

CARSON CITY BOARD OF SUPERVISORS

Minutes of the July 3, 2013 Meeting

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A regular meeting of the Carson City Board of Supervisors was scheduled for 8:30 a.m. on Wednesday, July 3, 2013 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Mayor Robert Crowell

Supervisor Karen Abowd, Ward 1

Supervisor Brad Bonkowski, Ward 2

Supervisor John McKenna, Ward 3

Supervisor Jim Shirk, Ward 4

STAFF: Marena Works, Deputy 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

(8:28:34) - Mayor Crowell called the meeting to order at 8:28 a.m. Mr. Glover called the roll; a quorum was present. Airport Road Church of Christ Pastor Bruce Henderson requested a moment of silence in honor of the 19 Hotshots who perished in the Granite Mountain fire. Pastor Henderson provided the invocation. At Mayor Crowell's request, U.S. Navy Seaman Gianna Shirk led the pledge of allegiance.

5. PUBLIC COMMENTS AND DISCUSSION (8:31:43) - U.S. Navy Seaman Gianna Shirk discussed her experience at Great Lakes Navy Boot Camp, and training for her position as operations specialist. She further discussed her interest in additional deployments in order to "travel the world." Mayor Crowell congratulated Ms. Shirk and the Board, City staff, and citizens present applauded. (8:33:20) Mayor Crowell entertained additional public comment and, when none was forthcoming, announced that C-Span will be in Carson City beginning Monday, July 8 through Thursday, July 11th to shoot B-roll for a special on Carson City as a capital. He advised that the segment will air August 3 and 4, 2013. Mayor Crowell called again for public comment; however, none was forthcoming.

6. POSSIBLE ACTION ON ADOPTION OF AGENDA (8:34:06) - Mayor Crowell entertained modifications to the agenda and, when none were forthcoming, entertained a motion to adopt it as published. **Supervisor Bonkowski moved to adopt the agenda, as published. Supervisor Abowd seconded the motion. Motion carried 5-0.**

7. SPECIAL INTRODUCTION AND PRESENTATIONS:

7(A) INTRODUCTION OF SUSAN HAAS, INTERIM EXECUTIVE DIRECTOR FOR NV RURAL COUNTIES RETIRED SENIOR VOLUNTEER PROGRAM, INC. (8:34:36) - Mayor Crowell introduced this item, and invited Ms. Haas to the podium. (8:34:53) Ms. Haas expressed appreciation for the "honor and privilege of working with Janice [Ayres] for almost six years." Ms. Haas advised that the RSVP Board of Directors had appointed her to the position of Executive Director. She thanked the Board for their past support and requested their support "moving

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forward.” She discussed the mission and purpose of the Nevada Rural Counties RSVP. She advised that the Fourth of July celebration will be dedicated to Ms. Ayres, and that Pyrotechnico has prepared a special firework in her honor. Ms. Haas provided background information on Ms. Ayres’ valuable marketing experience. Mayor Crowell congratulated Ms. Haas on her appointment. He entertained Board member questions or comments and, when none were forthcoming, thanked Ms. Haas.

7(B) PRESENTATION OF A PROCLAMATION FOR “YOU CAN HELP MONTH”

(8:37:30) - Mayor Crowell invited CASA Executive Director Chris Bayer and his group to join him at the podium. Mayor Crowell read into the record the language of the Proclamation which was included in the agenda materials, and presented the original to Mr. Bayer. Mr. Bayer advised of having previously distributed informational materials to each of the Board members and the City staff. He introduced Division of Child and Family Services Rural Foster Home Recruiter Lori Nichols and, at his request, she discussed the need for foster parents. Ms. Nichols introduced the representatives of various agencies and organizations who had joined her at the podium, and thanked the Board for the Proclamation. The Board members, City staff, and citizens present applauded.

7(C) PRESENTATION OF A PROCLAMATION FOR PARKS AND RECREATION

MONTH (8:44:27) - Mayor Crowell invited Parks and Recreation Department Director Roger Moellendorf to join him at the podium, and read into the record the language of the Proclamation which was included in the agenda materials. Mr. Moellendorf provided background information on Parks and Recreation Month, and advised of having distributed to the Board members and the Clerk a calendar of activities for the month of July. He reviewed the calendar of activities, and encouraged participation. He thanked the current and past Board members, City management, and the citizens for their support of the Parks and Recreation Department. Mayor Crowell expressed appreciation for the contribution of parks and recreation and open space to the community’s quality of life. He thanked Mr. Moellendorf.

8. CONSENT AGENDA (8:48:50) - Mayor Crowell introduced this item, and advised that item 8-5(C) would be heard separately. He entertained additional requests to hear items separate from the consent agenda and, when none were forthcoming, a motion to approve the remainder of the consent agenda. **Supervisor McKenna moved to approve the consent agenda consisting of one item from the Assessor, one item from the D.A., two items from Purchasing, one item from Health and Human Services, two items from Finance, excluding item 8-5(C); for item 8-2, Resolution No. 2013-R-27, and for item 8-3(A), Resolution No. 2013-R-28. Supervisor Abowd seconded the motion. Motion carried 5-0.**

8-1. ASSESSOR - POSSIBLE ACTION TO APPROVE REMOVAL OF THE TAXES AND PENALTIES FROM THE UNSECURED 2008 / 09, 2009 / 10, AND 2010 / 11 TAX ROLLS, PURSUANT TO NRS 361.5607, IN THE AMOUNT OF \$7,080.98

8-2. DISTRICT ATTORNEY - POSSIBLE ACTION TO ADOPT A RESOLUTION, PURSUANT TO NRS 228.130, CONCURRING IN THE REQUEST OF THE CARSON CITY DISTRICT ATTORNEY IN REQUESTING THAT THE ATTORNEY GENERAL OF THE STATE OF NEVADA, OR HER DULY APPOINTED DEPUTY, PROCEED TO EVALUATE AND, IF NECESSARY, PROSECUTE THE REFERENCED ALLEGATIONS AGAINST KENNETH STEEL

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8-3. PURCHASING AND CONTRACTS

8-3(A) POSSIBLE ACTION TO ADOPT A RESOLUTION AUTHORIZING THE BOARD OF SUPERVISORS TO DETERMINE THAT THE FIFTY-ONE (51) 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 NRS 372.3261 (FILE NO. 1314-060)

