate increase;" the "short-time frame ... 17 days to adjust to this;" "the lack of ... input that the City received from its biggest customers; and, finally, most disturbing ... an 85 percent increase in our tipping fees during a recession." He advised that "a minimum impact of [his] company to Carson City will be a loss of over \$100,000 and, if other haulers, ... include themselves in not utilizing the landfill, levels will approach half a million to three-quarters of a million dollars not based on your 85 percent price increase. Those losses do not include losses associated with each lost load from other small businesses who will now find it cheaper to dump at other locations." Mr. Rager quoted from the business impact statement presented at the August 4th Board of Supervisors meeting. He questioned the integrity of City staff based on the lack of communication. He requested the Board of Supervisors "to repeal the new pricing structure ... to engage with proper businesses for input before they seek to raise prices in such a short, inconclusive, irresponsible manner." He further requested the Board

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of Supervisors to form a citizens advisory board, to include residents and small business owners, “regarding the upcoming renewal of the franchise agreement in 2014.” He volunteered to serve as a member of the citizens advisory committee in order to “ensure that [he] and his business associates are able to participate in the process and that it’s transparent.”

(8:42:12) Cory Cormier, representing TrashCo Dumpster Service, “also one of your larger customers at the landfill.” He advised of having contacted the City Manager’s Office “the day after [receiving] the notice of the outrageous rate increase ...” He expressed opposition to the response he received, and “re-emphasized ... the anger and the unhappiness regarding the process in which this was taken and we will be making arrangements, if nothing is changed or done regarding this rate increase, we will be taking our business elsewhere. It is now more economical to use a facility in Reno and not bring everything down to Carson.” He requested the Board’s reconsideration of the ordinance. He expressed understanding for a rate increase and reiterated opposition to an 85 to 90 percent increase, describing it as “outrageous” and “uncalled for.”

Mayor Crowell entertained additional public comment. (8:44:03) Patrick’s Construction Cleanup Field Supervisor Jesus Medea, expressed support for the previously-stated comments. Mayor Crowell entertained additional public comment; however, none was forthcoming.

6. POSSIBLE ACTION ON ADOPTION OF AGENDA (8:44:50) - At Mr. Werner’s request, Mayor Crowell agreed to defer item 17 to a future meeting. Mayor Crowell entertained additional modifications to the agenda and, when none were forthcoming, deemed it adopted with the withdrawal of item 17.

7. SPECIAL PRESENTATION OF A PROCLAMATION FOR POVERTY AWARENESS WEEK, SEPTEMBER 26 THROUGH OCTOBER 2, 2011 (8:45:19) - Mayor Crowell passed the gavel to Mayor *Pro Tem* Shelly Aldean, and invited representatives of the Carson City Circles Initiative, the Ron Wood Family Resource Center, F.I.S.H., and Food for Thought to the podium. Mayor Crowell read into the record the Proclamation which was included in the agenda materials. He presented the Proclamation to the organization / agency representatives, and the Board members, City staff, and citizens present applauded.

(8:48:24) Ron Wood Family Resource Center Executive Director Joyce Buckingham expressed appreciation for the opportunity to serve the community. She thanked the Board for the honor of the Proclamation.

(8:49:00) Brenda Silis, representing the Capital City Circles Initiative, thanked the Board members for the Proclamation in consideration of raising awareness as to families living in poverty in the community.

(8:49:25) Food For Thought Executive Director Stephanie Gardner thanked the Board for the recognition. “It means a lot to our community and to the people at Food for Thought.” She advised that 35 volunteers were, at the moment, “bagging food for 500 Carson City children.” She described the community need as “quite overwhelm[ing].”

(8:49:49) F.I.S.H. Executive Director Jim Peckham reviewed his agency’s focus to provide “a hand up as opposed to a hand out, providing shelter, medical care, food, clothing, and other things to the people in

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need.” He estimated a 50 to 70 percent increase in need. He offered business cards for any citizen or organization to hand out to people in need.

Mayor Crowell thanked the representatives individually and their organizations, noting that the statistical information bears out the importance of “helping those less privileged ...” Mayor *Pro Tem* Aldean returned the gavel to Mayor Crowell, who had returned to his seat at the dais.

8. SHERIFF AND FIRE CHIEF - INFORMATION ONLY - DEBRIEFING ON THE SEPTEMBER 6, 2011 SHOOTING INCIDENT (8:52:47) - Mayor Crowell introduced this item, and invited Sheriff Ken Furlong to the podium. At Mayor Crowell’s request, the Board members, City staff, and citizens present honored Sheriff Furlong with a standing ovation. (8:53:13) Sheriff Furlong read prepared remarks into the record, noting the support received from the highest levels of the federal government “all the way to the JAC bus driver,” whom he personally thanked in front of the Sheriff’s Office “as he actively moved people for us and wanted no recognition.” Sheriff Furlong reviewed details of the September 6th incident and the subsequent emergency operation in concert with the Carson City Fire Department and other agencies. He advised that both the Fire Department and the Sheriff’s Department have completed after-action reports. A third after-action report will be completed jointly in conjunction with all the responding agencies.

In consideration of incident command and the formation of emergency operations centers, Sheriff Furlong advised of many available resources which went untapped. “We didn’t tap them because not everybody knows everything about everything in the City. There’s actually quite a bit of activity that goes on every day that could have benefitted us all. There is a suggestion of a formation that allows [City Manager] Werner to assemble his department directors, not necessarily on-scene, but in an informative, forward position that allows him to allocate resources that we may not be able to reach or that we’re not aware of.”

Sheriff Furlong emphasized the tragedy, and commended the exemplary actions of “everyone on the ground and everyone in the air ... There was no hesitation on anyone’s part to do their job. ... The tasking, the delegations of authority were done very, very effectively through our operations center which was led by Captain Ken Sandage out of our Investigations Division and FBI Agent John Ginocchio. ... both of those [men] were marvelous planners and executors for the operations and for the on-scene investigation.” Sheriff Furlong further emphasized the “open investigation,” and expressed the hope that many of the questions will be answered. He clarified that “based on his experience ... and training, many of these questions will forever go unanswered.” He committed to doing “what we can ... with all of our resources available ... to provide the best information back to this community as to what did happen and why we think it happened ... and how we might prevent this type of activity in the future.”

Mayor Crowell thanked Sheriff Furlong, and discussed the pride the entire community should take in its citizens and law enforcement personnel. He noted the effect of the tragedy on the entire community, and suggested that the healing process should start now. On behalf of the Board and the entire community, he thanked Sheriff Furlong, all the first responders, and everyone involved.

(9:00:56) Mayor Crowell invited Fire Chief Stacey Giomi to the podium, and the Board members, City staff, and citizens present applauded. Fire Chief Giomi apologized for being late, advising that Fire Department personnel are hosting the State Emergency Management Directors Conference. Chief Giomi offered to answer questions. Mayor Crowell expressed the understanding and belief that everyone who

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responded to this incident did so professionally, timely, and efficiently under very trying and difficult circumstances. He reiterated the importance of the healing process beginning now, thanked Chief Giomi, and requested him to convey the Board's appreciation to his staff. Chief Giomi advised that emergency management personnel have worked very hard to "establish cooperative exchanges of resources with our neighbors. And, through just sheer volume of calls, ... we use those mutual aid agreements on a daily basis. But when you have an event like this, they become particularly important. And we were also very fortunate that, at the time the incident occurred, we had no open incidents in Carson City. ... Douglas County had no active incidents. ... Central Lyon had no active incidents and all three CareFlight helicopters in the region were available. The chances of that happening are astronomically slim. So all of those things played into our ability to very quickly extricate those patients, with the assistance of law enforcement, get them stabilized and we were able to put all of the patients that we transported into a transport vehicle in about thirty minutes." He expressed pride in his personnel and appreciation for the "great working relationships with our neighbors. ... that this Board has fostered those cooperative efforts bears fruit on a daily basis but really bore fruit in this instance."

At Supervisor Aldean's request, Chief Giomi advised of having conducted a critical incident stress debriefing for the emergency responders. He provided background information on "a sense within the community that there was a desire to go a little bit beyond; that there were people impacted here who may not have been directly involved and that, ... is a testament to how close our community is." He advised that the National Organization for Victim Assistance ("NOVA") will bring a critical incident stress management team into the community, "essentially for the cost of lodging. ... It's completely free of charge and they are doing a community debriefing on Saturday, September 17, 2011 at 1:30 p.m. in the Bob Boldrick Theater." Chief Giomi advised of separate debriefings leading up to the community debriefing. He provided background information on the NOVA mission and purpose. Mr. Werner advised that an additional debriefing will be conducted for the property owners and people in the surrounding area, as well as for City employees.

Supervisor Abowd expressed appreciation to Sheriff Furlong and Chief Giomi for their "stellar leadership." In response to a question, Chief Giomi advised that the hospitalized victims are in "varying levels of recovery. Some of them have been discharged. Some of them have probably a long road ahead of them. It runs that full gamut."

Supervisor McKenna thanked Chief Giomi, Sheriff Furlong, and everyone involved, "especially the outside-of-Carson-City responders and cooperators." He expressed concern over the first responders to ensure "they're not forgotten six months or a year from now." He noted the importance of "get[ting] the best possible lessons we can out of it so that we don't forget about it six months from now and go back to the way we were because that's a common, human thing ... to try to forget the bad things." Chief Giomi thanked Supervisor McKenna, and advised that emergency responders are "always looking to do better at what we do." He referred to the individual department after-action reviews and advised that a collective after-action review will also be conducted. "... the lessons that we learn don't get lost in the shuffle. They become part of our routine as we move forward." Supervisor McKenna encouraged Chief Giomi that he "fully expect[s] to have changes and ... fully expect[s] for it to cost us money."

In reference to the Waterfall Fire incident, Chief Giomi described the subject incident as "[Sheriff Furlong]'s equivalent as the chief law enforcement officer." He commended Sheriff Furlong and his staff on "a tremendous job in handling not only the event but the subsequent onslaught of activity that occurred,

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from the investigative component to the public information component.” Mayor Crowell thanked Chief Giomi and the Board members, City staff, and citizens present gave him a standing ovation.

Supervisor Aldean echoed the previous comments relative to the “superb way that this event was handled.” She expressed the opinion that “unsung heroes” have been “unjustly criticized by people in this community.” She commended the owner of Local’s BBQ who “exhibited extraordinary courage under the circumstances.” She acknowledged those “who, without the benefit of a lot of public recognition, did what they thought was necessary to help their fellow citizens.” The Board members, City staff, and citizens present applauded.

(9:12:38) Local’s BBQ Owner Ralph Swagler expressed bewilderment that “Sheriff Kenny Furlong and Chief [Giomi] ... could think that they could have done better. They were phenomenal in their response to this episode.” The Board members, City staff, and citizens present applauded.

Sheriff Furlong expressed appreciation for “the enormous amount of support that came from this community ... Most of the support that came in to actively work this incident was not requested. It just came. It just arrived and that’s what I mean by the resolve of this community and how we respond.” He expressed the hope that sufficient information is being provided to “reinforce that sense of safety in this community.”

In consideration of regional support, Mr. Werner expressed appreciation for calls from Washington, D.C., “all of our neighbors ... anybody that could offer any kind of help. It was extremely appreciated.” He advised of the indication that the effect of this event was very far reaching, and that invitations to the Saturday NOVA debriefing were extended to employees of Washoe, Lyon, and Douglas Counties, as well as State government employees. He reiterated his thanks to the adjacent counties.

Mayor Crowell entertained additional comments and, when none were forthcoming, invited Jim Shirk to the podium. (9:16:42) Jim Shirk advised of having worked with both Sheriff Furlong and Chief Giomi, and commended both gentlemen. He presented framed state flags which were on site at the unveiling of the World Trade Center steel I-beam to both gentlemen and their staff. He congratulated the gentlemen on the fine example they represent “of what we can do as a community when we work together.” At his request, the Board members, City staff, and citizens present again applauded.

Mr. Shirk invited Mayor Crowell to the podium, commending him as an “outstanding individual who represents our community on a daily basis.” He provided background information on Mayor Crowell’s involvement in securing and dedicating the World Trade Center steel I-Beam, and presented him with a framed tag from the I-Beam. The Board members, City staff, and citizens present applauded.

Mayor Crowell entertained additional comments; however, none were forthcoming. He recessed the meeting at 9:19 a.m. and reconvened at 9:31 a.m.

9. CONSENT AGENDA (9:31:53) - Mayor Crowell entertained requests to hear items separate from the consent agenda. When none were forthcoming, he entertained a motion. Supervisor Aldean moved to approve the consent agenda consisting of one item from Parks and Rec, two items from Public Works, one item from Finance, and one item from the City Manager’s Office. Supervisor McKenna seconded the motion. Motion carried 5-0.

