

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 1

A regular meeting of the Carson City Board of Supervisors was scheduled for 8:30 a.m. on Thursday, October 6, 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
Neil Rombardo, District Attorney
Tina Russom, 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 (8:29:30) - Mayor Crowell called the meeting to order at 8:29 a.m. Mr. Glover called the roll; a quorum was present. Seventh Day Adventist Church Pastor Ron Torkelson provided the invocation. At Mayor Crowell's request, Deputy Public Works Director Darren Schulz led the pledge of allegiance.

5. PUBLIC COMMENTS AND DISCUSSION (8:30:02) - Mayor Crowell entertained public comments. (8:30:28) Advocates to End Domestic Violence ("Advocates") Executive Director Lisa Lee thanked the Board for the acknowledgment of Domestic Violence Awareness Month. At Mayor Crowell's request, she provided the 24-hour hotline number. She advised that the largest victims' shelter in Northern Nevada is in Carson City, and described the services and assistance available through Advocates. In response to a question, she reviewed statistical information relative to victims' length of stay, job search, education, and incidents of abuse. She thanked the Board members for their support, and Supervisor Aldean thanked Ms. Lee for her good work. (8:33:27) Karl Neathammer reviewed statistical data relative to domestic violence.

Supervisor Aldean noted that October is also National Breast Cancer Awareness month. She advised that the National Breast Cancer Awareness Month organization is a partnership of national public service organizations, professional medical associations, and government agencies working together to promote breast cancer awareness, share information on the disease, and provide greater access to screening services. The organization celebrated its 25th anniversary in 2009. Supervisor Abowd advised that the Pink Toddies would be hosting, through Firkin and Fox, a 5K run on Saturday, October 8th. Mayor Crowell entertained additional public comment; however, none was forthcoming.

6. POSSIBLE ACTION ON APPROVAL OF MINUTES - August 18, 2011 and September 1, 2011 (8:39:05) - Supervisor Abowd noted a correction to page 13 of the September 1st minutes. Supervisor Aldean advised of a number of non-substantive revisions to the September 1st minutes. Supervisor Aldean

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 2

moved to approve the minutes of August 18, 2011, as presented, and the minutes of September 1, 2011, as amended. Supervisor Walt seconded the motion. Motion carried 5-0.

7. POSSIBLE ACTION ON ADOPTION OF AGENDA - There were no modifications to the agenda.

8. CONSENT AGENDA (8:40:23) - 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 the Sheriff's Department, 8-1; five items from Purchasing and Contracts, 8-2(A) through (E); one item from the Public Works Department; one item from Finance; and, under Purchasing and Contracts, item 8-2(D), the resolution number is 2011-R-34.** Supervisor McKenna seconded the motion. Motion carried 5-0.

8-1. SHERIFF - POSSIBLE ACTION TO APPROVE ACCEPTANCE OF THE OFFICE OF TRAFFIC SAFETY JOINING FORCES GRANT 22-JF-1.02, IN THE AMOUNT OF \$26,800

8-2. PURCHASING AND CONTRACTS

8-2(A) POSSIBLE ACTION TO ACCEPT THE WORK AS COMPLETED, TO ACCEPT THE CONTRACT SUMMARY AS PRESENTED, AND TO APPROVE THE RELEASE OF FINAL PAYMENT, WHICH INCLUDES CHANGE ORDER NO. 3 AND PROJECT RETENTION, IN THE AMOUNT OF \$50,779.62, FOR CONTRACT NO. 0910-181, TITLED CARSON CITY PRODUCTION WELL 50 AND WATER LINE CONSTRUCTION, TO CAMPBELL CONSTRUCTION COMPANY, INC.

8-2(B) POSSIBLE ACTION TO ACCEPT THE PUBLIC WORKS DEPARTMENT RECOMMENDATION TO APPROVE AMENDMENT NO. 1 TO CONTRACT NO. 1-011-148 WITH RESOURCE CONCEPTS, INC., TITLED "DESIGN SERVICES FOR PHASE III WATERFALL FIRE IMPROVEMENTS PROJECT," TO EXPAND THE SCOPE OF WORK AND INCREASE THE CONTRACT AMOUNT FOR A NOT-TO-EXCEED AMOUNT OF \$69,887.92, TO BE FUNDED FROM THE GRANT FUND ACCOUNT, AS PROVIDED IN FY 2010 / 2011

8-2(C) POSSIBLE ACTION TO APPROVE CONTRACT NO. 1112-104, A REQUEST TO HAVE THE BOARD OF SUPERVISORS DETERMINE THAT THE LISTED CITY PROPERTY IS NO LONGER REQUIRED FOR PUBLIC USE AND DEEM ITS SALE BY PUBLIC AUCTION DESIRABLE AND IN THE BEST INTERESTS OF CARSON CITY

8-2(D) POSSIBLE ACTION TO ADOPT A RESOLUTION AUTHORIZING THE BOARD OF SUPERVISORS TO DETERMINE THAT THE ONE HUNDRED NINETY-ONE (191) PIECES OF MISCELLANEOUS SURPLUS PROPERTY HAVE REACHED THE END OF THEIR USEFUL LIVES AND WILL BE DONATED TO ANOTHER GOVERNMENTAL ENTITY OR TO A REQUESTING NON-PROFIT ORGANIZATION CREATED FOR RELIGIOUS, CHARITABLE, OR EDUCATIONAL PURPOSES, AS SET FORTH IN NEVADA REVISED STATUTES 372.3261 (FILE NO. 1112-103)

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 3

8-2(E) POSSIBLE ACTION TO APPROVE THE “PAYMENT PLAN AGREEMENT” WITH CISCO CAPITAL KEY GOVERNMENT FINANCE, INC. WHICH WILL PROVIDE SMARTNET COVERAGE (CISCO MAINTENANCE CONTRACT) FOR CARSON CITY’S TELEPHONIC / DATA NETWORKS FOR A PERIOD OF FIVE (5) YEARS, TO BE FUNDED FROM CARSON CITY INFORMATION SERVICES PROPERTY SERVICES / MAINTENANCE SERVICE CONTRACTS FUND ACCOUNT, AS PROVIDED IN FY 2011 / 2012, FY 2012 / 2013, FY 2013 / 2014, FY 2014 / 2015, AND FY 2015 / 2016 (FILE NO. 1112-109)

8-3. PUBLIC WORKS DEPARTMENT - POSSIBLE ACTION TO ACCEPT AN EASEMENT ALONG NORTHRIDGE DRIVE FOR THE PURPOSES OF PUBLIC UTILITIES, LANDSCAPING AND PEDESTRIAN IMPROVEMENTS, ON ASSESSOR’S PARCEL NUMBER 002-104-01

8-4. FINANCE DEPARTMENT - POSSIBLE ACTION TO ACCEPT THE REPORT ON THE CONDITION OF EACH FUND IN THE TREASURY THROUGH SEPTEMBER 27, 2011, PURSUANT TO NRS 251.030

9. RECESS BOARD OF SUPERVISORS (8:41:20) - Mayor Crowell recessed the Board of Supervisors at 8:41 a.m.

LIQUOR AND ENTERTAINMENT BOARD

10. CALL TO ORDER AND ROLL CALL (8:41:27) - Chairperson Crowell called the Liquor and Entertainment Board to order at 8:41 a.m. Mr. Glover called the roll; a quorum was present, including Member Steve Albertsen.