8-3(B) POSSIBLE ACTION TO APPROVE CONTRACT NO. 1314-045, JOINDER CONTRACT WITH CATERPILLAR, THROUGH THE NATIONAL JOINT POWERS ALLIANCE ("NJPA") FOR THE PURCHASE OF A CATERPILLAR 250 KW DIESEL GENERATOR FOR A NOT-TO-EXCEED AMOUNT OF \$79,367.00, TO BE FUNDED FROM THE WATER AND SEWER MACHINERY EQUIPMENT ACCOUNTS IN THE RESPECTIVE FUNDS, AS PROVIDED FOR IN FY 2013 / 2014 (FILE NO. 1314-045)

8-4. HEALTH AND HUMAN SERVICES DEPARTMENT - REPORT AND POSSIBLE ACCEPTANCE OF A \$41,000 GSK MASTER SETTLEMENT FUNDS SUBGRANT FROM THE NEVADA STATE HEALTH DIVISION TO PROVIDE FLU IMMUNIZATIONS AND HEPATITIS A / B OR TWINRIX TO THE INMATE POPULATION AT THE CARSON CITY JAIL

8-5. FINANCE DEPARTMENT

8-5(A) POSSIBLE ACTION TO TRANSFER A SHERIFF'S OFFICE EMPLOYEE FROM THE SHERIFF'S OFFICE OPERATIONS DIVISION TO THE VOCATIONAL REHABILITATION DIVISION IN THE WORKER'S COMPENSATION INTERNAL SERVICE FUND, RETROACTIVE TO JUNE 11, 2013, AND ALLOW THE SHERIFF'S OFFICE TO HIRE A REPLACEMENT FOR THE INJURED WORKER

8-5(B) POSSIBLE ACTION TO ACCEPT THE REPORT ON THE CONDITION OF EACH FUND IN THE TREASURY AND THE STATEMENTS OF RECEIPTS AND EXPENDITURES, THROUGH JUNE 21, 2013, PURSUANT TO NRS 251.030 AND NRS 354.290

8-5(C) POSSIBLE ACTION TO ADOPT A RESOLUTION TO LEVY THE CARSON CITY FISCAL YEAR 2013 - 14 AD VALOREM TAX RATE, AS CERTIFIED BY THE NEVADA TAX COMMISSION (8:50:11) - Mayor Crowell introduced this item and, at his request, Deputy Finance Director Nancy Paulson reviewed the agenda materials. She acknowledged that the 3.56 percent tax rate was used to develop and support the City's budget. Mayor Crowell entertained Board member and public comments or questions. When none were forthcoming, he entertained a motion. Supervisor McKenna moved to adopt Resolution No. 2013-R-29, a resolution to levy the Carson City Fiscal Year 2013 - 14 tax rate, as certified by the Nevada Tax Commission. Supervisor Abowd seconded the motion. Motion carried 5-0.

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

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9. ANY ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME (8:50:05) - Please see the minutes for item 8-5(C).

10. RECESS BOARD OF SUPERVISORS (8:51:17) - Mayor Crowell recessed the Board of Supervisors at 8:51 a.m., and passed the gavel to Board of Health Chair Dr. Susan Pintar.

BOARD OF HEALTH

11. CALL TO ORDER AND ROLL CALL (8:52:08) - Chairperson Susan Pintar called the Board of Health to order at 8:52 a.m. Mr. Glover called the roll; a quorum was present, including Member Ken Furlong.

12. POSSIBLE ACTION ON APPROVAL OF MINUTES - March 21, 2013 (8:52:37) - Chairperson Pintar entertained a motion to approve the minutes. **Member Abowd moved to approve the minutes. Member Bonkowski seconded the motion. Motion carried 7-0.**

13. HEALTH AND HUMAN SERVICES DEPARTMENT

13(A) REPORT, DISCUSSION, AND POSSIBLE ACTION TO DIRECT STAFF REGARDING THE HEALTH OFFICER'S REPORT CONCERNING ACTIVITIES IN WHICH THE HEALTH OFFICER IS ENGAGED, BOTH INSIDE AND OUTSIDE OF THE CARSON CITY HEALTH AND HUMAN SERVICES ("CCHHS") DEPARTMENT (8:53:03) - Chairperson Pintar introduced this item, and presented her report in conjunction with a displayed PowerPoint presentation. She and Member Furlong responded to questions of clarification regarding the sexual assault statistics presented. Chairperson Pintar entertained additional questions or comments and, when none were forthcoming, a motion to accept the report. **Member Abowd moved to accept the Health Officer's report and give direction to staff on CCHHS activities. Vice Chairperson Crowell seconded the motion.** Chairperson Pintar entertained public comment and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 7-0.**

13(B) REPORT DISCUSSION, AND POSSIBLE ACTION TO DIRECT STAFF REGARDING THE DIRECTOR'S REPORT ON CARSON CITY HEALTH AND HUMAN SERVICES ("CCHHS") ACTIVITIES (9:04:42) - Chairperson Pintar introduced this item, and advised that Interim Director Romaine Gilliland was unavailable. Environmental Health Division Manager Dustin Boothe reviewed the agenda materials in conjunction with displayed slides. Mr. Booth, Ms. Works, and Chairperson Pintar responded to questions of clarification. Chairperson Pintar entertained board member and public questions or comments. When no questions or comments were forthcoming, she entertained a motion. **Member Abowd moved to accept the Director's report and give direction to staff on CCHHS activities. Vice Chairperson Crowell seconded the motion. Motion carried 7-0.**

13(C) PRESENTATION AND DISCUSSION ONLY ON THE SAFE ROUTES TO SCHOOLS AND BIKE MONTH ACTIVITIES BY WESTERN REGIONAL SAFE ROUTES TO SCHOOLS COORDINATOR CORTNEY BLOOMER (9:17:25) - Chairperson Pintar introduced this item, and invited Western Nevada Safe Routes to Schools Coordinator Cortney Bloomer to the podium. Ms. Bloomer provided background information on, and an overview of, Nevada Moves Day. She thanked Member Abowd and Ms. Works for participating in the Celebrity Bike Ride, and

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provided background information on the same. She discussed the Safe Routes to School Program participation in the recent Sheriff's Cops and Kids Event. She provided an overview of the Safe Routes to School Program, and reviewed the agenda materials. She thanked the board for its support of the Safe Routes to School Program. Chairperson Pintar entertained public comment; however, none was forthcoming.

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13(D) PRESENTATION AND DISCUSSION ONLY ON THE BOARD OF HEALTH WEB PAGE AT “www.gethealthycarsoncity.org” (9:24:26) - Chairperson Pintar introduced this item, and Environmental Health Division Manager Dustin Boothe reviewed the agenda materials in conjunction with the displayed web page. Chairperson Pintar entertained public comments or questions and, when none were forthcoming, thanked Mr. Boothe for his presentation.