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9-1. PARKS AND RECREATION DEPARTMENT - POSSIBLE ACTION TO SUBMIT AN AMENDED LAND AND WATER CONSERVATION FUND ("L&WCF") GRANT APPLICATION TO THE STATE OF NEVADA, DIVISION OF STATE PARKS, FOR ADDITIONAL FUNDS TO ASSIST WITH THE INSTALLATION OF AN OVERHEAD NIGHTTIME LIGHTING SYSTEM AT THE BMX TRACK IN THE EDMONDS SPORTS COMPLEX

9-2. PUBLIC WORKS DEPARTMENT

9-2(A) POSSIBLE ACTION TO APPROVE THE EXTENSION OF TIME TO COMPLETE THE WATERFALL FIRE WATERSHED IMPROVEMENTS - PHASE 3, FROM VARIOUS DATES STATED IN THE NRCS AGREEMENT TO THOSE DATES ON THE AGREEMENT AMENDMENT FORM OF MARCH 2, 2012 AND APRIL 2, 2012

9-2(B) POSSIBLE ACTION TO APPROVE THE DEDICATION OF LAND FOR PUBLIC RIGHT-OF-WAY PURPOSES FROM PROPERTY OWNER CARSON CITY TO CARSON CITY FOR 823 SQUARE FEET FROM APN 002-172-13, FOR A PORTION OF ROOP STREET

9-3. FINANCE DEPARTMENT - POSSIBLE ACTION TO ACCEPT THE REPORT ON THE CONDITION OF EACH FUND IN THE TREASURY THROUGH SEPTEMBER 6, 2011, PURSUANT TO NRS 251.030

9-4. CITY MANAGER - POSSIBLE ACTION TO RATIFY THE APPROVAL OF BILLS AND OTHER REQUESTS FOR PAYMENTS BY THE CITY MANAGER FOR THE PERIOD OF AUGUST 10, 2011 THROUGH SEPTEMBER 6, 2011

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

10. ANY ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME (9:32:33) - None.

11. RECESS BOARD OF SUPERVISORS (9:32:36) - Mayor Crowell recessed the Board of Supervisors at 9:32 a.m.

BOARD OF HEALTH

12. CALL TO ORDER AND ROLL CALL (9:32:47) - Chairperson Pintar called the meeting to order at 9:32 a.m. Mr. Glover called the roll; a quorum was present, including Member Furlong.

13. HEALTH AND HUMAN SERVICES DEPARTMENT

13(A) POSSIBLE ACTION ON REPORT, DISCUSSION, AND POSSIBLE DIRECTION TO STAFF REGARDING THE DIRECTOR'S REPORT ON CARSON CITY HEALTH AND HUMAN SERVICES DEPARTMENT ("CCHHS") ACTIVITIES (9:33:27) - Chairperson Pintar introduced this item, and Health and Human Services Department Director Marena Works presented her report via the Active Strategy program, which was displayed in the meeting room. She announced the Annual Homeless Connect event, scheduled for Saturday, October 8th, provided background information with regard to the

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same, and reviewed the associated activities. She announced the Carson Animal Rescue Event, C.A.R.E. 2011, also scheduled for Saturday, October 8th, and reviewed the associated activities. She provided an update on the accreditation project. She advised that the next State Board of Health meeting is scheduled for October. Chairperson Pintar thanked Ms. Works for her report.

In response to a question, Ms. Works referred to the S.A.F.E. Food Handler certification manual, available via the Health and Human Services Department website, and advised that certification tests are generally scheduled for Tuesdays. She reviewed the process for scheduling an exam. Chairperson Pintar acknowledged that the certified S.A.F.E. Food Handler must be on the premises at all times.

In response to a further question, Ms. Works advised that Carson-Tahoe Regional Medical Center is represented in the health consortium. Chairperson Pintar confirmed that a Carson-Tahoe Regional Medical Center representative has attended every meeting. She advised of consideration given to making the consortium more of an advisory committee to the Board of Health “because it has been very valuable as far as pulling together community concerns.”

Member Aldean thanked Ms. Works for her report. In response to a question, Chairperson Pintar advised that virtually the same flu vaccine is being produced this year so that it was easier to make in quantity earlier. H1N1 was a brand new strain and “so a lot of companies were rushing to make the vaccine and that’s why it wasn’t developed. This is anticipated to be a normal or less than normal year, but part of that is because people are getting used to getting a yearly flu vaccine now and it used to be much more sporadic. So we’re hoping that the normal actually gets lower and lower.”

Chairperson Pintar entertained a motion to accept the Ms. Works’ report. **Member Walt moved to accept the Director’s report and give direction to staff on CCHHS activities. Member Abowd seconded the motion.** Member Aldean noted the direction as “continue the work you are doing.” Chairperson Pintar called for a vote on the pending motion. **Motion carried 7-0.**

13(B) REPORT AND POSSIBLE ACTION TO ACCEPT THE STAFF REPORT BY THE WOMEN, INFANTS, AND CHILDREN (“WIC”) PROGRAM (9:56:01) - Chairperson Pintar introduced this item. Aida ? and Hazel Ruiz introduced themselves for the record, and reviewed the report, copies of which were provided to the board members and staff prior to the start of the meeting.

In response to a question, Ms. Ruiz advised that the average Carson City caseload is 424 participants. In response to a further question, she reviewed program eligibility criteria. She advised that legal status is not considered. Chairperson Pintar advised of having recently attended a National Association of Local Boards of Health Conference, where the Surgeon General made special mention of supporting breast feeding in the WIC Program. She noted this as an area of emphasis for local WIC Programs as well. “Nationally, breast feeding is not nearly as common as we would like it to be. ... From the WIC perspective, we are very glad of the Surgeon General’s support ...”

Chairperson Pintar encouraged at least one other member of the board to attend the National Association of Local Boards of Health Conference in Atlanta next year. She expressed appreciation over the Surgeon General’s mention of Carson City in consideration of the recent shooting incident. She reiterated that “it did hit the nation and our response, as a community, was very well regarded.” She commended Sheriff Furlong and Chief Giomi.

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Chairperson Pintar entertained a motion. **Member Walt moved to accept the WIC presentation and give direction to staff to continue the great work on WIC activities. The motion was seconded and carried 7-0.**

13(C) POSSIBLE ACTION TO CHANGE THE DATE OF THE DECEMBER 2011 BOARD OF HEALTH MEETING FROM DECEMBER 15 TO DECEMBER 1 (10:01:40) - Chairperson Pintar introduced this item, and reviewed the agenda materials. **Member Crowell moved to reschedule the next meeting of the Board of Health to December 1, 2011 in the Sierra Room. Member Walt seconded the motion. Motion carried 7-0.**

14. ACTION TO ADJOURN BOARD OF HEALTH (10:02:28) - Member Aldean moved to adjourn the meeting at 10:02 a.m. Member Abowd seconded the motion. Motion carried 7-0. Mayor Crowell commended Dr. Pintar.

15. RECONVENE BOARD OF SUPERVISORS (10:02:54) - Mayor Crowell reconvened the Board of Supervisors at 10:02 a.m. He advised of having requested Public Works Department Director Andy Burnham to meet with the out-of-county landfill haulers to see if there is any particular resolution to their complaints.

16. PURCHASING AND CONTRACTS - POSSIBLE ACTION TO AUTHORIZE CARSON CITY PUBLIC WORKS DEPARTMENT STAFF TO PURCHASE EQUIPMENT TO BE USED BY A LOCAL GOVERNMENT AGENCY AT A DISCOUNT; THEREFORE, NOT SUITABLE FOR PUBLIC BIDDING, PURSUANT TO NRS 332.146; THIS REQUEST IS TO PURCHASE EQUIPMENT FROM AUCTION, CLOSEOUT AND BANKRUPTCY SALES, OR SALE OF MERCHANDISE LEFT AFTER EXHIBITIONS THAT PUBLIC WORKS DEPARTMENT STAFF ARE PLANNING TO ATTEND IN THE NEXT FEW MONTHS FOR A NOT-TO-EXCEED COST OF \$1,050,000.00 TO BE FUNDED FROM VARIOUS ACCOUNTS, AS PROVIDED IN FY 2011 / 2012 (FILE NO. 1112-101) (10:03:13) - Mayor Crowell introduced this item, and Public Works Department Director Andy Burnham reviewed the agenda materials. He reviewed the necessary equipment, as follows: the landfill trash compactor, which cost he estimated at \$450,000 to \$550,000, depending upon the size; a sewer vactor and flushing truck, which cost he estimated at \$350,000 to \$360,000; and a street crack filling machine, which cost he estimated at \$65,000 to \$70,000. "It's breaking down almost weekly and ... impacting our ability to keep up." He advised of typical savings in the neighborhood of \$20,000 to \$50,000 per piece of equipment as a result of purchasing from an auction, and discussed additional benefits. He anticipates finding a couple pieces of the needed equipment. "Typically, when you go to a show, there are other public works agencies that are trying to do the same thing so they work you a little bit and you're bidding against Hartford, Connecticut or someplace like that. But we have found in the past that we get pretty decent deals if you can happen on one."

In response to a question, Mr. Burnham advised that warranties generally still apply on demonstration equipment. "If you're buying a piece of auction equipment, ... you won't get a warranty." In response to a further question, he advised that a mechanic generally accompanies Public Works Department staff to auction. He further advised that the purchases will be presented to the Board for final authorization, if possible. He assured the Board that the equipment will not be purchased without savings. In response to a question, he advised of never having purchased equipment from a bankruptcy proceeding but "it's something we'll probably look for." Discussion followed.

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Mayor Crowell entertained public comment; however, none was forthcoming. Mr. Burnham acknowledged that the statute requires City staff to report back to the Board as to the savings. Mayor Crowell called again for public comment and, when none was forthcoming, entertained a motion. **Supervisor Abowd moved to authorize Carson City Public Works Department staff to purchase equipment to be used by a local government agency at a discount, therefore not suitable for public bidding, pursuant to NRS 332.146; this request is to purchase equipment from auction, closeout and bankruptcy sales, or sale of merchandise left after exhibitions that Public Works Department staff are planning to attend in the next few months for a not-to-exceed cost of \$1,050,000.00 to be funded from various accounts, listed below, as provided in FY 2011 / 2012, file no. 1112-101. Supervisor Aldean seconded the motion. Motion carried 5-0.**

17. FINANCE DEPARTMENT - PUBLIC HEARING ON THE INTENT OF CARSON CITY, NEVADA TO ISSUE GENERAL OBLIGATION (LIMITED TAX) BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES) FOR THE PURPOSE OF FINANCING WATER PROJECTS AND SEWER PROJECTS FOR THE CITY (10:09:49) - Deferred.

18. PUBLIC WORKS DEPARTMENT - POSSIBLE ACTION TO APPROVE OR DENY RENAMING OF LA RUE LANE TO PARDINI DRIVE (10:09:53) - Mayor Crowell introduced this item, and City Engineer Jeff Sharp reviewed the agenda materials. He noted staff's recommendation of denial, based on the several letters of objection from neighbors, copies of which were included in the agenda materials. He suggested that the Pardini family consider attempting to name a street as part of a future development. In response to a question, he advised of having received no additional information as a result of the subject agenda item. He further advised that no additional notifications were sent.

Mayor Crowell entertained public comment. (10:14:09) Vicky Pardini Jones provided background information on the reason for deferring action on this item during the June Board of Supervisors meeting. She advised of no evidence that La Rue Lane is tied to any historic Carson City family. She further advised of several letters in support of the name change which were sent after the agenda materials were finalized. She explained that a letter was sent to area residents "only asking if they had an objection. ... Nothing was stated, 'what is your opinion.'" She acknowledged the validity of the concerns expressed relative to associated costs, and reiterated a willingness to bear the costs. In response to one of the letters of opposition, she acknowledged that many newcomers to Carson City are not aware of the Pardini family's history. She responded to several of the additional comments in opposition, as outlined in the letters included in the agenda materials. She suggested that the decision should not be based on the number of negative comments in consideration of the fact that the notification letter only requested input relative to opposition. She requested the Board to consider that there will be no cost to the City.

In response to a question, she advised there are no homes on La Rue Lane. "We knew what it was going to take to change an existing street so we tried to find a street with not many residents and finding a street with no residents was almost a miracle. ... So we thought this might be an easy task." In response to a question, she advised of only having received a cost estimate on the street signs. "I don't know what the impact of labor and staffing and all that would be but, certainly, if it's within reason, I'd be happy to pay for it all." In response to a further question, Ms. Jones reviewed information on the Pardini family's residence in Carson City. She advised that the Pardini family "have kind of lived all over Carson." She advised that her parents lived "maybe a quarter of a mile from this little road. Really, it was just something

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close in the area that we found that had no residents so we thought it would be a good choice.” In response to a further question, she discussed the importance of “try[ing] to make this work.”

Mayor Crowell entertained public comment; however, none was forthcoming. Supervisor Abowd commended the Pardinis as “a long-established family in an established neighborhood,” and expressed understanding for the logic behind the request. “The fact that it doesn’t affect anyone’s address makes it ... all the more plausible.” Supervisor Aldean provided background information on her support to defer action on this item from the June 16th Board of Supervisors meeting. She expressed appreciation for Mr. Sharp’s research, and the opinion that “one of the things that gives a community character are references to the people who ... make that city significant historically and economically. We have a lot of references to pioneering families that adorn our various street signs.” She expressed support for the request in consideration of the fact that La Rue Lane doesn’t appear to have any particular historic significance.

Mayor Crowell entertained a motion to rename La Rue Lane to Pardini Drive. **Supervisor Aldean moved to approve the renaming of La Rue Lane to Pardini Drive, subject to the applicant’s willingness to pay for the associated costs. Supervisor Abowd seconded the motion. Motion carried 4-1.**

19. PUBLIC WORKS DEPARTMENT, PLANNING AND ZONING DIVISION

19(A) POSSIBLE ACTION TO CONSIDER AN APPEAL OF THE PLANNING COMMISSION’S DECISION TO ALLOW A MULTI-FAMILY APARTMENT, ON PROPERTY ZONED RESIDENTIAL OFFICE (“RO”), LOCATED AT 812 NORTH DIVISION STREET, APN 001-191-06 (SUP-11-042) (10:22:45) - Mayor Crowell introduced this item, and explained the hearing process. Planning Division Director Lee Plemel provided an overview of this item, and Principal Planner Jennifer Pruitt reviewed the agenda materials in conjunction with displayed slides. In response to a question, Ms. Pruitt reviewed the open space requirements for multi-family projects, pursuant to the provisions of the Carson City Municipal Code, and pointed out the architect’s compliance with the same, as depicted in drawings displayed in the meeting room. In response to a question, Mr. Plemel explained requirements relative to common areas for multi-family projects. He responded to additional questions of clarification relative to calculated open space. “... there’s really, on a per unit basis, it’s really not that much area that’s required for multi-family development. ... for an eight-unit, it doesn’t add up to that much area ... when that hatched area, plus the patios and the decks that are allowed to be counted, per the Code, represent the minimum requirement. But, as you get to bigger projects that might have more kids in there, then that open space, that area becomes bigger and more usable. This is a pretty typical multi-family project, at least at this size.”