11. POSSIBLE ACTION ON APPROVAL OF MINUTES - September 1, 2011 (8:41:55) - Member Aldean noted a correction to page two, and moved to approve the minutes, as amended. Member Abowd seconded the motion. Motion carried 6-0.

12. PUBLIC WORKS DEPARTMENT, BUSINESS LICENSE DIVISION - POSSIBLE ACTION TO APPROVE DAVID A. TURNER AS THE LIQUOR MANAGER FOR THE CARSON NUGGET, LIQUOR LICENSE NO. 12-27165, LOCATED AT 507 NORTH CARSON STREET, CARSON CITY (8:42:49) - Chairperson Crowell introduced this item. Principal Planner Jennifer Pruitt reviewed the agenda materials, noting staff’s recommendation of approval.

(8:43:42) David Turner advised that he holds several positions at the Carson Nugget, including Chief of Security and Purchasing Manager. In addition, he chairs the Carson Nugget Alcohol Awareness Committee, which focuses on the importance of educating Carson Nugget employees about liquor laws. He advised that the Carson Nugget has a “zero tolerance” policy relative to serving alcohol to minors. He described in-house sting operations “to assure ourselves that our people are following proper protocols.” He advised of having recently added additional supervisory staff to the Security Department to assist with “checking on alcohol issues throughout the casino throughout their shifts to assure that we are very compliant.”

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 4

Member Albertsen noted a correction to the “financial arrangements” paragraph of the background investigation memorandum included in the agenda materials. Mr. Werner further clarified that the Carson Nugget is owned by the Mae B. Adams Trust, Steve Neighbors, Trustee.

Chairperson Crowell entertained a motion. **Member McKenna moved to approve David A. Turner as the liquor manager for the Carson Nugget, liquor license number 12-27165, located at 507 North Carson Street, Carson City. Member Abowd seconded the motion.** Chairperson Crowell entertained discussion and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 6-0.**

13. ACTION TO ADJOURN LIQUOR AND ENTERTAINMENT BOARD (8:47:18) - Chairperson Crowell adjourned the Liquor and Entertainment Board at 8:47 a.m.

14. RECONVENE BOARD OF SUPERVISORS (8:47:20) - Mayor Crowell reconvened the Board of Supervisors at 8:47 a.m.

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

15. ANY ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME (8:47:28) - None.

16. DISTRICT AND JUSTICE / MUNICIPAL COURTS - POSSIBLE ACTION TO APPROVE A JUDICIAL CLERK I POSITION IN THE JUSTICE / MUNICIPAL COURT, IN THE AMOUNT OF \$45,982, WHICH INCLUDES BENEFITS (8:47:34) - Mayor Crowell introduced this item, and Court Administrator Maxine Cortes reviewed the agenda materials. In response to a question, Mr. Werner provided clarification relative to suspended and eliminated positions. He estimated a \$30,000 to \$40,000 general fund impact if the subject request is approved. He acknowledged that the requested position is general funded and not grant funded. He further acknowledged that a previously-referenced position filled, based on a retirement, was specifically budgeted and that the subject position was not.

In response to a question, Ms. Cortes advised that approximately \$20,000 was allocated to district court overtime costs during the last fiscal year. She expressed confidence that two new clerks, who are in the process of learning their positions, will help to reduce overtime hours. In response to a question, she advised of significant consequences for the judicial branch of City government failing to comply with statutory requirements. She discussed the significance of timely processing temporary protective orders, as an example. She discussed the increase in error margins due to requiring staff to work “faster and harder.” “Fortunately, [the errors] have not been detrimental to the court case, but we have found that with staff ... trying to get filings entered in statutory time frames, errors do occur. And that’s why we are at a point where we can no longer keep people working late hours, on weekends, and not have errors occur. That’s why we are at a critical point.”

In response to a question, Mr. Werner advised that the subject position will result in “less ending fund balance that goes toward next year’s budget. And if next year’s budget is somewhat patterned after this year’s, that means that somewhere along the line, we have to make up any additions we do to this year’s general fund that comes out of that, unless we see an increase in either property tax or sales tax that offsets this. ... assuming that it stays absolutely flat, then we would have to look somewhere within the entire general fund to see where this dollar amount comes out of, as we would with anything.” In response to a

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 5

comment, Ms. Cortes advised that the courts make up 7 percent of the general fund. The Fire Department, Sheriff's Department, and Parks and Recreation Department each make up a larger percentage. Mr. Werner acknowledged that all City departments currently have suspended positions. In response to a question, he advised that department heads, who report to the City Manager, would be precluded from coming to the Board to request additional or reinstated positions. He explained that the Board has the purview to review the elected officials' budgets. "They have the right to determine what it is they need to operate, under the law, and if the money's available, then you're pretty well obligated to fund what they ask for." Mr. Werner emphasized that every elected official participated in the previously-established cutback list, and commended their cooperation.

Supervisor McKenna described the courts as the "paperwork part ... of the public safety system. If they were to fail or even be delayed, all of the efforts of police, etc. may go for naught. So, there's a significant public safety issue here." In reference to the U. S. Constitution, he agreed that "judges are different than even other elected officials in Carson City. We don't pay the judges' salaries. We just pay for how they want to operate their courts." Supervisor McKenna noted that the current judges have made significant changes to reduce budgets. He further noted that "through problems, this position pretty much has already been filled and they have found a good use for it." He expressed support for the requested position, and thanked Ms. Cortes for her presentation.

Supervisor Abowd also thanked Ms. Cortes for her presentation, and agreed with Supervisor McKenna that "we really don't have a choice because mistakes are critical, and ... issuing those TPOs in a timely fashion is definitely a critical issue." Supervisor Abowd expressed understanding for the necessity of the request and support for the position.

Supervisor Aldean agreed with distinguishing between the courts "which are public safety related," and the Assessor's or Treasurer's Offices. She expressed the hope that if any other elected official requested reinstatement of a position, the Board would "maintain a certain degree of discretion with respect to whether or not to grant them that flexibility." Following a brief discussion, Mr. Rombardo confirmed that case law requires "if you have the money in your budget, ... you have to approve this position. That case law has been interpreted for other elected officials ... the same way." Discussion followed.

In response to a question, Ms. Cortes reviewed the job description for the requested position. Mayor Crowell commended the level of cooperation exhibited by the City's elected officials. He expressed an interest in reviewing a list of mandated court fees and their corresponding allocations.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Walt moved to approve a Judicial Clerk I position in the Justice / Municipal Court in the amount of \$45,982, which includes benefits. Supervisor Abowd seconded the motion. Motion carried 5-0.** Ms. Cortes thanked the Board and committed to continuing to do "our best."