13(E) REPORT AND POSSIBLE ACTION ON ACCEPTANCE OF DONATIONS FOR ANIMAL SERVICES, RECEIVED SINCE THE LAST BOARD OF HEALTH MEETING (9:26:50) - Chairperson Pintar introduced this item, and Animal Services Division Manager Gail Radtke reviewed the agenda materials. In response to a question, Ms. Works advised that the portion of salary donated by several of the Board of Supervisors members was allocated to the new building fund and animal care accounts. In response to a further question, Ms. Radtke was uncertain as to whether George Reading was a Carson City resident.

Chairperson Pintar entertained a motion to accept the report. **Member Abowd moved to accept the donation report and give direction to staff to ensure accountability of the funds. Vice Chairperson Crowell seconded the motion. Motion carried 7-0.**

13(F) DISCUSSION AND POSSIBLE ACTION TO DIRECT STAFF REGARDING THE LETTER OF SUPPORT FROM THE BOARD OF HEALTH FOR PUBLIC HEALTH ACCREDITATION (9:29:21) - Chairperson Pintar introduced this item. Prevention Program Manager Cindy Hannah introduced Accreditation Coordinator Valerie Cauhape, who reviewed the agenda materials. Chairperson Pintar provided additional background information on this item. She entertained board member questions or comments and, when none were forthcoming, a motion. **Vice Chairperson Crowell moved to execute the letter attached to the board action form. Member Abowd seconded the motion.** Chairperson Pintar entertained public comment and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 7-0.**

13(G) REPORT, DISCUSSION, AND POSSIBLE ACTION TO DIRECT STAFF REGARDING THE DEPUTY CITY MANAGER’S REPORT ON CARSON CITY 2013 HEALTH RANKINGS (9:32:13) - Chairperson Pintar introduced this item. Ms. Works reviewed the agenda materials in conjunction with displayed slides, and responded to questions of clarification. Chairperson Pintar entertained additional board member questions or comments and public comments. When no questions or comments were forthcoming, she entertained a motion. **Member Abowd moved to accept the Deputy City Manager’s report.** In response to a question, Ms. Works discussed statistics relative to the teen birth rate in Carson City. She advised that the teen birth rate is a “focus in our community health improvement plan.” In response to a question, Promoting Health Amongst Teens / Abstinence Only Program Coordinator Valerie Cauhape discussed educational efforts. In response to a question, Member McKenna discussed educational requirements directed by the State Board of Education and each local School Board. In response to a further question, Chairperson Pintar advised that county health ranking statistics are available to the public. Discussion followed. In response to a further question, Chairperson Pintar advised that binge drinking statistics are attributable to all ages. “Binge drinking is defined as more than five drinks within a single session ... separated by ... three to five days.” Ms. Works responded to additional questions of clarification regarding teen pregnancy statistics relative to culture and ethnicity. Chairperson Pintar called for a second on the pending motion. **Member Crowell seconded the motion. Motion carried 7-0.**

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14. PUBLIC COMMENT (9:50:38) - Chairperson Pintar entertained public comment; however, none was forthcoming.

15. ACTION TO ADJOURN BOARD OF HEALTH (9:50:45) - Member Bonkowski moved to adjourn the meeting at 9:50 a.m. Member Crowell seconded the motion. Motion carried 7-0.

16. RECONVENE BOARD OF SUPERVISORS (9:50:57) - Mayor Crowell reconvened the Board of Supervisors and recessed the meeting at 9:50 a.m.

17. HEALTH AND HUMAN SERVICES DEPARTMENT - POSSIBLE ACTION TO ADOPT A RESOLUTION ACCEPTING AN INTERLOCAL AGREEMENT WITH DOUGLAS COUNTY, IN THE AMOUNT OF \$387,351 PER FISCAL YEAR, FOR CARSON CITY HEALTH AND HUMAN SERVICES TO PROVIDE COMMUNITY HEALTH NURSING SERVICES IN DOUGLAS COUNTY (10:01:25) - Mayor Crowell reconvened the meeting at 10:01 a.m., and introduced this item. Clinical Services Division Manager Veronica Galas reviewed the agenda materials. Mayor Crowell entertained Board member questions or comments and public comments. When no questions or comments were forthcoming, he entertained a motion. **Supervisor Bonkowski moved to adopt Resolution No. 2013-R-30, accepting an interlocal agreement, in the amount of \$387,351 per year, from Douglas County, covering July 1, 2013 to June 30, 2015; the funds from this agreement will be used for personnel and operating expenses to operate and maintain community health nursing services within the county. Supervisor Abowd seconded the motion.** Supervisor Bonkowski noted a necessary correction to the Interlocal Contract included in the agenda materials. Mayor Crowell called for a vote on the pending motion. **Motion carried 5-0.**

18. PUBLIC WORKS DEPARTMENT

18(A) POSSIBLE ACTION TO ADOPT A RESOLUTION APPROVING AND AUTHORIZING THE MAYOR TO SIGN THE "FIRST AMENDMENT TO INTERLOCAL AGREEMENT RELATING TO WATER SERVICE (NORTH DOUGLAS COUNTY AND CARSON CITY WATER LINE INTERTIE PROJECT), BETWEEN DOUGLAS COUNTY AND CARSON CITY," AN AMENDED INTERLOCAL AGREEMENT, BY AND BETWEEN CARSON CITY AND DOUGLAS COUNTY RELATING TO WATER SERVICE (10:04:32) - Mayor Crowell introduced this item, and Deputy Public Works Director Darren Schulz reviewed the agenda materials for the subject and following items. In response to a question, he advised that the Minden Town Board had approved the interlocal agreement. Douglas County representatives will present the interlocal agreement to their County Commissioners on July 18th. Mr. Schulz noted the Town of Minden representatives who were present in the meeting room.