Supervisor Aldean noted the 3-2 vote on the Planning Commission item and, at her request, Mr. Plemel reviewed the concerns, as outlined in the July 27, 2011 meeting minutes, copies of which were distributed to the Board members and staff prior to the start of the meeting. Supervisor Abowd advised of having been informed that some of the Planning Commissioners felt that they had no choice as the applicant had met all the legal requirements. In response to a question, Ms. Pruitt expressed the understanding that the applicant meets all the Carson City Municipal Code requirements. “But, as a Board, that’s why we’re here today for you to make a decision regarding the appeal.” Ms. Pruitt expressed the opinion that staff had provided all the necessary information for the Board to make a decision one way or the other. She noted the purpose of the subject hearing for the appellant to “see if there’s a possibility to provide a decision in their favor.” In response to a question, Mr. Plemel advised that findings for approval of the special use permit had been made. He expressed the opinion “there is some discretion ... that the Planning Commission

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can establish a record and you, on appeal, can establish a record one way or another.” He expressed the opinion that the Planning Commission’s approval considered the Historic Resources Commission’s review and approval. Mr. Munn advised that the special use permit application involves “some degree of discretion. ... That discretion has been exercised at the Planning Commission level as well you are sitting in review of that discretion, but it’s not discretion without limits because of you have standards which the City has adopted for people to develop property.” He counseled the Board that a deviation from the Planning Commission’s decision requires a record as to disagreement with the findings relative to the standards being applied to the project.

Mayor Crowell entertained the appellant’s testimony. (10:44:32) Alexander Kirsch advised of having lived in Carson City for the past thirty years, twenty in the historic district and the last five as an historic district homeowner. Having been born in Germany, he expressed an appreciation for history and the belief that European culture and history were preserved because people saw the value and importance of building and rebuilding in a manner which is true or as true to the original as possible, whenever possible. He advised of having moved to Carson City in 1982, and discussed those attributes which drew him here. He further advised of having worked, for the last 17 years, within walking distance from his home. He walks daily and notices any changes in the neighborhood. He provided historic information on the formation of the Historic Resources Commission and new construction within the historic district. He noted that “most historic buildings [have been] retained and either restored or improved and much of the vegetation and open space preserved. He expressed the opinion that the proposed development of “two four-plex apartment buildings on a half City lot ... seemed too massive and out of place and character for this historic district.” He advised of having brought “these issues to the attention of the Historic Resources Commission and the Carson City Planning Division,” but “only minor design elements were discussed and a special use permit to allow the construction of Herman Bauer’s proposed project was approved.” Mr. Kirsch advised that “a number of [his] neighbors and other residents of the Carson City Historic District support [his] appeal and have signed a petition to that effect.” He offered to submit copies of the petition.

(10:47:30) Steve Brenneman advised that the petition “has 88 signatures of residents in Carson City and mostly residents of the historic district ...” Mr. Munn explained the Carson City Municipal Code provisions qualifying a person as an “aggrieved party.” He acknowledged that the petition can be submitted as public comment, but reiterated “it can’t be a part of the actual matter you deliberate ... as far as the appeal.” Mr. Kirsch explained the purpose of the petition to indicate “the support we have gathered within a small area and, in particular, within the historic district.” Mayor Crowell advised that the written appeal and Planning Division staff’s response were included in the agenda materials. He suggested addressing the issues raised in his letter.

Mr. Kirsch expressed the opinion that the Historic Resources Commission “should not have approved the proposed project ... because ... no other projects of its kind were every allowed or approved since the establishment of the HRC; ... it does not offer the charm, privacy, and amenities in comparison to other available rental properties of the district; ... it does not meet HRC standards of preserving the integrity of the historic west side and we fear ... approval would set bad precedent for future development within the district.” He advised of having appealed the special use permit decision for the following reasons: “scale massing and land use issues were addressed but not really resolved; required Carson City open space requirements do not appear to have been met or have not been properly shown on the submitted drawings; ... ever since the establishment of the Historic Resources Commission, in 1982, no project of this size has ever been approved or built within the district.” Mr. Kirsch distributed copies of a “mid-century report”

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to the Board members, and read into the record portions of the same. He advised that his “dispute should not be primarily with the project calculations approved by the Planning Division, but rather with the Historic Resources Commission for approving this size of development within the historic district.” He expressed the belief that the Historic Resources Commission’s decision was “rushed and never discussed.” He read from a set of Historic Resources Commission minutes.

In consideration of mass and scaling, Mr. Kirsch advised that “concerns on how a project would fit within the area were raised but not fully discussed, with the exception of the proposed carports, but mainly in regard to use of different design materials. Dimensions for this parking lot and its roof structures are not in conformance with the Carson City building requirements. In consideration of conservation and preservation, Mr. Kirsch advised of a question “whether the former Swift house had any historical significance worth preserving.” He reviewed historic data relative to the Swift house. In consideration of “necessity,” he advised that “Mr. Bauer stated ... there was more rentable office space available than rentable residential housing. While this statistic may be true for the entire City, we found that’s not the case within the historic district ...” He offered to provide a “detailed, current list of all properties for sale or rent within the district.” In consideration of “integration,” he advised “the handful of apartment structures grandfathered within the historic district are mostly one-bedroom studios while homes converted to rental properties usually are more spacious with two or more bedroom configurations and other amenities, such as yards, garages, and storage facilities. When it comes to similar structures within this district, office complexes are best compared to Mr. Herman Bauer’s project. Unlike apartment buildings, office buildings are commonly occupied only during daytime areas, on weekdays, and this does not affect the overall tranquility and peace enjoyed by all residents and neighbors.” In reference to the right-of-way abandonment granted Mr. Bauer, “roughly 3200 square feet, ... it would have been considerate ... to use it to conserve, improve, or maintain the integrity of the City, the historic district, and the neighborhood and its residents. It appears that this ... gracious gift ... would instead be used solely by the developer to expand the size of his project.”

Mr. Kirsch requested the Board to “revisit ... several of the Carson City Building Code requirements relative to the proposed project. For example, the minimum common open space requirements for these type of buildings in the future to prevent a reoccurrence of this type of proposal.” He discussed the importance of preserving “the integrity of this historic district. ... Mr. Herman Bauer’s proposed project would jeopardize the future initiatives aimed to conserve places of historic value and it would set damaging precedent for future development within Carson City’s historic district.” He advised that “a detailed list of objections to the SUP was contained in [his] appeal of August 8.” He introduced Steve Brenneman and Tom Strekal.

(11:01:03) Steve Brenneman, co-owner of the Bliss Mansion, advised of having “changed his view on how well [the Historic Resources Commission] protect[s] our historic district given that they’ve approved this ... zoning change for one parcel of property.” With regard to the open space, he advised of having made two visits to the Planning Division “to have them tell me where the open space was located.” He stated, “The problem is, you’re not allowed to have open space in a setback area and, on the diagram, it says open space and it’s in a setback area, on the side yard and in the rear yard and the front yard.” Mr. Brenneman advised of having reviewed the Code requirement, and stated, “The parking lot does not meet public works code requirements of 26 feet between stalls. The space in the design is 24 feet. There’s a Code requirement, 2.1.16, for snow storage on a large parking lot. There is no space for snow storage. There is a Code requirement that you may not use storage in a setback area, yet the trash storage for this project

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is in a setback area. The carport columns are in a setback area. That's also not allowed. In sum, the architect has tried to really maximize the building size, the number of dwelling units and it's just too big for a 16,700 square foot piece of property."

(11:03:43) Tom Strekal reviewed historic information on his residence located within the historic district. He advised of having learned of the proposed project on July 27th, and of having been "appalled." He expressed the opinion that the special use permit "implies a cavalier attitude toward Carson City and its historic district, a district soon to receive recognition on the National Register of Historic Places, no small honor." Mr. Strekal advised that "the project proponents do not live here nor do they plan to live here upon completion of the project. They appear to have no interest or concern for the Carson City Historic District, nor respect for the character of the district. If they had interest, concern, or respect, we feel they certainly would not propose a project of such scale, so out of keeping with the character and proportion of the historic district, so fraught with potential problems of density, parking, traffic, trash, personal storage, snow removal, and open space." He inquired as to sufficient space for children to play. "What happens when everyone decides to barbecue? What happens to the snow following a major storm and where do the cars go that are in the parking lot?" In reference to the special use permit "as a conditional use rather than rezoning somehow implies that this project, if found unacceptable in the future, will be removed. That's ludicrous. Once it's built, it's built. The implication, though ..., is that this project will not look out of place when similar projects are built in the future." He expressed the opinion "that's a very poor precedent for the historic district." He expressed deep concern "about the integrity of our homes, our neighborhood, and our community." He expressed the opinion that "homeowners ... seem to be held to a higher standard to conserve and protect our neighborhood than do developers, but we accept that responsibility in order to maintain our quality of life and to demonstrate pride in our community. While our neighborhood and the historic district are aesthetically pleasing and generally serene, our greatest enjoyment is our neighbors. Most importantly, we enjoy our neighbors, getting to know who lives next door, and socializing. And since learning of this project, we've come to meet and enjoy more of our neighbors who oppose this project." In consideration of "the recent reduction in rental rates because of vacancies in the economy, the proposed project is not likely to become the exclusive address depicted in that drawing with a few well-heeled professionals walking, with no cars in the parking lot, with that fabulous view of endless space leading to C Hill." He expressed the opinion that the architectural drawings are "very misleading ... disingenuous." He reiterated that he and his wife "take pride in our community and ... demonstrate our sense of community by coming together to oppose the proposed project." He expressed the opinion that the 88 petition signatures "are an indication that this has gotten our attention, has galvanized us, has shown you we have an identity and we care about the historic district."

Mayor Crowell called for additional appellant representatives and, when none were forthcoming, called for the applicant representatives. (11:09:03) Herman Bauer introduced himself for the record and expressed opposition to the previous misrepresentations of his character. He advised he has been coming to Carson City for over 30 years, that he has investments here and is a taxpayer. He provided historic information on his hometown in Germany and advised he has "great respect for historical aspects." He expressed appreciation for Mr. Kirsch's comments, but disagreed. He advised of a suggestion that the property be turned into an open air wildlife refuge or a community garden. He commended the suggestions and expressed a willingness to sell the property to anyone interested in creating a community garden. He advised of having purchased the property for investment purposes and "to make it pencil out, this is what we need. It's difficult enough already. We have to relocate the power lines, power poles, replace sewer lines. The project will be tough to pencil out." Mr. Bauer advised of having participated in "many, many

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meetings ... we made many changes, we've worked with your staff which incidently was very helpful, and we got the approvals for the eight units for the project you see here."

In response to a question, Mr. Bauer discussed the current vacancy rate and expressed the opinion that "by the time we're ready to build, there will be a need for additional apartments." He expressed the further opinion that "once the downtown plan goes into effect, ... it's going to be a very good location for people who want to live and work downtown." He expressed the opinion that "the area is in transition. Eventually, you will see such developments."

Mayor Crowell invited Architect Al Salzano to provide testimony. (11:13:42) Mr. Salzano reiterated that "the open space does meet all the requirements. It's more than double what's required. We are only counting the areas that we are allowed to count." He disputed previous testimony by stating, "We're not counting any of the area that's in the three street yard setback areas. We are counting the area in the rear yard setback which is allowed by Code. So the open space calculations are correct." Mr. Salzano advised that if the "all the area in the street front setbacks" was included, "we would be over six times the minimum required open space calculation." He pointed out that the project has been approved "not once, but three times by the Historic Commission and also by the Planning ..." He acknowledged the objections, but advised that much has been done to "satisfy everybody." In response to a question, he expressed the understanding that parking and snow storage requirements have been met according to the Carson City Municipal Code. Supervisor Aldean discussed the importance of adequate snow storage in any parking lot. In response to a question, Mr. Salzano reviewed Code requirements relative to trash disposal / storage. In consideration of three street frontages, he advised that no credit was given to the project for on-street parking.

Supervisor Abowd discussed concerns regarding the lack of outdoor personal storage space and sufficient space for children to play. Mr. Salzano advised that a landscape plan was provided, which included "a full 20 feet of yard all the way around the building that's not included in the open space calculations because we're not allowed to count that. ... So, even though the open space calculation only says 2500 square feet, if you count everything, there's six times that." In response to a further question, he assured the Board "there are lawn areas, as part of the landscaping, ... that would be suitable for kids playing." In response to a further question, he advised that outdoor personal storage is available "off of the decks which are part of the private open space, not the public open space."

In response to a question, Mr. Salzano advised the open space will not be fenced. He noted that "because we're under ten units, we're not required to have ... a developed playground." In consideration of the massing issue, Mr. Salzano advised that four or five-plexes were not considered "because ..., as Mr. Bauer was stating, ... there's ... a break even point as far as how many units per acre. Again, he bought this as an investment property." Mr. Salzano pointed out that the proposed development is within the allowable density. Mayor Crowell entertained additional questions and, when none were forthcoming, thanked Mr. Salzano for his attendance and participation.