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 (9:15:08) - Mayor Crowell introduced this item. Finance Department Director Nick Providenti provided background information and reviewed the agenda materials. In response to a comment, Mr. Providenti clarified that the City is issuing general

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 6

obligation bonds with additionally pledged revenues of water and sewer bonds. "And we fully intend to use the water and sewer revenues to pay back the bonds. ... We don't intend to use any general obligation funds." He acknowledged that the subject bonds are generally referred to as "double barrel." "And this is typically the way we issue bonds." In response to a comment, he advised of the intent to use water revenues to repay the water bonds and sewer revenues to repay the sewer bonds. He acknowledged that the City receives a better rate because of the bonds being additionally backed by general fund revenues.

In response to a question, Deputy Public Works Director Darren Schulz advised that the water bonds will be allocated to relocating existing and constructing future water lines in conjunction with the freeway, to purchasing the Joost property, and to installing a water line in the area of Costco to connect with Douglas County and "help loop our system ... in that area." The sewer bonds will be allocated to installing a sewer line on Conte Drive to connect a number of residences into the City's system, relocating sewer lines in conjunction with the freeway, and sliplining manholes and sewer lines. In response to a question, Mr. Providenti advised that the water bonds will not exceed \$3,750,000 and the sewer bonds will not exceed \$2,250,000. In response to a further question, he advised that the interest rate won't be known until the bonds are sold. He advised of the intent to utilize the State bond bank. "We have to get through all these basic waiting periods. We have a 90-day petition period. We have this public hearing so we won't be selling the bonds probably until January or February 2012." Mr. Providenti described the current interest rates as "really good," and anticipates "getting ... in the 3 percent range."

Mayor Crowell entertained public comment and, when none was forthcoming, closed the public hearing.

18. PUBLIC WORKS DEPARTMENT, PLANNING AND ZONING DIVISION

18(A) POSSIBLE ACTION TO ADOPT BILL NO. 117, ON SECOND 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) (9:20:52) - Mayor Crowell introduced this item, and Planning Division Director Lee Plemel reviewed the agenda materials. He advised of no comments or input following introduction on first reading.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Abowd moved to adopt Bill No. 117, on second reading, Ordinance No. 2011-17, 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 Aldean seconded the motion. Motion carried 5-0.**

18(B) POSSIBLE ACTION TO ADOPT BILL NO. 118, ON SECOND 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

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 7

REPLACE IT WITH GUIDELINES IN COMPLIANCE WITH THE FIRE DEPARTMENT (ZCA-11-050) (9:22:28) - Mayor Crowell introduced this item. Mr. Plemel reviewed the agenda materials, and advised of no comments or input since introduction on first reading.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Aldean moved to adopt Bill No. 118, on second reading, Ordinance No. 2011-18, 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 Walt seconded the motion. Motion carried 5-0.**

19. PUBLIC WORKS DEPARTMENT - POSSIBLE ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE AMENDING TITLE 12, WATER, SEWERAGE, AND DRAINAGE, CHAPTER 12.12, SOLID WASTE MANAGEMENT, SECTION 12.12.047, LANDFILL RATES AND FEES, BY LOWERING THE FEE FOR OUT-OF-COUNTY, CLASS III, EFFECTIVE OCTOBER 21, 2011, AND OTHER MATTERS PROPERLY RELATED THERETO (9:23:42) - Mayor Crowell introduced this item. Deputy Public Works Director Darren Schulz provided background information and reviewed the agenda materials. In response to a question, Mr. Schulz advised that a number of citizens are considering becoming self-haulers rather than continuing to have curbside garbage collection. He clarified this would not affect the rate model.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor McKenna moved to introduce, on first reading, Bill No. 119, an ordinance amending Title 12, Water, Sewerage, and Drainage, Chapter 12.12, Solid Waste Management, Section 12.12.047, Landfill Rates and Fees, by lowering the fee for out-of-county Class III, effective October 21, 2011, and other matters properly related thereto. Supervisor Walt seconded the motion.** Following a brief discussion, **Supervisor McKenna amended his motion to indicate that the minimum fee for this category is reduced to \$20.00 from the existing \$30.00. Supervisor Walt continued her second. Motion carried 5-0.** Mayor Crowell thanked Public Works Department staff for meeting with the out-of-county haulers. Supervisor McKenna expressed an interest in agendizing discussion regarding the "life of the landfill versus forcing people to use Lockwood and other landfills that are not wasting assets in Carson City." He suggested that the landfill may become one of the City's most valuable assets. A brief discussion followed.

20. BOARD OF SUPERVISORS NON-ACTION ITEMS: STATUS REVIEW OF PROJECTS

PUBLIC WORKS DEPARTMENT WATERLINE PROJECT (9:32:09) - In response to a question, Deputy Public Works Director Darren Schulz discussed recent difficulties associated with the weather. Paving will begin once the temperatures increase "and the sun comes out." Mr. Schulz reported that the overall progress of the project is moving along as anticipated. "We haven't hit any real snags ... and lots of pipe going in the ground." He reviewed details of the project status. Mayor Crowell advised of having received a number of complaints regarding road conditions and road closures. In response to a question, Mr. Schulz advised that the Clearview Drive bridge is anticipated to open in approximately ten days. In response to a further question regarding Conte Drive, he advised that the contract provides for the contractors to be "out of there by November 1st." He clarified that weather delays are provided for in the contract. Due to the current weather conditions, the contractor may need two to three additional days to complete the project. Supervisor McKenna requested Mr. Schulz to convey the

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 8

information to the Conte Drive residents. Mr. Schulz acknowledged that Snyder Avenue and “the short portion of Edmonds” are included in the previously-stated time frame. In response to a question, he described the continued route of the project “down Fairview, the chunk between ... Edmonds and Fairview where they connect. Then we’ll bring the pipeline down Fairview ... to Fifth Street but that’s all out of the road. That’s along that future path area so it won’t impact the public near as much.” In response to a further question, Mr. Schulz offered to look into the time frame associated with the portion of the project involving Fifth Street, in consideration of impacts to Eagle Valley Middle School. Mayor Crowell entertained additional comments or questions; however, none were forthcoming.

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS

CORRESPONDENCE TO THE BOARD OF SUPERVISORS

STATUS REPORTS AND COMMENTS FROM BOARD MEMBERS (9:36:28) - Supervisor Abowd reported that the Arts and Culture Commission met to discuss capacity building in consideration of establishing an endowment for the arts. She advised that Commissioner Jeffrey Scott will present a proposal to the Board of Supervisors. She provided an overview of additional discussion regarding arts funding and a permanent placement for the World Trade Center I-beam. Discussion followed.

Supervisor Walt reported that the Parks and Recreation Commission met last Tuesday and unanimously voted to recommend that the Board of Supervisors proceed with the multi-purpose athletic center. She encouraged any citizen or Board of Supervisors member to contact her with questions. She advised of having received e-mail correspondence from NACO Executive Director Jeff Fontaine, who was recently approached by Robert Hadfield with a request to draft a letter of support for the V&T’s request to the U.S. Department of Transportation for a \$4.1 million discretionary TIGER grant. Mr. Fontaine has requested all the affected counties to indicate their support, and Supervisor Walt requested Mr. Werner to agendaize a corresponding Board item. A brief discussion followed. In response to a comment, Supervisor Walt advised of having been unanimously elected as Vice President of NACO for 2012. She expressed an interest in sharing some of the information from the January 2011 conference with the other Board members.