Mr. Schulz responded to questions regarding the provisions of the agreement relative to depreciation funding. Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Bonkowski moved to adopt Resolution No. 2013-R-31, a resolution approving and authorizing the Mayor to sign the First Amendment to Interlocal Agreement Relating to Water Service (North Douglas County and Carson City Waterline Intertie Project), Between Douglas County and Carson City. Supervisor Abowd seconded the motion. Motion carried 5-0.**

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18(B) POSSIBLE ACTION TO ADOPT A RESOLUTION APPROVING AND AUTHORIZING THE MAYOR TO SIGN THE “FIRST AMENDMENT TO INTERLOCAL AGREEMENT, BY AND BETWEEN CARSON CITY AND THE TOWN OF MINDEN FOR THE SALE AND TRANSFER OF WATER RIGHTS AND THE DELIVERY OF WATER,” WHICH AMENDS AN INTERLOCAL AGREEMENT, BY AND BETWEEN CARSON CITY AND THE TOWN OF MINDEN RELATING TO WATER RIGHTS AND SERVICE (10:10:40) - Mayor Crowell noted this item as corollary to the previous item, and entertained public comment. When no public comment was forthcoming, he entertained comment from Mr. Schulz, who advised of an error in that the wrong exhibit was attached. He distributed copies of the correct exhibit to the Board members and the Clerk, noting that the District Attorney had approved the substitution “because the numbers didn’t change.” Mr. Schulz advised of having made copies of the exhibit available to the public, and reviewed the same.

Mayor Crowell entertained questions of the Board members and, when none were forthcoming, public comment. When no public comment was forthcoming, he entertained a motion. **Supervisor Bonkowski moved to adopt Resolution No. 2013-R-32, a resolution approving and authorizing the Mayor to sign the First Amendment to Interlocal Agreement, by and between Carson City and the Town of Minden, for the Sale and Transfer of Water Rights and the Delivery of Water.** Supervisor Abowd seconded the motion. Motion carried 5-0.

19. PUBLIC WORKS DEPARTMENT, LANDFILL - POSSIBLE ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE AMENDING THE CARSON CITY MUNICIPAL CODE, TITLE 12, WATER, SEWERAGE, AND DRAINAGE, CHAPTER 12.12, SOLID WASTE MANAGEMENT, SECTION 12.12.047, LANDFILL RATES AND FEES, BY REDUCING RATES FOR CLASS III (INERT) OUT-OF-COUNTY FEES (1,000 LBS OR GREATER) CATEGORY; CHANGING INERT TO CONSTRUCTION AND DEMOLITION (C&D); AND OTHER MATTERS PROPERLY RELATED THERETO (10:12:48) - Mayor Crowell introduced this item. Public Works Department Director Andy Burnham reviewed the agenda materials, and responded to questions of clarification. In response to a further question, he estimated an average of eight trucks per day will travel on Carson Street. “They come Fairview [Drive] to the freeway and then out Highway 50. We actually asked Douglas Disposal ... to utilize the freeway route.” In response to a further question, he provided background information on the decision to close the landfill on Sundays. He advised that staff is looking into the possibility of opening the landfill for a limited number of hours on Sundays.

Mayor Crowell entertained additional Board member questions or comments and, when none were forthcoming, public comments. When no public comment was forthcoming, he entertained a motion. **Supervisor Abowd moved to introduce, on first reading, Bill No. 116, amending the Carson City Municipal Code, Title 12, Water, Sewerage, and Drainage, Chapter 12.12, Solid Waste Management; Section 12.12.047, Landfill rates and fees, by reducing rates for Class III (Inert) Out-of-County fees (1,000 lbs or greater) Category; changing Inert to C&D, and other matters properly related thereto. Supervisor Bonkowski seconded the motion. Motion carried 5-0.** Mayor Crowell commended Mr. Burnham and his staff. “... not only does this make money for our landfill, it’ll make money for our general fund which the landfill is in, but ... the level of cooperation we’re going to be seeing among waste creators, and particularly South Tahoe Refuse, could be really big when this State moves forward in requiring recycled material greater than it is today.”

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20. PUBLIC WORKS DEPARTMENT, PLANNING DIVISION

20(A) POSSIBLE ACTION TO CONSIDER AN APPEAL OF THE PLANNING COMMISSION'S APPROVAL OF A SPECIAL USE PERMIT TO ALLOW A TWO-FAMILY DUPLEX, ON A CORNER LOT IN A SINGLE FAMILY 6,000 ZONING DISTRICT, LOCATED AT 1512 NORTH NEVADA STREET, APN 001-157-02 (SUP-13-031) (10:20:14) - Mayor Crowell introduced this item, and Planning Division Director Lee Plemel introduced Principal Planner Susan Dorr Pansky. Mayor Crowell provided background information on the appeal process, for the benefit of the public, and then provided direction with regard to the presentation by staff and the appellant and with regard to public comment. Mr. Plemel provided an overview of this item, and Ms. Dorr Pansky reviewed the agenda materials in conjunction with displayed slides. Ms. Dorr Pansky and Mr. Plemel responded to questions of clarification. Mayor Crowell entertained additional questions or comments of the Board members and, when none were forthcoming, invited the appellant to the podium.

(10:29:22) Jessica Schulz introduced herself for the record, referred to the June 6, 2013 letter included in the agenda materials, reviewed the same and responded to questions of clarification. In response to a further question, she expressed the opinion that the proposed project will be detrimental to the peaceful enjoyment and economic value of the surrounding properties as well as affecting the current character and integrity of the adjacent developments. Mayor Crowell entertained additional questions of the Board members and, when none were forthcoming, invited the applicant to the podium.

(10:36:47) Steve Yochum acknowledged he is the owner and developer of the property. He commended Ms. Dorr Pansky's presentation and expressed the opinion that "the issue here is not whether the other duplex lots there were required to go through a special use permit process; it's whether this project meets that use, which it does. It meets, in that there are other duplex lots there, this is not ... a case of first impression. It actually does meet the use of the neighboring properties. So whether the other properties were zoned differently or required to go through the SUP ... is not the issue." Mr. Yochum acknowledged agreement with the special use permit conditions of approval.

Mayor Crowell entertained additional Board member questions or comments and, when none were forthcoming, public comments. (10:38:37) Donna Inversin, a resident of 1605 North Nevada Street, advised of not having seen a definition of medium density residential. She expressed concern that "one more is going to be the tipping point. Where is that tipping point? And then we have flight of the single-family homes and we wind up with not a medium density but there's no single-family homes left because everybody else moves out. I'm not moving 'til the kids pry me out but I don't want to be that little old lady isolated by myself with ... the cops surrounding every night." She related details of an incident which occurred in the neighborhood which "required Douglas County, Carson [City] Sheriff, ... the Washoe Tribal Sheriffs were there." She expressed concern over "that getting worse."

(10:39:55) Dennis Curran, a resident of 1601 North Division Street, advised that he wouldn't have any reservation "if this property were built to be sold ... It's the fact that there's going to be long-term renters there that makes [him] believe, because of what [he's] seen in the neighborhood up until now, that [his] value is going to go down and [his] peaceful enjoyment is going to go down as well." He expressed reservation over "adding more renters in the area ... because of their lack of focus on maintaining the value in the area."