Mayor Crowell requested staff to address the parking and the snow removal / storage issues. City Engineer Jeff Sharp estimated "they're still a foot short on the overall width of the parking lot." In consideration of snow removal / storage, Mr. Plemel suggested considering this "a smaller project. ... These are basically commercial development standards. Generally, we ... view it as being intended for larger lots." In response to previous testimony, Mr. Plemel reviewed the provisions of Development Standards Section 1.12, Outside

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Storage, and read into the record the definition of the same. He explained that a trash enclosure is “basically a six-foot fence ... just to screen the trash enclosure. So this trash enclosure is in the side-yard setback but that’s typical. ... a trash enclosure is not in the same category as a use that is outside storage. ... so this would comply with our typical standards for trash enclosures.” Using a displayed site plan, Mr. Plemel pointed out the areas not counted in the open space calculation. He clarified that open space is permitted to be calculated as part of a side yard setback. He further clarified that private open space is permitted to be calculated. He responded to questions of clarification.

Ms. Pruitt provided background information on alterations to the carports, as requested by the Historic Resources Commission. She advised that the three street sides were taken into account in consideration of setbacks. She discussed reasons for encroachments relative to design, as provided for in the Carson City Municipal Code. Mr. Plemel provided additional clarification. In response to a question, Ms. Pruitt advised that the Historic Resources Commission had several concerns relative to the proposed projects. “... there was a great deal of discussion about massing and concerns over the size of the project, related to the buildings. There was discussion regarding the car ports.” Ms. Pruitt advised that “every time this item was before the [Historic Resources] Commission, they required stipulations of the applicant [which] is pretty common.”

Mayor Crowell entertained additional testimony from the applicant and his representatives; however, none were forthcoming. Mr. Munn advised that there was no appeal of the Historic Resources Commission findings, which has its own separate appeal process to the Board of Supervisors.

Mayor Crowell entertained public comment. (11:33:58) Peter Smith advised of owning two buildings in the historic district. He advised of not having been able to “sign on with the appeal, but ... my heart is with him.” He expressed the opinion that the “key question here is what is this Board’s role in this and ... the big issue with the special use permit includes a determination of the wisdom and necessity of making this change to what is the existing status for the neighborhood. In the historic district, we have a pretty low density, old fashioned kind of a layout of properties and if this Board wants to approve a special use permit and allow an eight-unit development on this parcel of land, then you’re going to have to decide if that is wisdom and necessity.” In reference to displayed slides, Mr. Smith noted “there’s a lot more density right around the edges of this property than there is on the property itself. You can see the multi-family apartments and there’s some commercial structures, but that’s because this is the edge of the historic district. If you approve this special use permit, you’re going to be taking a bite out of the nature of the historic district preserved inside its borders and, one little bite at a time will end up being the death of the historic district.” Mr. Smith advised of having purchased his properties, one of which was already in the historic district and the other which he and his wife petitioned to have added to the historic district. “... we live with those rules. We live with the restrictions of that, of being in the historic district in order to help do our small part in preserving its nature.” He requested the Board to deny the special use permit.

(11:36:30) Art Hannafin advised of having lived in Carson City for approximately 39 years and of having worked as an architect throughout that time. He further advised of having served on the 1978 Cultural Resource Committee to determine whether the historic area was worth saving. He provided background information with regard to the same, which ultimately led to formation of a formal historic district in 1982. He advised of having served on the subsequently formed Historic Design Committee. He expressed support for the appeal and concurred with Peter Smith’s comments. He expressed the opinion that “the highest and best use is not always the thing to do when you’re trying to preserve an historic area.”

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(11:39:15) Robert Gordon, a resident of the historic district, expressed no great concern about the project itself. He suggested that “one of the problems is that this may have been a project which the Historic [Resources] Commission kicked the can down the road ...” He expressed the opinion that because of the density and the proposed size of the structures, “the Historic [Resources] Commission should have rejected the proposal.” He suggested that the project be sent back for reconsideration by the Historic Resources Commission.

(11:40:33) Jed Block advised that he owns two properties in the historic district and is a resident of one. He expressed the opinion that density and massing was “pushed down toward the Planning Commission” by the Historic Resources Commission. In reference to a displayed slide, he discussed the condition of multi-family apartments “to the left.” He expressed opposition to the use of stucco, and concern over several of the existing trees. He inquired as to how the Board members would “feel if it was built across the street from you.”

(11:44:57) Marlene Hannafin, a resident of North Minnesota Street, advised that Art Hannafin built “our complex, five homes, ... in the historic area ... twenty years ago. ... At that time, our parcel was approved for six two-story homes and we chose only to build five because we wanted to have more open green space, and very sensitive the area.” Mrs. Hannafin advised that the historic district “is a very big walking area.” She advised of being asked regularly about the age of her home “because it looks historical. We had to build by the codes. This apartment building does not look historical.” She expressed the opinion that allowing the proposed development will “just open Pandora’s box and we’re going to have more and more of that. Where does it stop? If you approve one, then what about the next one that comes up.” She expressed opposition to the proposed development.

Mayor Crowell entertained additional public comment and, when none was forthcoming, entertained additional comments from the applicant and his representative. (11:46:57) Mr. Bauer advised he had nothing further to add, and expressed appreciation for the Board’s attention to all the comments. He advised of the intent to be “good neighbors and do whatever is in our power to preserve the historical aspects.” Mayor Crowell thanked Mr. Bauer for his investment in the community.

Mayor Crowell expressed concerns over the project massing and the parking. Mr. Plemel described the historic district “as an overlay district that has a lot of different zoning. This zoning, generally, on the far eastern side, closer to the commercial corridor, is zoned residential office and multi-family is a conditional use there. We’re not talking about multi-family everywhere in the historic district. Everything is single-family generally southwest of this location and west of Minnesota Street ... The conditional use is multi-family in residential office zoning. ... This is not setting precedent for multi-family all throughout the historic district.” He acknowledged that part of the finding for staff’s recommendation of approval is that the health and welfare of the surrounding area will not be harmed by the proposed development. In response to a question, he was uncertain as to how the appellant addressed said finding. Mr. Plemel advised that “another finding is general compatibility standards and ... probably the appellant’s arguments are more addressed toward the compatibility and material damage to surrounding properties.”

Supervisor Walt noted that three of the Board members have businesses which are housed within the historic district. She advised that her family’s residence is on the west side. She expressed appreciation for the volunteer advisory commission members. In reference to Planning Commissioner comments, as reflected in the July 27, 2011 minutes, she disagreed that Division Street “is all offices now ...” Supervisor

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Walt described the traffic on Division Street as “horrendous,” and expressed concern regarding safety relative to preschools along Division Street. She expressed support for “urbanizing areas within this community ..., for building more multi-family housing ... but the question is if it’s appropriate in this area.” She expressed a preference to “preserve and continue to support what we have going in the historic district because it is ... I just think about Halloween. ... it’s sacred to this community.”

Supervisor McKenna advised of having previously worked at a very busy accounting firm located at 444 West Washington Street, and of having wondered “why that whole block hadn’t been turned into offices ... back in the early ‘90’s. There are offices all over the place, there was a hospital there. You can claim to have this in the historic district, but this is an economic office area, a business area.” Supervisor McKenna expressed the opinion that the subject project “is one of the few ways that you’re going to have a continuation of residences in the area.” He provided historic information on the uses of the property at 444 West Washington Street. He suggested “you have to pick your battles,” and expressed the opinion that “keeping this one historic ... is [not] a battle that anyone should fight.”

Supervisor Abowd expressed opposition to the stucco in consideration of the historic character of the area. In consideration of Art Hannafin’s comments, she expressed the opinion that “the highest and best use of that particular property does not preserve the charm of the historic district and that is one of the selling points of this community ...” She didn’t see the “wisdom and necessity of putting that high a density and that mass and scale on that particular piece of property.” She suggested that two duplexes and charging higher rents would be more sensible “to make that pencil.” She expressed the opinion that ten foot and five foot lawn areas are “really not enough space for a child to play.”

In response to a question, Mr. Plemel advised that the proposed project is not a deed restricted affordable housing project. Supervisor Aldean commended Mr. Bauer’s character, and advised that her company made a fairly substantial investment in the historic district. “One of the things that attracted us to that part of town was the historic character of the area and we tried to do our best to mimic that.” She acknowledged the “delicate balance between ... the rights of the property owner to develop their property in accordance with their needs ... and ... preserving the historical integrity of the district.” As noted by other Board members, the historic district’s character distinguishes Carson City from other communities in the State. Supervisor Aldean expressed sympathy for the applicant, but advised of a struggle over “accepting a design that ... is incompatible with the surrounding uses.” She acknowledged the eclectic nature of the area, and expressed the hope that “over time, some of the things that were developed without taking into consideration the historic character of the area will be demolished and replaced with ... structures that are more compatible.” She read from the mid-century report relative to duplexes and triplexes in the historic district which “do not detract from the predominantly single-family houses as they too respect the scale of the existing neighborhood.” Supervisor Aldean expressed respect for staff’s work and for the applicant’s intent to “do something worthwhile in this neighborhood, but it’s unfortunate that his plans don’t appear to be as compatible as they should be with the existing architecture in the area.”

Mayor Crowell reviewed the Board’s alternatives relative to action, and entertained a motion to uphold the Planning Commission’s decision. Supervisor McKenna moved to uphold the Planning Commission’s decision. Motion died for lack of a second. Mayor Crowell entertained a motion to reverse the Planning Commission’s decision and deny the special use permit; however, none was forthcoming. Mayor Crowell noted the third alternative to send the item back to the Planning Commission for reconsideration. (12:00:54) In response to a question, Mr. Bauer expressed a preference for the project to be returned to the

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Planning Commission or the Planning Division staff in order to work on a “somewhat different design.” Mayor Crowell entertained a motion. Ms. Pruitt advised that the project will also be required to be resubmitted to the Historic Resources Commission if there are alterations to the design. Supervisor Aldean encouraged this. Supervisor Abowd moved to return the project to the Historic Resources Commission and the Planning Commission for further revision and consideration. Supervisor Aldean seconded the motion. In response to a question, Mr. Munn provided clarification relative to the circumstances by which the project will be returned to the Historic Resources Commission. Mayor Crowell entertained a motion. **Supervisor Abowd moved that SUP-11-042 be returned to the Planning Commission for reconsideration in view of the discussion on the record. Supervisor Walt seconded the motion. Motion carried 4-1.** Mayor Crowell thanked Mr. Bauer and Mr. Salzano for their professionalism and for the courtesy by which everyone delivered their testimony. Mayor Crowell recessed the meeting at 12:03 p.m. and reconvened at 12:12 p.m.

19(B) POSSIBLE ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE, TITLE 17, DIVISION OF LAND, SUBDIVISION OF LAND, CHAPTER 17.06, FINAL MAPS, SECTION 17.06.015, TIME LIMIT FOR RECORDING, AND CHAPTER 17.09, PLANNED UNIT DEVELOPMENT, SECTION 17.09.055, TIME LIMITS FOR FILING APPLICATION FOR FINAL APPROVAL, TO MODIFY THE TIME LIMITS FOR RECORDING A FINAL MAP IN ACCORDANCE WITH NRS (ZCA-11-049) (12:12:49) - Mayor Crowell introduced this item, and Mr. Plemel reviewed the agenda materials. Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Aldean moved to introduce, on first reading, Bill No. 117, an ordinance amending Carson City Municipal Code, Title 17, Division of Land, Subdivision of Land, Chapter 17.06, Final Maps, Section 17.06.015, Time Limit for Recording, and Chapter 17.09, Planned Unit Development, Section 17.09.055, Time Limits for Filing Application for Final Approval, to modify the time limits for recording a final map in accordance with NRS. Supervisor Abowd seconded the motion. Motion carried 5-0.**

19(C) POSSIBLE ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE, TITLE 18, ZONING, CHAPTER 18.16, DEVELOPMENT STANDARDS, DIVISION 7, HILLSIDE DEVELOPMENT, SECTION 7.6.7, FIRE PROTECTION, TO DELETE REFERENCES TO THE PAMPHLET ENTITLED, “WILDFIRE PROTECTION FOR HOMEOWNERS AND DEVELOPERS,” AND REPLACE IT WITH GUIDELINES IN COMPLIANCE WITH THE FIRE DEPARTMENT (ZCA-11-050) (12:14:37) - Mayor Crowell introduced this item, and Mr. Plemel reviewed the agenda materials. Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Abowd moved to introduce, on first reading, Bill No. 118, an ordinance amending Carson City Municipal Code, Title 18, Zoning, Chapter 18.16, Development Standards, Division 7, Hillside Development, Section 7.6.7, Fire Protection, to delete references to the pamphlet entitled “Wildfire Protection for Homeowners and Developers,” and replace it with guidelines in compliance with the Fire Department. Supervisor Aldean seconded the motion. Motion carried 5-0.**

20. BOARD OF SUPERVISORS NON-ACTION ITEMS:

STATUS REVIEW OF PROJECTS (12:16:03) - None.

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PUBLIC WORKS DEPARTMENT WATERLINE PROJECT (12:16:05) - Deferred.

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (12:16:10) - Mayor Crowell noted having previously requested Public Works Department staff to meet with the out-of-county haulers to discuss a possible resolution relative to their concerns regarding the proposed landfill rate and fee increases. Mr. Werner advised that Halloween will be on Monday, October 31st. The Nevada Day Parade will be held on Saturday, October 29th.

CORRESPONDENCE TO THE BOARD OF SUPERVISORS - None.

STATUS REPORTS AND COMMENTS FROM BOARD MEMBERS (12:16:53) - Supervisor Abowd thanked the Chamber of Commerce Leadership Group “who spent all of their Saturday laying part of the pathway at The Greenhouse Project.”

STAFF COMMENTS AND STATUS REPORT - None.

21. RECESS AND RECONVENE BOARD OF SUPERVISORS (12:17:14) - Mayor Crowell recessed the Board of Supervisors at 12:17 p.m. Mayor Crowell reconvened the meeting at 5:28 p.m., and passed the gavel to Redevelopment Authority Chair Shelly Aldean.