Mayor Crowell reported on a meeting with City of Reno Mayor Bob Cashell and City of Sparks Mayor Geno Martini to tour the homeless shelter on Record Street in Reno. He encouraged the other Board members to tour the facility, and described the amenities and services available.

STAFF COMMENTS AND STATUS REPORT

PUBLIC COMMENT (9:44:30) - Mayor Crowell entertained public comment; however, none was forthcoming.

RECESS AND RECONVENE BOARD OF SUPERVISORS (9:44:39; 3:59:10) - Mayor Crowell recessed the meeting at 9:46 a.m., and reconvened at 3:59 p.m. All members of the Board were present, constituting a quorum.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 9

JOINT MEETING WITH THE CARSON CITY CONVENTION AND VISITORS BUREAU

21. CALL TO ORDER AND ROLL CALL OF THE CARSON CITY CONVENTION AND VISITORS BUREAU (3:59:46) - Chairperson Stephen Lincoln called the Carson City Convention and Visitors Bureau ("CCCVB") Board to order at 3:59 p.m. CCCVB Executive Director Candace Duncan called the roll. All members of the CCCVB Board were present, constituting a quorum.

22. PUBLIC COMMENTS AND DISCUSSION (4:00:22) - Mayor Crowell entertained public comment, and provided direction with regard to the same. No public comment was forthcoming.

23. CITY MANAGER

23(A) PRESENTATION OF THE CARSON CITY CONVENTION AND VISITORS BUREAU STRATEGIC PLAN (4:01:52) - Mayor Crowell introduced this item. Ms. Duncan introduced Strategic Marketing Group Consultant Carl Rubato, and advised that the strategic marketing plan was unanimously adopted by the CCCVB Board in June 2011.

(4:02:45) Carl Rubato provided background information on the CCCVB Strategic Tourism Plan, which was included in the agenda materials, and reviewed the same in conjunction with displayed slides. In response to a question, he expressed the opinion that "the best situation" is for a convention and visitors bureau to promote an events center. He expressed the further opinion that having a convention and visitors bureau own an events center "is really tough because of the cash flow and that's the situation Reno's in. They own facilities. And they are struggling with how to pay for those facilities." He discussed his experience with convention and visitors bureaus operating convention centers. In response to a further question, he advised of having received feedback relative to "a clear perception that a significant amount of time and resources of the bureau were allocated to promoting the V&T." He noted that the V&T has its own marketing budget and "so it's really not a mix of hard resources. It was more employee resources. ... There was also the perception that ... every ad we see has the V&T. We need to promote some other things in the area." Mr. Rubato expressed the opinion "that you can do both. ... you can promote ... the history and a lot of these other things and you can promote the V&T. It's just a mix, adjusting the mix a little bit ... would benefit everybody."

Mayor Crowell inquired as to Mr. Rubato's opinion relative to a description of the community as "a tourist destination, a government town, a retirement center, a college town, an arts and culture community." Mr. Rubato expressed the opinion that the community is "struggling to refine its identity. I think ... it can be all of those at any one point depending on who you're talking to." He suggested considering "where do you want to be as an identity," and expressed the opinion that "a compelling identity is not losing sense of your history and the fact that you're a capital city, but also ... where do you go in the future. ... you live in an outdoor environment. You live at the crossroads of incredible landscapes and vistas and activities ..." Mr. Rubato suggested "there's a balance to maintain what you have but also let people know that ... we've got bicycle riding, we have golf, we have all these activities in addition to ... we have some great history and how do you leverage that history." He advised that this is "the challenge with creating that brand position for Carson City. It's a tough question to wrestle with ... but it's one you have to wrestle with because if you don't have a clear picture of your own identity, the consumer's not going to have a clear picture of your identity either." In response to a comment, Mr. Rubato acknowledged the previous "negative experience with ... branding," but emphasized the importance of moving on.

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 10

In reference to conference and meeting space, Supervisor Walt inquired as to the role of the convention and visitors bureau. Mr. Rubato expressed the opinion that the convention and visitors bureau should call a meeting “to get the new owners and the lodging people together and say, ‘Could this work? How could it work? What are the challenges?’”

Supervisor Abowd inquired as to Mr. Rubato’s experience with companies such as Global Spectrum, which she described, and the method by which the convention and visitors bureau would interact with such a company. Mr. Rubato was unfamiliar with Global Spectrum, but expressed the opinion that the convention and visitors bureau should be involved with any company which may conduct an asset inventory and “pair events.” He expressed the opinion that “part of it is just being at the table and sharing ideas and getting a cross flow of information.” Supervisor Abowd inquired as to Mr. Rubato’s opinion relative to such a process being a better investment in advertising dollars. Mr. Rubato expressed the opinion that “technology advertising is very, very good because you can get right down to that group that you can reach nowadays for very reasonable costs.” He suggested “look[ing] for a way to do both.” He reiterated the importance of building a brand and focusing on special events.

Supervisor Aldean advised of a recent conversation with a representative of Global Spectrum, together with Mayor Crowell, Mr. Werner, and Parks and Recreation Department Director Roger Moellendorf. Supervisor Aldean explained that Global Spectrum manages venues. The Global Spectrum representative provided a list of companies which conduct feasibility studies. Supervisor Aldean suggested that there is no one in the community willing to “take the risk ... to develop a facility that is not needed, isn’t competitive in the market place, and will ultimately fail.” Mr. Rubato acknowledged the need for “everyone’s role to be more clearly defined.” He emphasized, “It’s all hands on deck in these kinds of approaches.” Discussion followed, and Supervisor Aldean offered to provide the Global Spectrum information to Ms. Duncan. In response to a question, Mr. Rubato expressed interest in the possibilities “given your track record of success with outdoor venues and tournaments and softball and baseball and all of that.” He expressed confidence that the involved parties “could put together the indoor counterpart to that ...” Supervisor Aldean discussed the importance of the feasibility analysis being “multi-faceted; to take a look at our entire inventory because we have facilities ... like the Fuji Park area and the rodeo grounds that are terribly underutilized.” Mr. Rubato acknowledged the importance of the feasibility analysis encompassing all community facilities. “As wide a net as you can cast, ... you want to look at the global.” In response to a question, Mr. Rubato suggested the feasibility analysis should be a joint effort between the City and the CCCVB. “Everybody will sort their space out once the process begins, ... but everybody needs to be at the table. ... And who manages the process, ... you can sort all that out. Who’s better capable of doing it?” He acknowledged the likelihood of multiple funding partners.

In response to a question, Mr. Rubato advised of having received feedback relative to a “lack of community buy-in in some of the special events.” He clarified “that’s not different from what I’ve seen in other communities. Locals come out for certain events and they stay at home for certain events.” He expressed the opinion that “the more you operate without ... reaching into the community, you run the risk, more and more, of the community just not being a part of the program.”