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In response to a question, Mr. Plemel advised that zoning generally “deals with the use on the property and not the control of the behavior of the people that are on the property. ... we deal with the structures and permitted uses, but zoning doesn’t control whether properties are rented or owned in terms of residential living.” In response to a further question, Mr. Plemel advised that Planning Division staff has not conducted research on the impact to single-family residential property values of multi-family residential development. He further advised that “property values change over time so it’s often hard to tell how much the property value changes as a result of surrounding uses versus just normal changes over time.” In reference to a previous question, he discussed the conditions of guest houses for the use of family and non-paying guests only; they cannot be rented and they are limited in size. In response to a further question, he described the subject area as “generally transitional ... As you move to the west, it is predominantly and strictly single-family. If you go a little farther to the east, you quickly get into the commercial area so this is sort of a transitional area. If you ... go north and south along this area, it’s also a transitional area with residential offices, a little mix of offices and residential. But in this neighborhood and that snapshot around there, it’s single-family to the west, ... commercial and then you have the mix of single-family and duplexes, as identified ...” Mr. Plemel acknowledged that the subject property is not within the historic district. In response to a further question, he explained that a duplex can be permitted on corner lots with approval of a special use permit in a single-family 6,000 zone. “Anybody could apply in any single-family 6,000 zoning district with a corner lot. That’s what the Code says. Now, with a special use permit, obviously, the things you have to consider then are the appropriateness and location in the particular circumstances of each case. Perhaps a duplex ... somewhere else in the middle surrounded all by single-family residential is not appropriate in other areas generally. So, that’s kind of how we approached it ... from the Planning side; looking at surrounding uses, compatibility, what the project ... is. ... all those factors are considered with each individual special use permit but what the Code says is anybody with a corner lot in single-family 6,000 zoning can apply for this.” In response to a further question, Mr. Plemel advised that the action associated with the subject item is “based on the particular circumstances of this case and it would not bind [the Board] on any future decisions ...”

In response to previous comments, Mr. Munn advised that “because the criteria ... evaluated for a special use permit is somewhat subjective, unless the applicant, who carries the burden of proof, can bring in studies, appraisals, all kinds of things to establish that the Planning Commission and, ultimately, this Board can meet those standards, ... as you reach that tipping point, the next applicant is going to have a bigger burden of proof to bring in some substantial proof other than ... subjective opinions.” Mr. Munn suggested that what has presented thus far, in the record, “is pretty much subjective opinions of which the Planning Commission disagreed and ... is within [the Board’s] authority to disagree as well.”

Mayor Crowell offered Ms. Schulz an additional opportunity to comment. He expressed understanding for the concerns expressed, and requested her to explain the reason the project is not eligible for a special use permit. (10:48:59) Ms. Schulz expressed disagreement that the proposed project “fits the tone of the neighborhood. ... If they put in another duplex, it becomes that much easier for the Planning Commission to say, ‘Oh, it’s fits the tone of the neighborhood.’” She discussed concerns over traffic congestion, and expressed appreciation that the Planning Commission required two off-street parking spaces for both residences. Ms. Schulz expressed disagreement with “the way the decision was made in the Planning Commission was on false information ...” She advised of having had good renters and bad renters in the area, and acknowledged she could not say “what those renters

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will be in the future.” Ms. Schulz advised that her “main concern is … it sets the tone for the neighborhood and that was one of the things the special use permit had to be. It had to fit into the neighborhood which is why they argued, ‘Well, there’s all these duplexes around. Why not one more?’” Discussion followed and, in response to a further question, Ms. Schulz provided historic information on the construction of her home and some of the others in the neighborhood.

In response to a question, Mr. Plemel advised of not having researched the number of special use permit applications for duplexes in the single-family 6,000 zoning district. He noted “they’re not frequent.” In response to a further question, he advised that the Code provisions relative to the subject project have been in place for some time. “… even before 2002, was a major update of the Code. It was in the books before that and probably since the ‘70’s.” In response to a further question, Mr. Plemel advised that the single-family 12,000 zoning district does not permit duplexes on corner lots as a conditional use. “So if the zoning were changed to [single-family] 12,000, then somebody couldn’t do this. Single-family 12,000 is probably not really the appropriate zoning for it because they’re not really 12,000 square foot lots and can’t meet 12,000 square foot lot setbacks, etc. … the other thing is to change the Code to delete duplexes as a conditional use in single-family 6,000 which would involve changing it City-wide anywhere that zoning occurs.”

(10:59:01) In reference to a displayed slide, Dennis Curran advised “there are no duplexes this side of Nevada Street until you get down below Adams. So it is the tipping point. You’re going to change the nature of the neighborhood by adding a duplex there.” Supervisor Bonkowski pointed out that the proposed project is for two, single-family homes on one lot. Mr. Plemel acknowledged this is considered a duplex for the purpose of zoning, “but they’re proposing two detached single-family homes on the same lot.” He further acknowledged that the residences could never be sold separately. In response to a further question, Mr. Plemel advised that the lot is not large enough to subdivide it into two 6,000 square foot lots. “… in fact, a corner lot is supposed to have 6,500 square feet when it’s divided.”

In response to a question, Ms. Dorr Pansky advised that the medium density residential definition “was taken from the master plan.” In response to a comment, Mr. Plemel explained that the “master plan statement is a policy document that’s implemented through zoning. So, the master plan is technically not an ordinance. … that’s … some policy language that then you apply through zoning and make these sorts of decisions.”

Mayor Crowell entertained additional public comment. (11:02:37) Gary Stone, a resident of 1601 North Division Street, pointed out his residence on a displayed aerial photograph. Mr. Stone advised that he has “spent considerable time, effort, and money rehabilitating that property.” He expressed concern over property values decreasing in his neighborhood, over the “influx of rentals affecting property values.” He disclosed that Steve Yochum is a personal friend of “almost 30 years.” Mr. Stone expressed concern over establishing a precedent in the neighborhood, acknowledged that the Code allows the proposed project by special use permit, and suggested Mr. Yochum’s project will set the bar “pretty high” for any future project in the same area. He expressed confidence in Mr. Yochum’s “work …, his scruples; and the people that he would rent to are not the kind of renters that you would look down on.” Mr. Stone advised that he owns multiple rental properties with various kinds of tenants. “It’s how scrupulous you are when you go through the rental process as a landlord.” Mr. Stone expressed concern over personal property rights, and suggested that Mr. Yochum “has

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apparently jumped through all the hoops.” He expressed the personal opinion that “whatever [Mr. Yochum] builds there is [not] going to diminish anyone’s property values.” He noted the trend toward infill, “and there’s no reason that has to be detrimental.” He expressed confidence in Mr. Yochum’s proposed project based on his experience.