REDEVELOPMENT AUTHORITY

22. CALL TO ORDER AND ROLL CALL (5:28:45) - Chairperson Aldean called the Redevelopment Authority to order at 5:28 p.m., noting the presence of all the Redevelopment Authority members, constituting a quorum.

23. CITY MANAGER - POSSIBLE ACTION TO APPROVE AND DIRECT STAFF TO PROCEED WITH DEVELOPMENT OF THE CARSON CITY CENTER PROJECT’S PROPOSED LEASE AGREEMENT AND OTHER NECESSARY TRANSACTION DOCUMENTS FOR FUTURE CONSIDERATION BY THE REDEVELOPMENT AUTHORITY, AS A RESTRUCTURED AND SIMPLIFIED PROGRAM AND PLAN, WHICH INCLUDES THE H&K SCHEMATIC DESIGN WITH THE PUBLIC PIECES DEFINED AS: THE KNOWLEDGE AND DISCOVERY CENTER; PLAZA AND PARKING GARAGE AND RELATED INFRASTRUCTURE; CONSIDERING THE USE OF REDEVELOPMENT FUNDS (\$11,300,000) FOR A PORTION OF THE PROJECT FUNDING (5:28:53) - Chairperson Aldean introduced this item. Member Crowell disclosed that his brother is a member of the Library Foundation Board and the Friends of the Library Board. He further disclosed that an associate in the Reno branch of his law office is a member of the Library Foundation Board. He advised that neither individual would financially benefit from any action taken as part of this item. Member Crowell further disclosed that, through a corporation, he owns property in Carson City Redevelopment Area Number 1, “and that property will not benefit any differently than any other property in the redevelopment area. Therefore, I intend to vote.” Chairperson Aldean entertained additional disclosures. Vice Chairperson Abowd advised that she also owns property in the redevelopment area but will not benefit from the subject project. Chairperson Aldean advised that she also owns property in the redevelopment area but will not benefit from the subject project.

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Mr. Werner provided background information on this item, provided an overview of the presentation, and reviewed the agenda report. (5:33:28) Library Director Sara Jones narrated a PowerPoint presentation of the Knowledge and Discovery Center, which included a video. (5:58:32) Jack Trainor, of Trainor and Associates, narrated a SlideShow presentation on the economic benefits of the knowledge and discovery center. (6:06:51) Jeff Klippenstein, of H+K Architects, provided background information on his firm and on their involvement in the subject project. He narrated a SlideShow presentation of the conceptual project design, copies of which were included in the agenda materials and displayed in the meeting room and throughout the Community Center.

In reference to the “Questions Asked of Steve Neighbors on the Proposed City Center Project, September 7, 2011,” included in the agenda materials, Mr. Neighbors provided additional clarification relative to the third bullet point under question #3. He advised that the Mae B. Adams Trust now owns all the land. “If the Board decides to go forward, the Mae B. Adams Trust, of which I’m the sole trustee, ... will then ... transfer title deed of the land under the public’s part to the development company. The part that’s not in the public part will be transferred to the Hop and Mae Adams Foundation. So the Hop and Mae Adams Foundation is set up for the benefit of the community and the youth of Carson City. So those funds, whatever value we can extract out of the private portion, will then go to the Hop and Mae Adams Foundation and whatever those trustees want to do with that.” Mr. Neighbors expressed a willingness “that if, for whatever reason, the City gets into an issue on its side of it, we will first look to assisting the City, loan it the money it needs and, at some point in time, when the City’s rich again, they can make it right to the Foundation so we can do our job for the rest of the community.” He acknowledged that “at some point in time, the Trust is going to be transferring all of its assets to the Foundation.” “Eventually the Mae B. Adams Trust ... has been ... holding everything to let the City decide first what it wants to do. The Mae B. Adams Trust focus is really the Nugget and then, whatever the City wants to do with its real property. So the Mae B. Adams Trust is extending an opportunity to the City to see what it wants to do with its land. If it wants to do this development, then we will deed that land over to the City for the public portion. We’ll then deed all the other land over to the Hop and Mae Adams Foundation. Eventually, the Mae B. Adams Trust will gut all its assets to the Foundation and / or development to the City, between the two of them.” In response to a further question, Mr. Neighbors stated, “If whatever reason the City believes it’s in trouble on its lease payment, the Hop and Mae Adams Foundation is willing to first help the City with that before it does other projects.”

In reference to the statement in the last part of the second bullet point under question #4, Mr. Neighbors assured the Redevelopment Authority that the Hop and Mae Adams Foundation, the Mae B. Adams Trust, and the Nugget have the resources to “pull our part.” “... what we’re willing to do is ... disclose those resources to the Board of Supervisors, to the City staff ... We will immediately, upon the set up of the development LLC, deed over the public land. So, we’ll make that commitment. There will be some cash that will need to be donated by the Mae B. Adams Trust and the Hop and Mae Adams Foundation and we’ll deal with that as well. We’re presently in the process of looking at some of our other assets and we will have this fully funded before we ask you to go forward. So we will step up with all the cash and the property before we ask the City to go forward ...”

In reference to the first bullet point under Question #1, Mr. Neighbors advised that the Nugget is presently owned by the Mae B. Adams Trust. In response to a question, he explained that the Mae B. Adams Trust is not a non-profit trust. The Hop and Mae Adams Foundation is the nonprofit. The Mae B. Adams Trust “took control of the Nugget and the real property. And eventually the Mae B. Adams Trust will disappear

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and it will be the Nugget and it will be the Hop and Mae Adams Foundation.” He acknowledged that the purpose of the Mae B. Adams Trust is to marshal the assets and comply with the trust document. He further acknowledged that the residual assets will be used to fund the Hop and Mae Adams Foundation.

In consideration of the non-profit limited liability company being in existence well past the construction period and involved in the long-term maintenance of these facilities, Chairperson Aldean suggested having the Hop and Mae Adams Foundation be a party to the non-profit entity. Mr. Neighbors advised of the intent for the Hop and Mae Adams Foundation to be represented as part of the development limited liability company. Chairperson Aldean noted the importance of a transition plan, and suggested the appropriateness of the Redevelopment Authority being represented as part of the non-profit limited liability company in consideration of the possibility of allocating redevelopment funding to the project. Mr. Werner expressed a willingness to consider the suggestion, but concern over changing the nature of the limited liability company by virtue of the participation of a governmental representative. Chairperson Aldean inquired as to the possibility of raising revenue for maintenance needs by renting out certain elements of the knowledge and discovery center. Ms. Jones advised that the Library auditorium is currently available for rental purposes. She provided an overview of the provisions of NRS 379 relative to the free accessibility of all public libraries.

Supervisor McKenna inquired as to a financial presentation. Mr. Werner reviewed the Carson City Center Project Report which was included in the agenda materials. In response to a question, he advised that there are no deadlines assigned at this point. “Initially, we want to get the design going and until we have the design actually in hand, ... we need to wait and see what happens with the fundraising contributions. We’d go through a period of time, we’d actually design the parking garage and, hopefully, during that time, then the fundraising occurs. If it looks like we’ve got fundraising in place for both the parking garage and the knowledge and discovery center, we would actually start construction on the parking garage. We would not do that where we did not have all the funding secured for the entire project. And while the parking garage is being constructed, then, we would do the design work on the ... knowledge and discovery center ...” Mr. Werner anticipates returning to the Redevelopment Authority within a month to present possible methods for forming a limited liability or a non-profit corporation for the purpose of project delivery. In response to a further question, he advised that a funding decision is needed today in order to begin fundraising efforts. He provided an overview of the process associated with implementing the 1/8 cent sales tax. Supervisor McKenna expressed concern that “without a date when this whole project evaporates or goes forward, we could be sitting here a year from now, ... [in] January 2013, completely different Board, the money hasn’t been raised yet, and you’re collecting sales tax.” Mr. Werner explained that the Board of Supervisors can determine “that if things aren’t progressed to the point that you feel they need to be, you can undo the sales tax ordinance and you can stop the entire process that way and never have collected a nickel from the sales tax.” With a commitment from the Redevelopment Authority, at this meeting, he advised that staff would propose “to use redevelopment funds to help get the architectural work started so that on the general City side of things, you’ve got time then to make these things work. ... But each one of those steps would require coming back to this Board for approval.”

Chairperson Aldean expressed concern over the necessity of going beyond a conceptual design for purposes of fundraising. She expressed reluctance to investing in design of a parking garage that may never be constructed if the project doesn’t move forward. Mr. Werner assured the Redevelopment Authority, “We won’t build the parking garage if we don’t have the funding in place, but we need to do it all as one piece up front. You can’t separate out the parking garage without the site development ... so that part has to

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happen initially; not the knowledge and discovery center but the site work needs to be done.” Mr. Werner expressed the opinion that “without making that commitment, we haven’t shown any potential investor that we’re really going to do this project.” Chairperson Aldean suggested that the Nugget commit to reimbursing the City for any funding spent on the parking garage design if we decide not to move forward with the project as a whole. “That way the City does not have money at risk for designing a structure that it doesn’t intend to build.” Mr. Werner advised that the decision would be under the Board’s purview and “up to the Nugget to determine whether or not that’s acceptable.” Chairperson Aldean pointed out that if the parking garage is not constructed in conjunction with the knowledge and discovery center, the Nugget will have access to those designs and can proceed independently.

Mr. Neighbors advised that the Mae B. Adams Trust “is pushing for the garage. The Nugget ... would prefer surface parking.” He expressed confidence that the Library will be able to raise funds and in “what the Mae B. Adams Trust can do. If the City wants to go forward and let us start putting the time together to put the agreements together, to vet all the issues and bring them before you and, at the same time, to save time to get the architect started, ... Mae B. Adams is willing to commit to work out some deal that’s acceptable to the Board of Supervisors and the City Manager on what refund if it doesn’t happen. So, we’ll step up to the plate. ... If the Library isn’t able to raise the funds, we’ll participate.” Mr. Werner reiterated that “if the project doesn’t go forward as a full project, there’s no advantage to the parking garage to anybody. I don’t think anybody would want to build it if the entire project does not go forward. ... there’s safety in that because it has no advantage to the Nugget itself.” Discussion followed, and Mr. Neighbors advised that “the Nugget isn’t interested in building a garage on its own. ... I don’t know what past owners made a commitment to or not ... I just know what I, as the Mae B. Adams Trustee, am willing to do and I think I’m stepping up to the plate much more than what they’ve committed to. ... I have no problems committing to whatever the cost of the garage is. ... Mae B. Adams Trust will cover the cost of the garage drawings if this project doesn’t go forward.”

In reference to the retail wrap of the parking garage, Supervisor Abowd inquired as to where the lease proceeds will be allocated. Mr. Neighbors advised that all lease proceeds for that space will be allocated “to the Hop and Mae Adams Foundation to be brought back to the benefit of the community, as well as all leases on all the private sections ...” He further advised that the “real estate of the actual building is owned by the Mae B. Adams Trust. The Nugget is a tenant and all the rents from that will also go to the Hop and Mae Adams Foundation.”

In response to a question, Mr. Werner advised that the proposed action would “pretty much use up the redevelopment funds that we have available to us ...” He clarified that there are separate line items for funding ongoing events, community support, etc. “That probably would continue, but the incentive monies, the kinds of things that we use for infrastructure improvements ... would be utilized for this project.” In response to a further question, he anticipates that the entity referenced in the City Center Project Report “won’t be a non-profit ...” In response to a further question, he advised that interest rates appear to be fairly favorable. “But we’ve not got anything in writing from any of the people that were interested in providing some funding to this.”

Member Crowell discussed the importance that no transaction will create a liability or debt for the City. He inquired as to any level of comfort from the financial advisors that a lease which does not create debt can be drafted and that a lender will lend “assuming that the money ... offered here tonight is actually in hand.” Mr. Werner advised of “a pretty good sense that we can craft this ... [to] ... not create debt to the

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City. We've been working very carefully with our financial advisors and that's why we've raised some concerns about the makeup of the LLC, ... and then how we ... craft it as either a non-profit, for-profit ... The other thing is the underlying, ultimate disposition of the land; how that's worded ... If this appears to be a lease purchase arrangement, then it ... will be debt to the City. It'll be carried on the books as debt even though we may not be obligated to pay that debt ... If we do this as a straight lease from this other organization, than it is not characterized as debt for the City." Mr. Werner advised of a lot of interest from lenders. "They're looking to see how that's structured also; whether or not they would be able to loan reasonable rates based on that. We do not have those answers but, again, that would have to be one of those things we'd have to have an answer to before we could go very far beyond what we're talking about today."

Mr. Neighbors stated, "It has always been the Mae B. Adams Trust position ... that the City would not sign on any debt. It would not guarantee any loan. It would be simply looking to a lease." He advised of having met with a number of lenders and "thus, the structure of having a development company that isn't the City. ... It's the development company that enters into the debt agreement with the lender. And to entice a lender to walk into this is why we need to ... put enough into the project that they're comfortable. So, big picture, it's a \$49 million project. The City and the Redevelopment Agency are only going to pay ultimately \$24 million. We have to come up with the other \$25 million as a down which includes the land as well. So why this becomes finance-able is there's a project that's \$25 million down, ... it's fully collateralized with the land and the property." In response to a question, Mr. Neighbors suggested, "basically, it's like going and buying a house, putting 50 percent down, and then giving the collateral of the house ... as a mortgage. And that's a finance-able transaction." He acknowledged that if the cash is not available, "we don't go forward."