Mr. Rubato advised that his company has worked very hard with destinations to answer the question of niche marketing. He suggested considering what the community loves to do “because there are other people out there who love to do the same thing.” In response to a question regarding branding, he suggested working “with your ad agency,” and recommended “a small advisory committee ... with staff”

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 11

to be able to “engage a process. And from that process, you’d want to get three or four different alternatives and then you share those three or four alternatives and get input and then, eventually, it’s hard decision time.” Mr. Rubato emphasized the importance of each of the advisory committee members “tak[ing] off their individual hat and put on their Carson City hat in terms of what works best for the overall.”

Mayor Crowell entertained additional questions of the Board of Supervisors and the CCCVB Board members and, when none were forthcoming, requested Mr. Rubato to remain in the meeting room. Mayor Crowell entertained public comment. (4:55:50) Gold Dust West General Manager Jonathan Boulware advised he would speak as the chair of the special events committee and the sports tournament subcommittee. He assured the Board and the CCCVB that the “events committee is working. ... the cooperation that we were able to put together to book a significant event for next year at the American Motorcycle Association, that wasn’t a lodging thing, that was a visitors bureau thing, that was a together thing.” Mr. Boulware commended CCCVB staff and CCCVB Member Millard, and discussed the importance of continuing to work together. In response to earlier comments, CCCVB Member Mills assured the Board that the special events committee is considering all Carson City facilities, including Fuji Park and the rodeo grounds. Mr. Boulware commented on the amount of time necessary to identify special events and groups. “You can dedicate one person and that’s all they do.” Mr. Boulware advised of having contacted Chris Frye, who will participate in a joint meeting between the sports committee and the special events committee. He provided background information on Mr. Frye’s company which is “specifically ... in the business of looking at groups to bring in shoulder seasons ...”

In response to a question, Mr. Boulware agreed with the need for the special events committee to consider, for Carson City, an event such as the Sparks Rib Cookoff or the Virginia City Camel Races. Supervisor Abowd suggested also considering companion events. In response to a further question, Mr. Boulware expressed the opinion that private and public organizations should work together to market lodging properties. Mr. Rubato acknowledged the advisability of establishing a marketing advisory committee. “... most destinations have some sort of committee like that, whether it’s a marketing committee or, now, we’re even seeing some destinations having a technology committee ... where they bring in all the technology marketing specialists from the region and they help develop strategies to implement.” In response to a further question, Mr. Rubato suggested the marketing advisory committee should be comprised of lodging property representatives and “an outsider or two ... that are not from within the industry but have a marketing knowledge ...” Mr. Boulware agreed with establishing a marketing advisory committee. Mr. Rubato suggested considering the CCCVB “as leading the orchestra.”

In response to a question, Mr. Rubato advised that the convention and visitors bureau structure in relation to government “is being redefined in California.” He explained that most tourism bureaus have historically been funded by transient occupancy tax, and provided an overview of California’s tourism business improvement districts. Discussion followed. Mayor Crowell entertained additional public comment; however, none was forthcoming.

23(B) DISCUSSION AND POSSIBLE ACTION ON THE FUTURE OF THE V&T RAILROAD REGARDING OPERATIONAL ISSUES AND COMMUNITY POSITIONING
(5:14:55) - Mayor Crowell introduced this item, and Mr. Werner provided background information on the purpose of this item. CCCVB Chairperson Lincoln suggested a format for proceeding with discussion. At his request, Ms. Duncan provided historic information on the CCCVB’s involvement in the V&T

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 12

Railway Reconstruction. She acknowledged the concerns relative to the focus on the V&T Railway, and advised “there is a feeling out there that somehow we have to stop ... at the end of the next season.” She noted the approximate \$21 million invested in the V&T Railway Reconstruction project by the City. “If the convention and visitors bureau is no longer allowed to do what we’re doing now, then who will do that?” Ms. Duncan pointed out that the V&T Railroad is not presently making a profit, but expressed the belief that there is a potential for profit. She further pointed out that it is not up to the CCCVB “to find somebody else to operate the railroad. It’s up to the commission to find somebody else to operate the railroad.” She expressed an interest in hearing “how everyone else feels about it.” CCCVB Chairperson Lincoln advised that “the whole idea was to build the railroad, have it finished, have an operator come in, and the commission turns it over to the railroad operator and it’s on its own. Smooth sailing and we’re just collecting all the tax revenue. It didn’t turn out that way.” He provided additional background information on the V&T Railway Commission’s request for the CCCVB to operate the railroad. “Because it’s built already, let’s use what we have. So that’s where the convention and visitors bureau got into the train business.”

Mayor Crowell advised that he serves as a member of the V&T Railway Commission, and discussed the importance of moving forward with all the community’s “identities” in order to create an economic value. He provided additional background information on the CCCVB’s involvement in the railroad operation, and expressed concern over removing the CCCVB from the railroad operation. CCCVB Member Millard discussed the importance of uniqueness relative to tourist attractions, and provided additional details regarding the CCCVB’s operation of the railroad. He requested confirmation from the Board of Supervisors regarding the CCCVB’s continued involvement with the railroad operation. He expressed the opinion that “we’ve been hit way too hard in an unfriendly atmosphere on the train.” He acknowledged the effort invested in the railroad operation, and advised that ticket sales and train operations have been contracted. He expressed the opinion that the CCCVB’s involvement is now limited to answering questions by telephone.

Supervisor Abowd expressed an unwillingness to “throw the baby out with the bath water.” Ms. Duncan acknowledged the CCCVB staff’s ability to facilitate a special events committee, a marketing advisory committee, and marketing the train. Ms. Duncan discussed the CCCVB staff’s decreasing involvement relative to the train over the last three years. She and Ms. Evans are working with Mr. Boulware on the special events committee. She anticipates being personally involved in the marketing advisory committee. She pointed out three of her staff members, who were present in the meeting room, and advised “we are all very passionate about all these projects; ... making sure the train’s a success, making sure we get new events, the sports tournaments are better ... that our lodging properties feel that we are communicating with them.” In reference to CCCVB Member Millard’s comments, she concurred “we really are a little battle scarred because we have been attacked ... but we don’t want that to be our culture anymore because we believe in what we do and we’re working very hard and we all love this community. We want what we’re doing to benefit lodging, restaurants, the residents, the visitors, everybody ...”

In response to a question, Ms. Duncan advised that transient occupancy tax revenues have been allocated to market the “destination in its entirety.” The CCCVB has “a destination ... to sell.” Ms. Duncan listed the various formats by which Carson City is marketed. “My staff and I are constantly learning and adapting to new things that we need to do to market the destination and that’s what we’ve been doing.” Ms. Duncan advised that the CCCVB has reached out to the lodging property representatives. CCCVB Member Singh inquired as to whether the CCCVB staff has been “distracted from your real job which is to market Carson

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 13

City” since taking over operations and marketing of the train. He further inquired as to Ms. Duncan’s opinion whether the CCCVB staff would “be better off not operating the train today than operating the train.” Ms. Duncan expressed the opinion that train marketing and operations have not been a distraction to CCCVB staff. She reiterated that she and her staff are directed by the CCCVB Board and “for fifteen years, the culture of the board was let’s get that train running. But that was never the only thing we did. We worked on other projects, on special events,” which she listed. She emphasized that since the train “is running, we don’t have to focus as much on that as we did prior ...” She advised that CCCVB staff is “being very receptive to what the community and the lodging properties have asked us to do. We’ve heard that sports is it. We need more sports tournaments so we’ve developed a sports events marketing committee that we’re going to try and reach out and work with Parks and Recreation and sports commissioners to bring more tournaments to town, to maintain the ones we have, to look outside the box, what other kinds of sporting events can we bring to Carson City. We’ve been doing all of this using the facilities that we have right now.”