Supervisor Abowd commended Mr. Stone on the improvements to his home. In response to a question, Mr. Stone advised he is not “uncomfortable” with the proposed project. He reiterated his “personal knowledge of [Mr. Yochum’s] standards. That is a huge part of it. He doesn’t hack anything … If anything, he will overdo, but if future applicants are held to the same standard, none of us have a problem.” In response to a comment, Mr. Stone expressed the opinion that other duplexes in the area “were not held to a high standard when they were constructed.” In response to a question, Mr. Stone expressed confidence that Mr. Yochum “will not rent to the first person that gives him a deposit.”

Mayor Crowell entertained additional public comment. (11:07:10) Margarethe Nettel pointed out her residence on a displayed aerial photograph, and advised that she and her son own the property. She expressed opposition to the two-story design of the proposed project. Ms. Dorr Pansky clarified that the proposed project will be situated to face Long Street.

(11:08:30) John Schulz described the location of his property, and advised that he has known Mr. Yochum for a number of years. He commended Mr. Yochum’s skill as a contractor. He expressed concern over increasing the density of the area, and discussed the history of the neighborhood. He requested the Board to consider the impact of the proposed project on property values in the neighborhood. Mayor Crowell discussed the importance of basing a decision on whether the proposed project complies with the provisions of the existing laws. He expressed understanding for concerns expressed with regard to maintaining the quiet enjoyment of the neighborhood. He noted the importance of balancing the concerns with the provisions of the City’s master plan. Mr. Schulz acknowledged the difficulty of the decision. In response to a question, Mr. Schulz advised that his family’s home was constructed in 1949.

(11:17:11) Tom Streenan, a resident of 1502 North Nevada Street, advised that his residence was constructed in 1885 and that he and his family have lived there since 1987. He expressed concern over noise, traffic, and decreasing property values.

Mayor Crowell entertained additional public comment; however, none was forthcoming. In reference to CCMC Section 18.02.060, Mr. Munn noted that neither Gary Stone nor Margarethe Nettel’s names appeared in the minutes of the Planning Commission meeting. Mayor Crowell entertained discussion of the Board members. Supervisor Bonkowski noted that the proposed project “meets the land use code designation, it fits in the master plan description, it is allowed in the zoning with a special use permit, and the applicant has agreed to the conditions of that special use permit.” He acknowledged the property owners’ objections and, in reference to his 20-years’ experience in real estate, suggested that “it’s a people problem, not a property problem. A single-family homeowner, you can have a good homeowner, you can have a bad homeowner. You can have somebody that maintains their property. You can have somebody that doesn’t maintain their property. With an investment property owner, such as a duplex, you can have a good landlord that maintains the property and keeps good renters in. You can have a bad landlord …” Supervisor Bonkowski reiterated the opinion, “It’s a people problem.” He expressed objection to the “guilt by association” argument; “that by putting a duplex here and bringing renters in there, which there’s already a renter there, that automatically is going to be

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a bad thing.” He expressed objection to “the argument that a mixed-use community or area automatically brings property values down.” He acknowledged that this is a possibility, but suggested whether it will “remain to be seen.” He expressed objection to the “NIMBY argument,” and offered to make a motion.

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In response to a question, Mr. Plemel advised that no research had been conducted into “past actions because those are different circumstances in each particular case ... We try to evaluate ... each case.” Mr. Plemel expressed the belief that “staff recommended approval of the prior one in 2006 that was denied.” In response to a further question, he discussed the Board’s purview to determine whether the applicant has “met the burden of proof of ... the findings that we’re discussing about neighborhood compatibility ... It meets the Code in terms of setbacks and other processes and it’s the appropriate process. The applicant still has the burden of proof of meeting the required findings that are identified more specifically in the application that include the compatibility, property values, detrimental to the ... neighboring properties ...” Mr. Plemel acknowledged the Board’s purview to consider the neighboring residents as well as the applicant’s compliance with the requirements. He pointed out that the Planning Commission had the same purview.

Mayor Crowell entertained a motion. **Supervisor Bonkowski moved to uphold the Planning Commission’s decision to allow a two-family duplex, on a corner lot in a single-family 6,000 zoning district, located at 1512 North Nevada Street, APN 001-157-02, based upon the findings for approval and with the recommended conditions contained within the staff report to the Planning Commission. Supervisor McKenna seconded the motion.** Mayor Crowell entertained discussion. Supervisor Shirk expressed opposition “just based upon the testimony from the neighbors who came forward.” He expressed the opinion, “it’s a tough decision; ... but just from the material I heard today, I’m an ex-builder too. I understand both aspects of it and I just tend to think if I lived there, I wouldn’t want this and I’ve listened to both sides of the arguments. This is the way I’m leaning. I don’t know. I think it’s a hard decision, but I wish the Board good luck.” Supervisor Abowd expressed concern about “the domino effect for the neighborhood ...” She advised of having driven through the neighborhood and expressed the opinion that “the question of home value and the experience and tenor of the neighborhood, those questions have not been answered in the Planning Commission discovery and determination in their decision.” She advised she would not vote in favor of the motion. Mayor Crowell entertained additional discussion and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 3-2.**

20(B) POSSIBLE ACTION TO ADOPT A RESOLUTION AMENDING THE MAXIMUM NUMBER OF RESIDENTIAL BUILDING PERMIT ALLOCATIONS, UNDER THE CARSON CITY GROWTH MANAGEMENT ORDINANCE, FOR THE YEARS 2014 AND 2015, AND ESTIMATING THE MAXIMUM NUMBER OF RESIDENTIAL BUILDING PERMITS FOR THE YEARS 2016 AND 2017; ESTABLISHING THE NUMBER OF RESIDENTIAL BUILDING PERMIT ALLOCATIONS AVAILABLE WITHIN THE DEVELOPMENT AND GENERAL PROPERTY OWNER CATEGORIES; AND ESTABLISHING THE MAXIMUM AVERAGE DAILY WATER USAGE FOR COMMERCIAL AND INDUSTRIAL BUILDING PERMITS, AS A THRESHOLD FOR GROWTH MANAGEMENT COMMISSION REVIEW (GM-13-029) (11:26:18) - Mayor Crowell introduced this item. Mr. Plemel reviewed the agenda materials in conjunction with displayed slides, and responded to questions of clarification. Mayor Crowell entertained additional Board member questions or comments and, when none were forthcoming, public comments. When no public comments were forthcoming, he entertained a motion. **Supervisor Abowd moved to adopt Resolution No. 2013-R-33, amending the maximum number of residential building permit allocations under the Carson City Growth Management Ordinance for the years 2014 and 2015, and estimating the maximum number of residential building permits for the years 2016 and 2017;**

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establishing the number of residential building permit allocations available within the development and general property owner categories; and establishing a maximum average daily water usage for commercial and industrial building permits as a threshold for Growth Management Commission review, as recommended by the Planning Commission. Supervisor Bonkowski seconded the motion. Motion carried 5-0.