Mayor Crowell inquired as to whether development companies, like the referenced LLC, have been used in any other financing at the State level or in any other Nevada municipality. Mr. Werner advised of similar development companies, "but they've used the municipal government's lease as a lease purchase as a conduit to get bonding in which case then it almost acts as a transaction as debt to the local government. What we're doing is unique. That's not occurred here in Nevada. ... We're not seeing any ... legal roadblocks to that. It's a matter of whether not you can get funding to it, but it breaks that bridge between being a conduit of the City and debt service and, ultimately, being responsible for that debt ..." Mr. Neighbors provided additional clarification, and expressed a preference for "the development company ... being run by a board where the City was involved in it and, really, the trust was a minority vote on it." Discussion followed to further clarify that the Nugget is currently an asset of the Mae B. Adams Trust. Mr. Neighbors provided background information on the original City Center proposal, and his plans to sell the Nugget if the City decides not to proceed with the City Center project. He acknowledged that everything in the Mae B. Adams Trust is being committed for the first benefit of the City Center project.

Mr. Neighbors acknowledged that the City will be given \$23 million to build a \$50 million project. Supervisor McKenna inquired as to the "realistic possibility of raising the \$18 million;" to which Mr. Neighbors responded, "Very real." He expressed absolute conviction that he and Ms. Jones "can accomplish this."

Chairperson Aldean entertained additional questions of the Redevelopment Authority members and, when none were forthcoming, reviewed the purpose of the subject item. She advised that the same item will be considered by the Board of Supervisors, together with additional funding sources. She explained the requirement for Redevelopment Authority actions to be ratified by a super majority vote of the Board of

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Supervisors. At Member Walt's request, she specifically reviewed the elements of the Board of Supervisors action. Mr. Werner provided additional clarification of the Redevelopment Authority item.

Chairperson Aldean entertained public comment. (7:13:41) Bruce Kittess advised of having been the "one nay vote at the August 8th [Carson Nugget Development] Advisory [Committee] meeting." He advised of having "spent his whole career in land development and subdivision and ... [doesn't] really enjoy being someone who doesn't like the project." He commented on and questioned various figures and statements in the Carson City Center Project Report. He commended the assistance provided by the redevelopment process to communities around the country, and read a prepared statement into the record.

At Chairperson Aldean's request, Mr. Neighbors responded to Mr. Kittess' questions. Mr. Neighbors commended Mr. Kittess' questions, and stated, "The land is being donated to the development LLC. The development LLC will build the stuff ... and when it's all said and done, half of it will be put down, the cost; the other half will be financed. All the lease payments received will go to pay off the debt. When that debt's paid off, the building, the land, everything is the City's. The Mae B. Adams Trust does not want to be paid for the land."

Mr. Kittess expressed confusion of the words "downpayment of land" as reflected in the City Center Project Report. "If you're donating the land, the \$4.5 million, ... but you're donating the land to the entity. We got that part. That's good. But, then, I'm confused when it says, 'We'll lease the building for ... and the proceeds going toward the purchase of buildings, improvement, and land.' What land are lease payments going to buy?" Mr. Neighbors noted the "\$49 million development. It includes \$4 million of land. You don't want to know how much I paid for it. It's more than that. So, when the \$24 million debt is paid, all of the building, all the land becomes the City's." In response to a further question, Mr. Neighbors stated, "You're only paying \$24 million." In response to further questions, Mr. Neighbors stated, "It's a total of \$49 million. I don't know what the \$24 million is for. ... we're putting down \$25 million total and the remaining is \$24. When the City pays the \$24 [million], they own the land, the building, the discovery, the plaza, the garage; they own everything."

Chairperson Aldean explained that the down payment is part collateral for the loan. That's why he referred to it as a down payment. Mr. Neighbors acknowledged that "all we're ever asking for the City is \$24 million. And if we blow it, we have to come up with it; not the City." In response to a further question, Mr. Neighbors stated, "The City is in the lease and they enter and start paying the lease only when they occupy the building and the bonded project is completed." In response to a further question, Mr. Neighbors advised the Mae B. Adams Trust does not own the insurance building property. In response to a further question, he advised that the insurance building owners want to participate "in the private side. ... Everything that we're dealing with, the public property, ... I do own, one hundred percent." Mr. Kittess inquired as to the 36-space parking lot that is between Stewart Street and the discovery center. Mr. Werner explained "it's not necessary for the building. It was shown from a schematic standpoint and, if ultimately we get to the point that we need that it's available, it's there. But it was shown as a good design element but as far as those 36 spaces, they're not needed. If you don't own it, we don't have to build on it."

(7:28:38) Assemblyman Pete Livermore advised that the purpose for his attendance was to "speak on the issue of forcing Carson City taxpayers to assume a crushing debt not of their making, not of their consent." He acknowledged the support for the new library, but expressed the opinion the supporters don't "grasp the magnitude of the real cost." He expressed opposition to "commit[ing] millions of dollars without a

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vote of the citizens.” He provided historic information on a proposal to “use Fuji Park as the location to build a new Wal-Mart,” and the subsequent advisory question. He suggested, “Today, those same voters demand to be allowed to participate in this critical decision by putting the Nugget project on the ballot. It is, after all, their money.” He provided historic information on his service as a member of the Carson-Tahoe Hospital Board of Trustees at the time the proposal to upgrade and expand Carson-Tahoe Hospital at the Fleischmann Street location was presented. “... today, we all benefit from the path the hospital board took; a path that did not require one red cent of public money. The new Carson-Tahoe Regional Medical Center has brought this community huge economic benefits with over 1,600 employees and the best healthcare you could find anywhere.” He suggested that if the “Nugget Foundation truly has the means, as it publicly states, then let the Foundation build the library and operate it. Transfer the operations of the Library to the Foundation and let them do as others have.” He encouraged the Board to “not indebt future generations to bear these costs. If you must move forward with the City building the project,” he urged the Board “to put this in an advisory board. If you understand the project,” he expressed confidence “the voters will understand it.” He expressed the opinion that the citizens “want a voice in this project,” and encouraged the Board to “let the people vote.” He quoted Mayor Crowell during the appeal of the Planning Commission decision held earlier in the meeting. “This is what democracy is all about.” Assemblyman Livermore reiterated the request to “let the people vote.”

(7:32:24) Carol Howell thanked Assemblyman Livermore for his comments, and expressed the opinion that the project “should have been on the ballot Tuesday. There was no reason for it not to have been.” In response to a question, Mr. Neighbors advised that the Mae B. Adams Trust and the Hop and Mae Adams Foundation are for the benefit of the community’s youth. In response to a further question, he explained that he is the Mae B. Adams Trustee from Idaho. He has a gaming license. As the Mae B. Adams Trust, he is “holding the casino for decision from the City. If the City decides not to go forward with this, [he] will sell the casino and the Mae B. Adams Trust will then transfer that asset over to the Hop and Mae Adams Trustees. The Hop and Mae Adams Trustees own other assets which, in particular, farms in Idaho. It is then up to the Hop and Mae Adams Trust to invest the money they get into whatever assets their comfortable with and then bring profits back to the youth and community of Carson City.” In response to a further question, Mr. Neighbors advised that “it just isn’t the concept that it’s going to be cash just dumped into the community. It’ll be invested in assets and those profits will then come back.” Ms. Howell commended the current project, and stated she “hated the first project, everything about it.” She stated that the “City staff supported the first project, are supporting this project, and we come here tonight and there’s no financials for us to look at.” Mr. Werner advised “it’s all on the record. It’s all on line. It’s all part of the Board packet, the full document.”

(7:36:16) Frieda Ford advised of having corresponded with the Board members by e-mail, and urged them to vote “yes on everything tonight.” She acknowledged the “most significant decision for the future of Carson City. ... Either you will vote yes and you will bring new hope, life, and vitality to our beautiful City or you will vote no, perhaps hoping for the tide to turn on its own without any intervention from you.” Ms. Ford reiterated her request for the Board to vote yes. “When this project is completed, it will be something all Carsonites can be proud of - a beautiful knowledge discovery center with a modern innovative look yet reminiscent of the old Roundhouse which was so foolishly demolished years ago. The plaza will be a wonderful center with fountains in the summer, ice skating in the winter, events all year round, a place to meet friends for coffee and companionship.” Ms. Ford expressed the hope the Board “will have the courage to go out on a limb and vote yes.” She expressed confidence that the Board members have “listened to all the pros and cons and have seen several presentations on the proposals, have read all the

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information that has been given to you and you have thought long and hard about your decisions. So now, it is in your hands to take the right action for Carson City.” Ms. Ford thanked the Board for all their hard work.

(7:38:38) Dr. Stuart Stoloff advised of having practiced family medicine in the community for the last thirty years, and provided additional background information on his medical qualifications and experience. He advised that he is one of 16 people in the country who writes guidelines for asthma. “That’s supposed to change health care for a disease. It is based only on one concept, education.” He suggested, “That’s what this process is about tonight, education. We utilize, through the federal government ..., every innovative technological application that is presently available ... That is what this project is about. We have a guarantee that 50 percent of the project ... money is readily available. There’s almost nothing being built anywhere that has 50 percent guarantee. Here it is. We have a way to go and the organizing body behind it is say, ‘You know what, I’ll guarantee, if I can’t get this thing off the ground, I’ll refund the money to you. You will not be in a failure position. You will not be holding the bag.’ Our children, our youth in this community need an opportunity as do all adults in this community to move forward with the technology that we are facing.” Dr. Stoloff expressed the opinion “we do not need to go back to a vote of the people because they already voted you into office in order to make the appropriate decisions for this City. The youth, the community, the older individuals in this group need you to support this for only one reason: education.”

(7:41:14) Dave Campbell expressed the opinion that “the Nugget project is a done deal. The only reason it wasn’t on the ballot was it’s already a done deal. You’re not going to ask us anyhow so go ahead do what you’re going to do.” He expressed concern over the funding. “In direct opposition to the wishes of the taxpayers, this August body with some different populations, perhaps, sold bonds to pay for the cockamamie V&T. The bonds were supposed to be serviced by an increase in the sales tax. Those sales tax revenues, we now know, are inadequate so we have to service the debt out of the general fund. In other words, we have two things. We have a general obligation bond and we have a sales tax. They are, in reality, unrelated. From the taxpayer viewpoint, it was at least a head fake, if not a scam ... The proposal now is to finance, without a vote of the people, the Nugget project with bonds secured by an increase in sales tax backed up by general funds. Shades of the V&T. What you are proposing, actually, are two items: general obligation bonds, which is debt, and the sales tax increase. NRS permits the sales tax increase only with the camouflage of supporting the new bonds but the two are, in practice, unrelated. It’s an echo of the V&T financing and will be just as beneficial to Carson City’s taxpayers.” Mr. Campbell suggested writing the bonds to be secured only by the sales tax increase with no general funds obligation. “If that’s the way it works out, it would provide a pretty sure, unbiased, marked-based professional financial analysis opinion that the tax increase would not be enough.” He suggested “maybe ... the whole Nugget project is a bad idea. ... The bonds and the sales tax are separate and unrelated. Don’t run another scam.”

(7:43:51) Jed Block compared Mr. Neighbors’ offer to a son asking his father to buy a car and allowing the cost to be reimbursed. He compared the eight acres around the Nugget to a black hole. “The legacy of twenty years ago, the V&T shops going away, ... we’ve got an EPA waste dump. Guess what, if you guys are afraid of \$23 million, look at Mercury Cleaners. We’ve got some real stuff coming up that’s going to affect the City in an adverse way.” Mr. Block expressed the hope that everyone in the room is still here in twenty years, and suggested the real benefit of the project will not be realized for ten or fifteen years. “There’s a method of thought that if we’re not growing, we’re dying.” Mr. Block expressed gratitude that

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“our City fathers are smart enough to own the landfill. We have money there. It’s a great project.” He reviewed systematic improvements, by “Mr. Neighbors and his group” to “the bad parts of the Nugget.” He expressed the opinion that the project is viable, and discussed the importance of moving forward without negativity.

(7:50:41) Former Library Board of Trustees Chair Phyllis Patton advised of having been involved in the subject project for the last two to three years. “I’ve seen all the hard work that’s gone into it. The Library has done all the stuff that they need to do to show that they need a new library. This library is woefully too small for the size of this community.” She explained that the 1/8 cent sales tax cannot be used to supplement the general fund. “It is something that the State Legislature gave you the opportunity to use for cultural and leisure capital projects only; not to supplement your general fund.” There was no advisory question on the ballot “last Tuesday because it could not be put on a special election ballot and that’s the only reason.” Ms. Patton further advised “this has never been proposed to be paid for by bonds. Mr. Neighbors has generously proposed to donate, between himself and what the Library’s auxiliary organizations say they can privately raise, over half of what this project is supposed to cost. That means the citizens are being asked to invest in their community for less than half of what the project is going to cost. And as far as why now, there is no better time to invest than when things are down and the cost of borrowing money is low, the cost of construction is low. Any financial advisor worth his salt will tell you, ‘Now is the time to invest.’” Ms. Patton expressed an interest in “the citizens of this community invest[ing] \$26 a year ...” She expressed confidence that the Library Foundation or the Hop and Mae Adams Foundation could probably “buy you this garage and build this library but that’s not a public library. That’s a private library with no investment from the City.” She requested the Redevelopment Authority’s support and advised that private fund raising cannot begin “until we know for sure that the City is in this and in it to stay.”