In response to CCCVB Member Singh’s second question, Ms. Duncan expressed the opinion that if another entity could operate the train and “all we had to do was help with market, ... that would be great. ... But until that happens, we’re willing to do the work that we’re doing now. ... It gets easier every year because we’re used to it every year.” Mayor Crowell acknowledged that the V&T Railway Commission is considering another entity to operate the train. He discussed issues relative to “how that’s going to operate,” noting that there are three distinct entities which own portions of the track, “two of them political, one private. That’s a difficult combination ...” Supervisor Walt noted the deficit in train operations, and inquired as to the responsibility for the shortfall. CCCVB Member Millard discussed the options to stop running the train or “try[ing] to make it work.” In response to a previous question, he advised that the budget for the CCCVB is approximately \$860,000 per year. He expressed uncertainty that “beyond marketing the destination, [the CCCVB has] an obligation to market rooms.” He advised of having reviewed the CCCVB’s mission statement which does not indicate any obligation to “put heads in beds. The object, 20 years ago, was to create an environment of tourism, to invite people to come, to stay longer. ... tourism encompasses restaurants, ... gas stations, ... museums.” He noted that large hotel chains have marketing departments and specialists. “What are they marketing for the off season?”

Supervisor McKenna inquired as to the purpose of the joint meeting relative to his understanding of “an internal problem of the bureau.” CCCVB Member Millard clarified “it is not an internal problem of the bureau. It is a perception of the people who collect the tax who think that we should spend it the way they say in order to put more heads in beds ...” Supervisor McKenna inquired as to what the Board of Supervisors was being asked to do “to make this problem go away.” CCCVB Member Millard expressed the opinion that the desire is to “replace the board with ... lodging people who ... only have lodging in mind.” He reviewed the current composition of the CCCVB, which he described as a “cross-section.” He reiterated that the large lodging properties have “marketing people. They want us to hire a marketing czar that can do what all of their marketers can’t do.” Supervisor McKenna inquired again as to the CCCVB Board’s request of the Board of Supervisors. CCCVB Member Mills discussed her passion for Carson City becoming a destination as “the hub of the wheel.” She requested the Board of Supervisors to “tell the lodging properties to quit ambushing us; to quit coming to our meetings, standing up, and slicing us.” She noted that the strategic plan was signed in June, that much has been accomplished since then, but that the CCCVB Board has received no credit. “We get hate mails like you cannot even believe from lodging properties. We do nothing right.”

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 14

CCCVB Member Singh discussed lodging properties' dual business focus: leisure and corporate. "The marketing people at the hotels ... can pretty much only promote the corporate side. They can knock on the doors at companies and get heads in beds, but where we needed assistance from the bureau ... is marketing the destination. And when you market the destination, indirectly you are bringing leisure business because you do not promote corporate that much. So, yes, the bureau does bring us business." CCCVB Member Singh agreed with CCCVB Member Mills' comments. "The approach from some part of lodging has not been right. It could have been a team effort rather than criticizing and slapping the face and all of the above and that has not been the case." CCCVB Member Singh clarified "it is not a majority of lodging that's slapping. ... We have to find a common ground where we can get things done and we all smile after that." In response to a previous question, CCCVB Member Singh discussed the importance of an events center. In response to a question regarding the V&T, he recommended identifying an entity to operate the train or "designate a section of the CCCVB to just do V&T."

In response to a question, Mayor Crowell advised that each of Douglas, Lyon, Storey, and Washoe Counties are represented on the V&T Railway Commission and "the only one of those four that have contributed dollars is Storey." CCCVB Member Millard clarified that Washoe County contributed one-shot funding. Mayor Crowell advised that the enabling clause for the Railway Commission provides for establishing an allocation format.

In response to a question, Ms. Duncan advised that she would consider recommendations from a marketing advisory committee. "But it's my board that needs to make that final decision ... and the board has been involved in the marketing decision that we've made up until this point, whether it be for the railroad or for events or the destination in general." Ms. Duncan welcomed input, but expressed opposition to "micromanaging every word we say, every ad we do, every illustration because then that will bog us down and we won't get anything done."

Supervisor Aldean provided background information on her involvement in the V&T Railway reconstruction project over the past 15 years. She expressed concern over the Grey family becoming an impediment to "reuniting this railroad so that we can operate it from Virginia City to Carson City unimpeded." She noted the CCCVB as "an integral part of ... minimizing our losses," and discussed ways to make the railroad more relevant to the lodging properties and to various businesses and points of interest in downtown Carson City. Until an operator can be identified, she recommended continuing to maximize marketing efforts "not to the exclusion of everything else."

CCCVB Member Millard discussed the popularity of the Polar Express event in other communities and the anticipated benefit for Carson City. Ms. Duncan offered additional information relative to the popularity of the event.

Mayor Crowell entertained public comment. (6:11:33) Jonathan Boulware discussed the importance of using the sports and special events committees "as a way to move forward because certainly some of the approaches of the lodging [property representatives] has not been professional and that's not acceptable." He discussed the potential for the community, agreed that the CCCVB should continue operating the V&T railroad, and emphasized the importance of continuing to work together. He committed to working out the strategic plan, to leaving ill will in the past, and to moving forward. In response to a question, he discussed efforts to accomplish visitors' extended stays. In response to a further question, he expressed the opinion

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 15

that developing a brand is crucial. He expressed support for the V&T as an amenity, and discussed methods by which to develop a campaign around community events.

(6:21:27) Kevin Ray noted that the V&T Railway Commission allocated funding to the CCCVB for marketing the V&T, and emphasized the significance of the visitcarsoncity.com website in consideration of marketing Carson City. He commented that Carson City “is fortunate that the CVB is the one who got to run [the railroad].” He provided historic information on the Grey family’s involvement, and reviewed background information on the V&T Railway reconstruction. He commented on various points of discussion to this point in the meeting.

(6:33:30) Mr. Rubato commended the environment created for the healthy dialogue. He discussed the differences between visitors who come to Carson City specifically for the train and those who visit for another reason and consider the train while they’re here. “From a marketing standpoint, the bureau can deal with both sides ... In the short term, you want to figure out a way to ... increase the penetration rate of people who come to this town and get on that train.” In consideration of a previous question relative to the benefit of the CCCVB to the lodging properties, he suggested “think[ing] of it like a funnel. At the top of the funnel, visitors have a choice to say, ‘We’re going to go somewhere.’ ... That’s the role of the bureau: to say, ‘Come here as opposed to going there because we have all these neat things to do.’ That’s the value of a bureau and the tourism dollar to the destination. The lodging property is further down the funnel. Once they’ve made the choice to come to this destination, then they say, ‘Oh, where do we stay?’ And that’s when they begin to look and shop and compare ... but if you take away the top of that funnel or reduce the top of that funnel, you reduce the ability of the destination to say come here instead of going to Highway 49.”