21. BOARD OF SUPERVISORS NON-ACTION ITEMS:

STATUS REVIEW OF PROJECTS; QUARTERLY REPORT ON CAPITAL PROJECTS
(11:38:44) - None.

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS

CORRESPONDENCE TO THE BOARD OF SUPERVISORS

STATUS REPORTS AND COMMENTS FROM BOARD MEMBERS (11:38:57) -

Supervisor Abowd noted the community's recent loss of Jeffrey Scott, and discussed his involvement in the Wild Horse Productions, in the community in general, and in the public art ordinance which will be presented to the Board in the near future. Supervisor Abowd encouraged the public to purchase tickets for the July 9th Concert Under the Stars which benefits The Greenhouse Project. Supervisor Bonkowski announced a presentation, by Sierra Nevada Forums, a non-partisan group that is dedicated to educating the public on water / sewer rates. The panel members include Carson City Public Works Department representatives, City of Reno Public Works Department representatives, and a consultant. "The idea is to present to the public verifiable, factual data on a controversial issue and this will be the fourth forum that they've put on." He invited any interested citizen to attend and "bring questions." Supervisor McKenna commented, "It's going to cost you money for water / sewer and it would be nice if you were aware of why we have to do what we're going to do or, perhaps, tell us why we don't have to do it." Mayor Crowell entertained additional status reports or comments; however, none were forthcoming. (3:05:22) Supervisor Abowd requested anyone interested in purchasing tickets for the July 9th Concert Under the Stars to call Café at Adele's.

STAFF COMMENTS AND STATUS REPORTS

RECESS AND RECONVENE BOARD OF SUPERVISORS (11:41:25) - Mayor Crowell recessed the meeting at 11:41 a.m., and reconvened at 1:58 p.m.

22. CITY MANAGER - PUBLIC HEARING, PURSUANT TO NRS 244.2795(1)(a), TO CONSIDER AND DELIBERATE POTENTIAL SUBSEQUENT ACTION TO ACCEPT A SINGLE APPRAISAL, NOT MORE THAN SIX MONTHS OLD, FOR THE PURPOSES OF A PROPOSED SALE OR TRANSFER OF 2443 SOUTH CURRY STREET, APN 009-051-19, TO RICHARD CAMPAGNI UNDER THE BOARD'S NRS 244.2815 ECONOMIC DEVELOPMENT AUTHORITY (1:58:09) - Mayor Crowell introduced this item, and Mr. Munn reviewed the agenda materials. Mayor Crowell opened the public hearing, and entertained public comment. When none was forthcoming, he entertained Board member questions or comments.

At Supervisor McKenna's request, Appraiser Steve Johnson provided background information on the appraisal which was included in the agenda materials. In response to a question, he advised that the

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property is appraised at \$415,000. Supervisor McKenna noted that the property was appraised in 2008 at \$820,000. Mr. Johnson acknowledged that the \$820,000 value was established prior to right-of-way being removed. Mayor Crowell entertained additional questions or comments, and called again for public comments. When none were forthcoming, he closed the public hearing.

23. RECESS BOARD OF SUPERVISORS (2:03:01) - Mayor Crowell recessed the Board of Supervisors at 2:03 p.m., and passed the gavel to Redevelopment Authority Chair Karen Abowd.

REDEVELOPMENT AUTHORITY

24. CALL TO ORDER AND ROLL CALL (2:03:19) - Chairperson Karen Abowd called the Redevelopment Authority to order at 2:03 p.m., noting the presence of a quorum.

25. CITY MANAGER

25(A) DISCUSSION AND POSSIBLE ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS, AND APPROVE AND AUTHORIZE THE CHAIR OF THE REDEVELOPMENT AGENCY BOARD TO EXECUTE THE THIRD AMENDED AND RESTATED COMMITMENT AGREEMENT FOR CONTINUING BUSINESS OPERATIONS WITH RICHARD CAMPAGNI, WHICH PROVIDES THAT UPON THE BOARD OF SUPERVISORS' APPROVAL OF A RESOLUTION, PURSUANT TO NRS 244.2815(2), THE MAYOR WILL EXECUTE A GRANT, BARGAIN, AND SALE DEED TO RICHARD CAMPAGNI AND, THEREBY, TRANSFER 2443 SOUTH CURRY STREET, APN 009-051-19, FOR THE PURPOSES OF ECONOMIC DEVELOPMENT AND RESOLVING A CONTINUING BUSINESS OBLIGATION INCENTIVE INEQUITY BY THE TRANSFER OF THIS LAND IN LIEU OF REDUCING CAMPAGNI'S EXISTING REDEVELOPMENT LOAN RATE FROM 5% TO 3% TO MATCH THE RATE RECENTLY PROVIDED TO MICHAEL HOHL (2:03:31) - Chairperson Abowd introduced this item, and Ms. Works reviewed the agenda materials. Mr. Munn clarified that the land is owned by the City "so the transaction regarding the land is the next agenda item. ... before the [Redevelopment Authority] is whether to agree to your signature on the amended agreement."

Chairperson Abowd entertained redevelopment authority member questions or comments. Member McKenna provided background information on this item, and expressed the belief that the subject arrangement "seems ... to be a normal business relationship that benefits the people of Carson City still.

... looking at the deal right now, ... Carson City achieves more benefits from it than they would if it didn't exist." Member Crowell provided additional background information, and expressed the opinion that "this equalizes the benefits between Campagni and Hohl which ... we do have a moral obligation to do. ... because we're in business with both, ... auto sales tax in this community has been what has essentially kept us alive and able to weather this recession or depression or whatever you want to call it. And its through ... the marketing efforts of these two groups that have ... really put a lot of money into the City's general fund." Member Crowell expressed the opinion that the subject transfer "creates an equal playing field between the dealerships and ... also revises the agreement where, at the end of it, neither party's going to end up paying. Their loan will be repaid and there'll be no further obligations." Vice Chairperson Bonkowski advised of having reviewed all the documentation and expressed uncertainty that "this is an equitable deal for the City." He expressed the opinion that "looking at all the different alternatives ... they're all much less attractive." He advised he would not

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vote against the item, but was “not really happy about it either ...”