(7:53:49) Sid Svenklepft, a Carson City resident for the last eight years and general manager for Weinbrook Machining, also in Carson City. He advised that Weinbrook Machining competes directly with overseas companies. “My competition is on their toes 24 hours a day ...” In consideration of a strong community, he discussed the importance of “integrat[ing] all aspects of every age, every government agency, schools, private people, the entire community has to pull together to help businesses, schools, the library, the elderly, the young, to make it a strong success. If I can go, as a business leader, and find a space where I can meet with high school students to get their ... spark up and maybe ... convince them to open a business in Carson City, to create jobs here ... we can introduce kids to all kinds of possibilities, opportunities we currently don’t have. ... Why not create a knowledge and discovery center where all of those things can work perfectly together.” In consideration of his business’s international competition, he advised “things we have done for ten, twenty, thirty years are not working anymore. The business I’m currently operating is 35 years in business. Back in the day, people would throw million dollar orders at you and you wouldn’t even have a big problem to make money. Today, it’s a totally different environment. If we continue with the way we do business for the last twenty years, we’re doomed and that’s seriously going to be our biggest problem in this community.” Mr. Svenklepft expressed strong support for the project, reiterating the opportunities for the young people in the community. He expressed the belief “it will be worth our time and the money invested.”

(7:57:01) Ben Contine expressed gratitude for all the citizen comments, and understanding for the concerns, in this economy, about reckless spending. He expressed the opinion that just saying no to everything is “equally irresponsible. ... Now, more than ever, the decisions on whether we spend money or not ... need

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to be made ... on whether the investment, the return, is something we can look forward to. We need to invest money in places where there's strong public / private partnerships. Now, more than ever, we need to invest in things that correlate with the changing economy, that are forward thinking. We must invest in things that ... help our community diversify. We know too well the dangers of having an economy that isn't diverse. A diverse economy helps us grow. It also helps us avoid some of the pitfalls that we find ourselves in now." Mr. Contine advised that he is a teacher and that "most of [his] life is committed to education." He thanked Mr. Svenklepft and people in the business community who have made strong commitments to partnering with members of the education community. He expressed the opinion that this project, "more than anything else, is one of those ... that facilitates that symbiotic relationship between business, education, community, government. Businesses now are looking for workers who are innovative ... creative, problem solvers, flexible and with strong technical skills. This project is not a panacea ... but it ... helps with every single one of those categories. Businesses when they come here have a ... couple basic questions. Can I find good workers? Can I find people who can run my manufacturing machines? Can I find people who are innovative or problem solvers? Their second question is: 'When I bring my children here, are they going to have opportunities to enhance their education? ... Can [I] realistically expect, if I come to this community, that my kids will be able to compete at the highest level universities; that will be able to compete in businesses in a global community?'" Mr. Contine noted an observation that "we don't inherit our world from our parents but that we borrow it from our children." He advised that he has a 7 year old son, and hopes to be able to tell him the story of how Carson City "invested in knowledge ... discovery ... and wisdom." In consideration of his teaching career, he thinks about how he has invested in his students' futures. Mr. Contine requested the Board to support the project. He acknowledged the difficult decision, and offered any support needed.

(8:02:33) Parent, Clinical Psychologist, and recent soccer coach and PTA member Lisa Keating expressed complete endorsement for the project in her roles as parent and mental health expert. She expressed the opinion that the City Center project will "invigorate the mental health, the energy to young families, to education." She requested the Redevelopment Authority's support.

(8:03:15) Steve Machiko, representing "over 1500 union carpenter families," reminded the Redevelopment Authority of their role in representative government and their responsibility to make a decision. He expressed appreciation. In reference to accusations that carpenters "just want the jobs" associated with the City Center project, he stated, "You're absolutely right." He advised that the carpenter union members are very proud to have supported their community, working on almost every major project built in the Carson Valley. "They're highly skilled workers that live and raise their families here and they're your friends and neighbors. Unemployment rates are at about 10 percent. ... in construction, it's no secret. Closer to 40 percent." He advised that many carpenter union members have lost their homes and are "out there looking for any kind of jobs right now." He expressed the opinion that the City Center project is about "the future of Carson City, the future of the young adults that are coming up." He expressed support for the project. "There is no status quo. You either have growth or decline and right now we're not doing real well out there in most of the communities." He noted the opportunity "not only to support the new knowledge and discovery center but to begin a process of stimulating interest for developers to look at our City with hopes of providing new and other developments and ... construction work that's desperately needed in the area." He expressed the strong belief that "you've got to invest your own money in your own community before other developers will look at you and put their money in your back yard." He expressed appreciation to the Board of Supervisors and the Redevelopment Agency and the hard work everybody involved has done on this. He expressed appreciation for the proactivity and the display of "true leadership in a very trying

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time in trying to move a development forward that's desperately needed." He expressed support for the project and for moving forward with the entire new knowledge and discovery center project. He expressed the belief that the project is well designed and will fit well in the community. "The project will provide highly needed temporary construction jobs and many permanent jobs that will help out our community." He expressed the opinion that the advisory board and City staff have completed their due diligence and found the project feasible. "On behalf of the 1500 families that [he] represents," he urged "the Redevelopment [Authority] and the Supervisors to support this project and proceed with the next step on the knowledge center."

(8:06:29) Ralph Swagler recalled Ms. Jones' request for an assistant, from approximately three years ago, being denied due to insufficient funds. He was uncertain as to the funding sources, and expressed concern over the "redevelopment fund ... go[ing] dry on this project." He expressed a preference to allocate redevelopment funding to a project that "generates revenue rather than something that generates expense." He advised of having been a former teacher and expressed understanding for the difficulties experienced in the construction industry. He expressed dismay that "the last couple construction projects ... [didn't] use Carson City people." As a business man, he advised that he makes decisions every day. "Some are correct and some aren't and, when they're not, [he] pay[s] the financial penalty for them being wrong." He expressed concern that if the City Center Project is the wrong decision, he's "still going to, along with everyone else, pay the financial penalty for a mistake."

(8:09:06) Gary Landry advised that he owns a small business in town which delivers internet marketing services. "So I'm a part of that 21st century job market that you refer to in your information packet." As a civil engineer, he advised that he is usually a proponent of development projects. He read from prepared remarks, expressing the opinion that the "Carson Nugget parking garage project and affiliated library building ... is like building a pay phone in a smart phone world. We're not building a library; we're building a monument." Mr. Landry expressed support for "a library," and opposition to "this library." He expressed concern relative to three areas of the project: finance, project control, and community impact. "In the finance area, we've got a significant amount of funding that needs to be done to pay for this project. We're proposing to use \$11.3 million in redevelopment funds primarily to benefit a single business, the Carson Nugget and its adjoining properties." He expressed concern that the "money will not be available to close the deal when a real job creation company comes in and decides between two competing cities. ... It places the most regressive tax, a sales tax, that has the highest impact on the poor, the unemployed, and the underemployed." He discussed concerns that the actual cost of the project is not yet known. In consideration of project control, he suggested "we're going to be funding 63 percent of the cost and getting 37 percent of the representation." He discussed concerns associated with LEED construction of the knowledge and discovery center. He expressed the opinion that "the most favorable alternative" would be to "not move forward with this project. The best use of taxpayer money would be to cancel this project in the midst of the City and State economic uncertainty." He suggested a second alternative to "build the discovery center on the Mills Park land." He suggested the "worst alternative" would be to "approve the project as is. If it's approved," he expressed confidence "that it will be a lot more money than we ever thought. It will not bring jobs as we think."

(8:19:32) Annette Mankins expressed suspicion over something being given to the City "for free." She expressed the opinion that the project will not be an asset to the community's business owners or her "family and friends that are losing homes." She expressed the opinion that "we don't need this large a project and put it on the shoulders of Carson City residents ... that are suffering right now."

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(8:23:51) Gil Yanuck agreed with Ms. Mankins' comments relative to \$24 being a lot of money to some people. He discussed recent increases in water, sewer, and landfill fees. "... this is all additive. It isn't just one isolated item that we do have to think about." Mr. Yanuck advised of having followed the project over the past three years. "Certain groups are still asking basic questions about the financial dealings of the Adams trust. We have yet to know what it really has. Is it able to come forth with everything it says it can?" He expressed support for the "benefits of this project," and concern over the project "empty[ing] our redevelopment fund."

Chairperson Aldean recessed the meeting at 8:26 p.m., reconvened at 8:36 p.m., and entertained additional public comment. (8:37:01) Rob Hooper expressed appreciation for the citizen comments, and advised that he has served on the Carson Nugget Development Advisory Committee together with Bruce Kittess and Chairperson Aldean. He further advised that his comments would be from three perspectives: his role as a professional economic developer, as a member of the Carson Nugget Development Advisory Committee, and as a resident of Carson City. In consideration of economic development, Mr. Hooper expressed the opinion "there is just absolutely no question that this is an essential project for Carson City. ... From a larger point of view, this is a spark plug we're talking about building here." Mr. Hooper agreed with Mr. Neighbors' description of the project as a "tool box." He discussed the recent approach to world economy as measured by "city states." He described the knowledge and discovery center as "an investment in our future, as a City, to be in the game. The old game is gone. The new game is coming. We need to get ready for it." He predicted more business growth as a result of the project. In consideration of his citizens advisory committee service, he advised of having been involved in hearing about the project since the very first charrette. "It's been amazing to me that, at every step of the way, there's as much opposition to this as there is. And the opposition seems to come, not because there's anything really to base it on. It's just like, we don't want it to be so we're going to be opposed. When, really, what I've seen in this process even here tonight is not saying, 'Let's go spend the money now.' It's saying, 'Let's take the next step in figuring out what that money's going to be, how we're going to raise the money, and what this thing's going to look like. So, it's been a very, very up front, transparent process.'" He commended Mr. Neighbors' generosity and investment. In consideration of his Carson City residency, Mr. Hooper expressed appreciation for all the views expressed. He expressed a preference to "be able to walk downtown on that plaza and have a cup of coffee, go ice skating. I want to live in the kind of town that has this kind of city center and ... like that better than the asphalt. ... It's just going to make this town neater." He expressed certainty that the City Center project will improve the value of his residence and bring more companies here. He expressed appreciation for all the hard work invested, and encouraged the Redevelopment Authority "to please move this project along."

(8:45:38) Ron Swircek, a 41-year resident of Carson City and former member of the Board of Supervisors, expressed support for the project. He asked, "What do we want our City to be given the accelerating economic, social, and educational changes of the 21st century? It's an important question. ... Are we going to be what we are today or are we going to do something to meet these changes of the 21st century?" He stated, "Education shapes the demand for a community or region." He emphasized that "the knowledge and discovery center is not just a library. ... it will be a world-class learning and research center for young and old alike. It will be a learning center that ties formal education ... with informal education." He quoted Neal Postman in his book, *The End of Childhood*, "... children [are] little messages we send to a time that we will not see. And most of the communities now across the country are looking as far on the horizon as

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they can look for our kids.” Mr. Swircek expressed the opinion that the City Center project “will be ... huge in shaping the future of Carson City and the region given the accelerated changes of the 21st century.” He urged the Redevelopment Authority to go forward. “You’ve minimized the risk. Keep it moving.”

(8:48:54) Jeffrey Scott, a 17-year resident of Carson City, provided background information on his professional experience. He and his wife, Carol, founded Wild Horse Productions, Wild Horse Theater “... bringing in theater opportunities for both adults and children in our community, with a strong emphasis on arts and education.” Mr. Scott expressed support for the knowledge and discovery center, and the belief that it represents “an important first step to redefine Carson City, in order to establish an environment of educational awareness, diversity, and business opportunity for economic growth. It is also the only proposal I’ve heard for our City in awhile ... that is a long-term vision for the future of Carson City and not just a short, temporary fix to our woes that we have now. We need to look out beyond our lifetime and to our children’s lifetime and our grandchildren as well.” He expressed the opinion that “the core issue ... is education and how education is a component of economic growth.” In consideration of economic growth, he reviewed data from a study of a Congressional joint economic committee. He encouraged the designers to consider a public art component. On behalf of future generations, he requested the Redevelopment Authority to “try not to be short sighted and try to fix everything next year. Let’s look to ten years and twenty years when we can redefine the City.” He expressed the hope that Carson City will be an example to other communities of what can happen when a community acts with courage to turn itself around.

(8:54:43) Vonn Smith, a 56-year resident of Carson City, expressed doubt relative to the mission and purpose of the Mae B. Adams Trust. He expressed support for a new library, and the reason for the City paying to build a five-story parking garage when Nugget representatives “promised to do so thirty years ago ...”

(9:02:52) Fred Voltz suggested the value of “think[ing] beyond the financial considerations of the Carson City Center proposal before deciding how to proceed. Carson City’s 60,000 people have four existing knowledge and discovery centers. There’s Western Nevada College’s Dini Library, the Nevada State Library and Archives, the Carson City Library and its Business Resource Center, and the State Supreme Court Library. All four of those centers operate independently with no sharing of materials, no linked computer systems, and duplicate administrative structures.” He suggested a reasonable question is “Why isn’t a consolidation of these four disjointed entities analyzed by library managers and their oversight boards to potentially better serve the public rather than perpetuating this Berlin Wall style separate and redundancy?” He noted the 3500 public school computers which serve 7200 students in the Carson City School District with “teachers and facilities all in place. Many families have also invested in home computers for their children.” He inquired as to the necessity of “duplicat[ing] what already exists.” He suggested there are “at least four other strategic operating alternatives for delivering local library services that haven’t been considered by anyone publicly ... The first one, intelligently reallocating or expanding the existing library buildings rather than abandoning these structures. Second, co-locating the City library in a grossly underused Nevada State Library building and sharing operating costs with the State. Three, relocating to one of many existing buildings with plentiful parking and easy access such as Sak-N-Save, Toyota’s former site, and the K-Mart center. Four, seamlessly linking and administering all Nevada public library systems, including colleges and universities so that materials are shared rather than needlessly duplicated, collection and circulation systems are universally accessible, duplicate administrative staff are minimized, and volume buying discounts are realized for acquisitions.” Mr. Voltz expressed regret that “both the Carson City Library Director and the Nevada Library Association President have stated they have

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no interest in researching or even discussing any of these operating options that could lead to better, more efficient library services.” He suggested that the Redevelopment Authority direct the library manager and the library board to research and impartially assess “all of the viable operating alternatives before pressing ahead with this, thus far, unjustified project.”