(6:37:19) Brewery Arts Center (“BAC”) Executive Director John Shelton expressed the opinion that the BAC benefits from the V&T “and having other things that are designated in Carson City to make it an interesting place to be. It’s an investment; it’s a piece of the puzzle.” He suggested that the investment “may not translate immediately into heads in beds but it will have an investment in the social capital, in the community capital ... that defines what this community is about and makes it of interest to people who want to come here.”

(6:40:04) Deborah Lang, representing the Holiday Inn Express and Suites, discussed the changes in Carson City marketing since first becoming involved. In reference to the previous discussion, she emphasized the importance of identifying another entity to operate the V&T.

(6:42:39) Jim Shirk expressed concern over the amount of confusion and discussion “about what to do but no solutions.” As a citizen, he expressed support for the success of the railroad in consideration of its benefit to the community and potential “to bring more business here.” He requested the Board of Supervisors and the CCCVB Board members to develop a solution.

Mayor Crowell entertained additional public comment; however, none was forthcoming. Supervisor McKenna suggested the possibility of initiating a study, with a specific time line. Mayor Crowell expressed agreement with previous comments that, in the short term, “we don’t want to lose the value” in the train and “in the long term, we need to find a different solution for how we operate that train.” He expressed the opinion that the train should continue to operate with as much assistance from the V&T Railway Commission and other counties as possible. In addition, he emphasized the importance of “not focusing

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 16

on the train to the detriment of other attributes and that we direct our marketing activities or our community activities ... toward everything we have to offer ... and that we try and ... market the train ... around other events ...” He suggested that the CCCVB should re-evaluate the situation by the end of 2012. “In the meantime, we need to cooperate ... with each other to” develop a long-term solution. Supervisor Walt commended and expressed agreement with Mayor Crowell’s comments. Supervisor Abowd advised of having hoped to hear that everyone is working together; that they’re communicating; that they’re moving forward. She emphasized the importance of working together. “We can’t fight against one another. We’re all competing for dollars in this community and they’re too precious.” Supervisor Abowd expressed the firm belief that a marketing advisory committee should be developed “so that we take it to the next level and we succeed in marketing Carson City as a destination.” Supervisor Aldean agreed with Mayor Crowell’s comments, noting the effect of the actions of previous Board members. She expressed the hope that the V&T Railway Commission will work diligently to reinstate the agreement with the Grey family. Consensus of the Board was that no formal action was necessary. Supervisor McKenna requested a progress report and “if we don’t like the progress, then ... we need to deal with it.”

CCCVB Member Millard advised that the contract between the V&T Railway Commission extends through December 2012. The CCCVB does not have an agreement with the Grey family to operate the train in 2012. “They still have to get that. It’s a year by year.” In response to a question, Supervisor Walt clarified that the Board’s direction indicated no time limit. In response to a comment, Supervisor Aldean acknowledged the Board’s preference for an entity other than the CCCVB to ultimately operate the train. She explained, “We don’t want to take the pressure off the commission to do a diligent job in finding that replacement operator, but we understand the challenges. We have a partially completed railroad. We have other entities, including Storey County and the Grey family, involved in this interesting composition ... of characters. ... we just don’t want the commission to become complacent about its ultimate mission and that is to divest itself of ... the operation of the railroad.” Discussion followed.

CCCVB Chairperson Lincoln advised of having hoped that the CCCVB Board would receive a “vote of confidence from the [Board of Supervisors] that we’re doing a good job and our job has an end and that you support us doing what we can to reach that end.” Supervisor Walt expressed the opinion that this had been conveyed. Mayor Crowell expressed appreciation for the citizens’ comments, in general, “that we’re in a different place today than we were eight months ago.” He expressed the opinion that the comments indicated “we all have the community at heart; we’re hopefully going down the right road with the strategic plan ... and that things are seeming to work.” Mayor Crowell expressed the opinion that “we’re making progress in bridging a number of different gaps and philosophies about how to operate the visitors bureau. We’re doing that tonight and we’ve done that with the strategic plan and the lodging properties believe that we’re making progress on that.” He expressed the opinion that this direction should continue.

Supervisor Aldean expressed concern over an impression that the meeting was “somehow ... punitive.” She assured the CCCVB Board and the citizens that the Board of Supervisors has met jointly with other boards and commissions in the past. She expressed a preference to do so more often. She thanked the CCCVB Board members for their service and noted the vital importance of keeping the citizens engaged. She noted the purpose of the meeting to open dialogue, and expressed the opinion that this had been successfully accomplished.

Supervisor Walt suggested that Ms. Duncan provide a quarterly report to the Board of Supervisors. CCCVB Member Mills suggested that Supervisor Walt provide reports to the Board of Supervisors from

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 17

the CCCVB Board meetings. She expressed the opinion that this meeting was called as a result of the letter presented to the Board of Supervisors, in August, by the lodging property representatives. She advised that “nothing has changed from August to today that wasn’t already happening within the last eight months. Our communications were open. The events committee had been going forward. These other things were in motion and then we got this slap-in-the-face letter that was presented to you in August.” Supervisor Aldean acknowledged that the letter may have served as the catalyst for the subject meeting, but emphasized the resulting “good exchange of ideas. We’ve opened the dialogue between the Convention and Visitors Bureau and the Board of Supervisors.” She requested the involved parties to set aside offenses “because everybody’s doing their darnedest to do as conscientious a job as ... they possibly can.” She expressed a preference for everyone to benefit from the dialogue and feedback as we move forward. CCCVB Member Mills requested the Board of Supervisors’ support of the CCCVB Board “in making Carson City a destination area not just making Carson City a heads in beds.” Following a brief discussion, Supervisor Aldean expressed the opinion that making Carson City a destination “encompasses putting heads in beds.” Mayor Crowell entertained additional comment and, when none was forthcoming, recessed the meeting at 7:04 p.m.

23(C) DISCUSSION AND POSSIBLE ACTION TO PROVIDE DIRECTION ON FUNDING FUTURE SPECIAL COMMUNITY EVENTS (7:13:27) - Mayor Crowell reconvened the meeting at 7:13 p.m., and introduced this item. Mr. Werner provided background information, and Ms. Duncan explained her understanding of the purpose of this item. Discussion took place to clarify the purpose of the subject item. Supervisor Aldean advised that a little over \$108,000 was recently allocated to special events by the Redevelopment Authority Citizens Committee (“RACC”). She further advised that the RACC has taken the consistent position that “we need to wean these organizations away from City funding.” She suggested that if the Rendezvous event “can’t pull its own weight, at this point, you may want to consider not funding it.” She expressed the opinion that the City is at a point “where we just cannot afford to honor everyone’s request for financial assistance and the Redevelopment Authority ... wants to provide seed money for good ideas with the understanding that we may assist you for two or three years but, eventually, you’re going to have to learn how to be self-sufficient.” Mr. Werner advised of consideration given to establishing a special assessment district, which would be created by the businesses in a certain area, to fund activities and events beneficial to the community. He suggested that some of the events may never be financially feasible, but are still beneficial to the community. “At some point, we need to make a decision as to how those get funded ... through the CCCVB ... or ... some kind of downtown commercial area revitalization program.” He suggested that the Chamber of Commerce and Downtown Business Association should be involved in any discussion relative to a special assessment district.