(9:06:04) Doreen Mack discussed the need for the project, noting the associated benefits of foot traffic for the downtown retailers. She further noted the opportunity to work with Western Nevada College and “to get a college presence in our downtown area.”

Chairperson Aldean entertained additional public comment and, when none was forthcoming, entertained Redevelopment Authority member comments. Member Walt expressed support for a new library in consideration of the young people in the community. In reference to the V&T Railway reconstruction project, she suggested building “something in our community so that [young people] stay.” She discussed the importance of “investing in our own community.” She clarified that the project is “about all generations.” She disagreed with comments that the decision has already been made.

Member McKenna expressed understanding for the importance of technology and education in consideration of the future direction of the community’s youth. “... this project has nothing to do with that and I really hate that because I would really support a knowledge and discovery center perhaps in the K-Mart building, perhaps spread all over Carson City. This project is simply about building a civic building downtown ...”

Member Crowell expressed appreciation for all the citizen comments. He noted the history of the Nugget as a curse “in one sense,” which has now turned into a blessing in consideration that the Nugget is “owned by a charitable foundation ... primarily for children.” He expressed the opinion there is no other community in the U.S. or the world has the benefit of such a charitable foundation. He expressed the further opinion that the downtown area is the right place for a redevelopment project. He discussed the various options available, and the merits of the project. He expressed a willingness to take the next step, “given what we’ve heard and given the commitment of the Foundation ... provided it doesn’t create debt, provided the City is not at risk on a lease ..., and provided that the money shows up in the bank before we make a commitment to proceed with actual turning of dirt.”

Vice Chairperson Abowd read into the record Michael Pollard’s comments. Vice Chairperson Abowd expressed the opinion that “digital media and the next generation of technology are better housed in a knowledge and discovery center which will be kept current into perpetuity with the endowment pledged ... This sends a vital message to businesses seeking to relocate that we are invested in education. We need these construction jobs now and we need a competitive and educated work force tomorrow.” She pointed out that no one had mentioned the freeway bypass. “We need to create a draw, ... a hub of activity in our town. It’s vital to keep us going.” In reference to Jack Trainor’s testimony, she reiterated that “the revenue from a library, on average, creates \$4 ... for every dollar spent.” Vice Chairperson Abowd expressed unwillingness to “walk away from a \$21 million gift.” She noted that “many historic decisions are not popular,” and referenced the Golden Gate Bridge, as one of the most contentious decisions in history. She referenced the contention surrounding the consolidation of the city and county governments in Carson City, but noted it as “one of the best decisions ever made.” She quoted a Greek proverb, “Blessings are to those who plant the tree whose shade they’ll never sit under.”

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Chairperson Aldean read into the record comments from former Mayor Marv Teixeira. Chairperson Aldean advised of having received an e-mail from a “very passionate library supporter” criticizing the Board for not moving forward more quickly on the project. She expressed the opinion that “had the Board proceeded based on the previous design, ... we would have been doing a tremendous disservice to this community.” In reference to Mayor Crowell’s comments, she expressed support for including in the transaction documents a requirement for all of the money necessary to proceed with the project to be contributed. “... at the end of the day, we’ve all made commitments. Now, we need to live up to those commitments and if we can’t ... muster the money that we need to make this project a benefit and not a burden, then we shouldn’t proceed with it.” Chairperson Aldean advised of having been involved with the Main Street organization when she first moved to Carson City. “We made some progress. ... we redirected focus on the downtown area. We made the Board of Supervisors, at that time, understand the importance of the downtown area; not only from a historical perspective but also from the standpoint that it is the symbolic heart of our community.” She expressed the belief that “one catalytic project will relieve us of having to dole out little bits of money here and there ... to keep doors open and to keep people prospering ...” She noted that the cash incentive program and the sales tax sharing arrangement have been suspended “because we want to get back to the business of redevelopment ... and that is building something.”

Chairperson Aldean entertained a motion. **Member Crowell moved to direct staff to proceed with development of the Carson City Center project proposed lease agreement and other necessary transaction documents for future consideration by the Redevelopment Authority, as a restructured and simplified program and plan, which includes the H+K schematic design with the public pieces defined as the knowledge and discovery center, plaza, and parking garage and related infrastructure, considering the use of redevelopment funds of \$11,300,000.00 for a portion of the project funding, upon the condition that the execution of a lease for the public improvements does not constitute a debt of the City or the Redevelopment Authority and that no lease obligation or other financial obligation will be incurred by the City or Redevelopment Authority unless and until the non-profit LLC or other development organization has received cash in the amount of \$21,292,300, together with the receipt of the land required to accommodate the City Center Project, with the understanding that if the City determines to participate in design of the parking garage that, as Mr. Neighbors said, those funds will be reimbursed at the time the project funds to the City. Vice Chairperson Abowd seconded the motion. Motion carried 4-1.**

24. ACTION TO ADJOURN REDEVELOPMENT AUTHORITY (9:39:18) - Chairperson Aldean thanked everyone for their participation and entertained a motion to adjourn the Redevelopment Authority. **Member Walt so moved. Vice Chairperson Abowd seconded the motion. Motion carried 5-0.** Chairperson Aldean passed the gavel to Mayor Crowell.

25. RECONVENE BOARD OF SUPERVISORS (9:39:31) - Mayor Crowell reconvened the Board of Supervisors at 9:39 p.m.

26. CITY MANAGER - POSSIBLE ACTION TO APPROVE AND DIRECT STAFF TO PROCEED WITH DEVELOPMENT OF THE CARSON CITY CENTER PROJECT’S PROPOSED LEASE AGREEMENT AND OTHER NECESSARY TRANSACTION DOCUMENTS FOR FUTURE CONSIDERATION BY THE BOARD AS A RESTRUCTURED AND SIMPLIFIED PROGRAM AND PLAN, WHICH INCLUDES THE H&K SCHEMATIC DESIGN WITH THE PUBLIC PIECES DEFINED AS: THE KNOWLEDGE AND DISCOVERY CENTER, PLAZA AND

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PARKING GARAGE AND RELATED INFRASTRUCTURE; AND INCLUDING A PUBLIC COMMENT TO THE PROJECT OF A 1/8TH CENT SALES TAX INCREASE (\$12,000,000) OR ALTERNATIVE FUNDING, AS DIRECTED BY THE BOARD, REDEVELOPMENT FUNDS (\$11,300,000) OR ALTERNATIVE FUNDING, AS DIRECTED BY THE BOARD, AND A ONE-TIME \$500,000 CONTRIBUTION FROM CITY UTILITY FUNDS; THE REMAINDER OF THE PROJECT IS TO BE FUNDED WITH THE DONATION OF THE LAND, FEDERAL AND PRIVATE SOURCES (\$26,000,000) (9:39:51) - Mayor Crowell introduced this item, and incorporated, by reference, all the comments made under the corresponding Redevelopment Authority meeting. Mr. Werner reviewed the agenda materials. In response to a question, he advised that the Recology contract has been "set aside at this point." Public Works Department Director Andy Burnham has been in contact with the Recology principals, who have expressed continued interest. "... they see as the solution to possibly generate more waste stream. So they're out there thinking that there may be a way that they could come back, maybe in a year or so, that ... it would make sense to do the kinds of recycling programs that we were talking about when we first initiated the rate increases. But they understand also the need that the City has," and they are considering ways to bring more waste stream to Carson City that makes entering into a contract more viable. Mayor Crowell advised that all the disclosures made under the Redevelopment Authority item would be incorporated into this item.

Supervisor McKenna expressed concern over the reserve sources "that we're going to count on to operate police, fire, etc. That's my real worry about this whole thing. We put every resource we have into this building and then, suddenly, we either have to walk away from the building and lose our investment in it or ... raise taxes?" Mr. Werner advised that the general fund is currently \$60 million a year "and we're talking about needing about \$1.2 million to \$1.6 million a year for this project. A five percent reduction in expenses, across the board, gets us more than what we're paying for this project. If we left fire and sheriff alone, that's a ten percent reduction in general fund activities for the other departments. Those are all not critical issues. ... because of the relationship of the cost of this project to the overall general fund, it is simply a choice. It's a decision on what you, as the Board, feel is a critical matter." In response to a question, Mr. Werner suggested "we could tighten up on services and invest in the future." He expressed the opinion "you've got a choice of continue on the way you are today. Service levels stay the same, expenses stay the same and we bump along the bottom. ... I feel that an investment at this point may then turn back to us in huge increases in revenues that we get from bringing in businesses, bringing in the kind of dollar return that we see from Mr. Trainor ... that gets us out of the bottom-scraping area and actually start seeing the City come out of this. It's an investment in the future."

In response to a question, Mr. Werner referred to Mr. Neighbors' earlier comments relative to a willingness for the Foundation to "help us through those troubled times if, in fact, we needed to have a bridge for some finances." He acknowledged that years would be added to the lease. In response to a further question, Mr. Werner expressed the belief that the lease will work. "The proof in the pudding will be is if we have people that were willing to finance the project based on the things that we've talked about tonight and actually getting truer costs based on construction drawings and sitting down with financial providers ... So far, we've not scared anybody away with these assumptions. We provided this information ... in a letter to four or five different financial institutions. We asked them to get back to us if they could with what would their lease restrictions be or lease conditions be, what kind of interest rates would we get. We've not received anything other than ... 'Well, we don't know enough about it yet, but we're certainly interested.'"

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Supervisor Abowd expressed the opinion that if the project is not funded, “we don’t create the possibility of increasing revenues and stagnation is what we’re looking at. We need to do something.” She discussed the importance of “fund[ing] this project so that we have an opportunity for this community to move forward.” Supervisor Aldean advised that she is not supportive of this project at any cost. She suggested that the figures provided “seem reasonable. ... If there are wide swings, then I may retract my yes vote ultimately and vote not to approve this project.” She expressed support for moving forward “so that we can further refine the numbers, we can further refine the design, and we can determine, once and for all, if this project is viable.” Mayor Crowell, Supervisor Walt, and Mr. Werner agreed with Supervisor Aldean’s comments.

Mayor Crowell entertained public comment. (9:51:25) Pat Sanderson commended the project as “fantastic,” and provided historic information on his family’s residence in Carson City. “We have gone through all of this time after time after time.” He discussed the opportunities available through the knowledge and discovery center, the state of the economy, Mr. Neighbors’ gift, and the potential ripple effect of the subject project.

(9:59:07) In response to a question, Mr. Werner advised Jim Shirk and the 1/8 cent sales would require a plan to include the duration of the project, but not more than thirty years. Mr. Werner responded to additional questions of clarification. He acknowledged that the entire project will be funded, both publicly and privately, before breaking ground. Mayor Crowell provided additional clarification of the Redevelopment Authority motion. In response to a further question, Mr. Crowell advised that no time line has been assigned to the project, as yet. In reference to the citizens comments, Mr. Shirk advised of never having met Mae Adams. He suggested that her intent was likely not to divide the community over this project. He expressed the hope that “we, as a community, can come together over this project if it goes forward. We don’t need to be divided.”

Supervisor Walt clarified her earlier comments that she does support the V&T Railway, as well as the subject project. Supervisor Aldean expressed her support for the project, provided the Board does not enact a 1/8 cent sales tax increase. She agreed with former Mayor Teixeira’s comments that “this has been one of the most divisive projects during [her] tenure on the Board.” She expressed the hope that “if we found another funding source for this project and didn’t have to resort to implementing a sales tax increase that the opposition to this project would” be softened. She expressed the opinion that landfill revenues are a more reliable source of income.

Mayor Crowell entertained additional public comment. (10:08:18) Jim Carter thanked the Board and everyone involved for their hard work. He discussed challenges which he and his family have faced in the past few years and challenged the Board to move the project forward.

Mayor Crowell entertained additional public comment; however, none was forthcoming. Supervisor McKenna expressed a preference for eliminating the 1/8 cent sales tax “from any possibility of being enacted for this project.” Discussion followed, and Mayor Crowell entertained a motion. **Supervisor Aldean moved to direct staff to proceed with development of the Carson City Center project proposed lease agreement and other necessary transaction documents for future consideration by the Board as a restructured and simplified program and plan, which includes the H+K schematic design with the public pieces defined as the knowledge and discovery center, plaza, and parking garage, and related infrastructure, and including utilization of landfill fees in the amount of \$12**

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million, redevelopment funding in the amount of \$11.3 million, and a one-time \$500,000 contribution from the City utility funds; the remainder of the project is to be funded with a donation of land, federal and private sources in the amount of \$26 million, upon the condition that the execution of a lease for the public improvements does not constitute a debt of the City or the Redevelopment Authority and that no lease obligation or other financial obligation will be incurred by the City or Redevelopment, unless and until the non-profit LLC or other development entity has received \$21,292,300, together with a receipt of the land required to accommodate the City Center project and, further, that if we move forward with refinement of the plans for development of the parking garage, but do not proceed with the project, that the costs incurred by the City or the Redevelopment Authority will be reimbursed by the Mae B. Adams Trust. Supervisor Walt seconded the motion. **Motion carried 4-1.** In reference to earlier comments, Mayor Crowell noted the importance of coming together as a community.

27. PUBLIC COMMENT (10:15:50) - Mayor Crowell entertained public comment. (10:16:02) Ray English thanked the Board members and everyone involved for all their hard work. Mayor Crowell entertained additional public comment; however, none was forthcoming.

28. ACTION TO ADJOURN (10:16:33) - A motion was made, seconded, and carried to adjourn the meeting at 10:16 p.m.

The Minutes of the September 15, 2011 Carson City Board of Supervisors meeting are so approved this 20th day of October, 2011.

ROBERT L. CROWELL, Mayor

ATTEST:

ALAN GLOVER, Clerk - Recorder