In response to a comment, Ms. Duncan acknowledged the previous existence of a mini-grant program through the CCCVB. She advised that the original purpose was “seed money for new events, but we never got any new events. It was just the same ones coming back to us over and over and over again asking for the same money.” CCCVB Member Millard advised that the funding allocated was for the purpose of advertising. He provided additional background information on the funding mechanism which declined by half each year “trying to wean people off.” He expressed the opinion that the CCCVB can fund such a program, and suggested increasing room tax by 1 percent. “We, as a community, need to be doing our part to facilitate ... that event coming here and promoting it as much as we can.” Discussion followed and, in response to a question, Supervisor Aldean advised that a recommendation will be forwarded to the Board of Supervisors in the near future from the RACC that all applications will be required to be submitted by a certain date in February in order to be processed and considered. The recommendation was based on the

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 18

finite resources. “We want to compare all of these various applications as part of a compilation rather than doing it in a piecemeal manner because some of these proposals are better than others and, if we don’t have them in front of us all at one time, it’s very difficult to be selective.” In response to a comment, Supervisor Aldean noted that additional applications can be considered on a case-by-case basis if all the funding is not allocated.

Ms. Duncan expressed concern that events don’t make money and noted the Rendezvous event and Nevada Day “as perfect ... example[s]. ... some of the events that are iconic for our community, if we put the onus on them that you can’t have that event unless you can pay for it, we may lose a lot of things that were really important ... who we are.” She suggested considering both sides. “There should be money for the new things that we’re bringing in through the events committee, definitely. But there also should be some way to help the old things and we’ve always done that with marketing.” Ms. Duncan expressed the opinion “that’s the debate you ... have to have: ... what is important to this community and, then, if it is important, how do we help it.” Supervisor Abowd expressed the opinion that the event facilitator requesting funding should solicit sponsors as well. She acknowledged the associated difficulties, but expressed the opinion “it’s all part of the process.”

Supervisor McKenna suggested considering there are “certain things that we must do as a City and ... Nevada Day is one of them. ... It might just be Nevada Day ... and the Christmas celebration. It may not be anything more than that, but ... we have to find a way to fund those to the extent that the public won’t fund them.” He expressed support for bringing new events and great ideas forward, but advised that there is no funding at this point. Supervisor Walt noted that many of the annual event facilitators have cut their budgets. She suggested treating all of the events as equal, requiring them to find sponsorships, and suggesting that they cut their budgets.

CCCVB Chairperson Lincoln entertained public comment. CCCVB Member Singh suggested evaluating events on a case-by-case basis to determine which are the most important. “If Rendezvous is important, how has been the participation ..., what was the budget, how much money do we need, and then ... if we have to find money, we have to find money. So evaluate what events are most important to us, as a community, and then find a way to fund them.” Mayor Crowell expressed agreement and suggested the need for a balance between events which “are solely quality of life for Carson City alone and then events that ... blend not only quality of life but visitor volume coming into our community ...” Mr. Werner suggested scheduling a meeting between the Chamber of Commerce, the CCCVB, the Downtown Business Association, and the Redevelopment Authority to consider events and identify what is the most appropriate funding source for each. Supervisor Walt suggested considering development of a community calendar at the same time. Supervisor Abowd suggested the possibility of considering reinstitution of the State Fair in Carson City, and discussion followed. CCCVB Chairperson Lincoln reviewed the direction to consider opportunities as they are presented, decide whether they can be funded, and the method by which to fund them. In reference to Mr. Rubato’s presentation, Supervisor Aldean suggested the ideal scenario to identify promoters who are “just looking for a venue and some advertising support.” Discussion followed, and consensus was that a future discussion will need to take place regarding room tax.

(7:35:06) In response to a comment, Mr. Boulware advised that the special events committee had considered current events relative to their “marketability to our overarching goal which is to generate overnight stays, but what we have started to focus on more is new stuff coming into town. That’s been our primary focus.”

CARSON CITY BOARD OF SUPERVISORS

Minutes of the October 6, 2011 Meeting

Page 19

CCCVB Chairperson Lincoln entertained additional public comment. (7:36:35) BAC Executive Director John Shelton expressed confusion over “a special event and what you’re exactly trying to achieve because what the CVB is going to be looking at for special events is going to be different than what the City’s going to be looking at and you’re going to have a lot of very established groups that are currently going through very hard times trying to figure out how to find funding for their events that they’ve often received from the City in the past but may not in the future. ... Having a good plan that allows folks to mature their institutions and find support elsewhere is a healthy and encouraging thing but, at the same time, having that ‘Good Housekeeping’ seal of approval from the municipal entity allows that entity to go out and find that match and perhaps that can be part of the condition too for your funding is that there is match involved and that that match comes from definable sources. It could be in-kind. It could also be cash, etc.” Mr. Shelton suggested considering allocating funding to the Cultural Commission which could be regranted to the community and “actually set some cultural standards for what is a priority for the community and what’s quality.” Supervisor Abowd assured Mr. Shelton that the Cultural Commission is “working on that.” Mr. Shelton advised that the BAC is always considering methods by which to assist tourism as well as the fabric of the community in serving the arts community as a whole.

(7:38:33) Maurice White suggested categorizing events and creating a priority list. He suggested three categories: a signature event, such as Nevada Day or Rendezvous; revenue generating events; and “true special events which would be something in the manner of a non-profit organization putting on a marathon as a fund raiser.”

CCCVB Chairperson Lincoln entertained additional discussion and additional public comment; however, none was forthcoming.

24. PUBLIC COMMENTS (7:39:45) - CCCVB Chairperson Lincoln entertained public comment. Mayor Crowell thanked the CCCVB Board and staff, the Board of Supervisors, Mr. Rubato, and the citizens for their attendance and participation. He noted the importance of the community moving forward together.

25. ACTION TO ADJOURN THE CARSON CITY CONVENTION AND VISITORS BUREAU (7:41:25) - CCCVB Member Walt moved to adjourn the Convention and Visitors Bureau Board. CCCVB Member Mills seconded the motion. Motion carried 5-0.

26. ACTION TO ADJOURN THE BOARD OF SUPERVISORS (7:41:41) - Supervisor Walt moved to adjourn the Board of Supervisors meeting. Supervisor Aldean seconded the motion. Motion carried 5-0.

The Minutes of the October 6, 2011 Carson City Board of Supervisors meeting are so approved this 3rd day of November, 2011.

ROBERT L. CROWELL, Mayor

ATTEST:

ALAN GLOVER, Clerk - Recorder