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In response to a question, Mr. Munn explained that Michael Hohl “had, from the outset, received two loans and had an additional coming. He had \$1.2 million and another for \$1.2 million and then he had \$2.4 [million] that was still owed to him under the agreement. And ... the option for him was to either move his GM dealership or remodel it and that was in the agreement. He chose to remodel it and came back for the \$2.4 [million]. That obligation already existed. In between all of that time was the economic crash and the fact that the numbers were not working in his model for ... the payback happening through the sales tax. Essentially, ... he was starting to accrue amounts where he didn’t make the nut per month, so to speak. So, ... staff brought back to this Board a recommendation that we restructure the deal so that no one ends up in a circumstance where cash has to come out of pocket from either side. And, in that restructure, we wrapped all of those notes together into one note at three percent.” In response to a further question, Mr. Munn explained his understanding that “prior Boards had made the decision, since auto dealers essentially are contributing about 24 percent to the general fund of this City, that the incentive was designed around those large dealers. So, the answer is, no it wasn’t offered to everybody. There were only two dealers that took the City up on that, the Michael Hohl Group and the Campagni Group. So the smaller dealers weren’t in that. They didn’t have the ability to participate in that. There were other, smaller ... incentive plans at the time which have since been sunsetted because of the availability of money and other policy reasons by this Board. Essentially, the answer is no; not everybody got this opportunity and there are no others out there other than these two.”

In response to a further question, Mr. Munn recalled one meeting between City officials and the Campagni Group which the Mayor attended. “... unless this Board appoints a subcommittee to go negotiate a deal, ... staff doesn’t involve anything that could approach a quorum when we’re analyzing something that we’re going to recommend to you for obvious reasons. Mayor Crowell expressed reluctance over Board of Supervisors members becoming involved in contract negotiations “because ... it prepositions you for a particular way to vote when it comes before you.” Mayor Crowell advised that he generally stays out of contract negotiations. He further advised that his “general approach ... is to ... let your staff do the negotiations and then ... the individual Supervisors retain their ability to make an unbiased decision.” Supervisor Shirk proposed a method for City staff to communicate with the Board members without violating the Open Meeting Law.

In response to a further question, Mr. Munn explained that when he “constructed the staff report and drafted the resolutions for the Board of Supervisors on the next agenda item, [he] follows the statutory requirements, ... essentially a threshold that you must meet as to an item where you’re selling property, under this [Redevelopment] Authority and possibly less than appraised value. So, in crafting that language, there was a rate reduction in the circumstances of Mr. Hohl and that the best interests of the community analysis surrounds Mr. Campagni’s impact on this community and the amount of tax revenue he generates from that business, plus the continuing business relationship and, essentially, everyone’s admitted a moral obligation that he be able to have a competitive incentive plan. So, essentially, it was drafted in a manner that would meet the statutory threshold that this Board, in making its decision, would meet those requirements by taking, essentially, an unproductive piece of property, putting it back into production and on the tax rolls, as well as the other side of the equation and that is the ongoing relationship with Mr. Campagni.”

In response to a further question, Mr. Munn advised “they have a ten percent incentive built into the transaction that, if they pay off that note early, then they move over to, essentially, receiving cash from

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the general fund through the tax that they generate, the ten percent. And so, under the structure of this deal, that's why the land swap came into the analysis of staff's recommendation because if we reduced Mr. Campagni's to three percent, based on his sales, he gets into the ten percent incentive a lot sooner than anybody really wants to as far as the amount of cash that would come from the general fund to his pocket. Because the deal was designed ... to ... pay for itself over time and ... no one really wants to come out of pocket. They don't want to be paying us if they're short and we don't want to be paying them if they finish early. And so, it is in the best interests of the community that that ... relationship continue."

In response to a further question, Mr. Munn suggested that "hindsight is always 20 / 20. ... with respect to Hohl, obviously, it wasn't penciling out because the economy changed and, therefore, the restructure discussion happened with him. ... that's a given. If you knew where you were going to be today, then maybe you would have structured the deal differently and I haven't thought that through as to how I would have restructured it." In response to a comment, he agreed that future agreements could be negotiated with "triggers for renegotiation ... Obviously, we didn't have any of those kind of triggers that were in the original agreements."

Chairperson Abowd commended staff's creativity, and expressed regret that "the property is worth fifty percent of what we paid for it way back when." She expressed gratitude "that this transfer of land was offered as an opportunity," and the belief that "for the Campagni group, this property is of much more use than it is to the City and it also puts the property back on the tax rolls." She expressed support for the proposed agreement.

In response to a question, Public Works Department Director Andy Burnham advised that the building "is in the same state. We haven't invested any money back into that building at all. And that's been one of the concerns. We've tried to market this building over the last four years and that's been some of the concerns that have been expressed by potential buyers or lessees of the building." In response to a further question, he advised that the building was purchased as a result of not being able to "come to terms buying the little piece of right-of-way ... and the project was ongoing, moving forward, and the cost of delaying the project or having construction delays within the construction contract indicated ... that we needed to go ahead and just purchase the property with the idea of selling the property, at that time, ... for about what we purchased it for and we'd come out whole. Obviously, none of that happened and, as a result, we are where we are today with the property." In response to a further question, Mr. Burnham advised that the Code deficiencies have to do with non-compliant ADA restroom facilities. Mr. Johnson expressed the opinion that's nothing "to get too uptight about." He advised that "parking was an issue." He reminded the Board that "when we widened Curry Street, we took out a lot of the parking they had along the storefront of this building and, at the time, the property owners were just absolutely crazy over that. ... and they were fairly difficult to deal with. ... And, at the time, if the market had stayed the same, you probably could have turned it around and it might have been less expensive through that method than buying the right-of-way and having to pay damages to the property owners because that was the thing they were looking at."

In response to a further question regarding sale of the property, Mr. Burnham advised there have been no formal auctions or sales processes, but "we've had many inquiries and we've had discussions with realtors. But, we've never put it ... up to auction ... And that's because the market kept going down and down and down and every time we've got any interest at all, they were typically very low-cost

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kinds of interests that

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didn't want to pay even close to what we bought it for and ... even up to the last year or so, didn't even want to pay close to the \$415,000." Supervisor McKenna described the location of the property for the benefit of the viewing public.

Chairperson Abowd entertained additional Redevelopment Authority member questions or comments. When none were forthcoming, she entertained public comment. (2:31:06) Mr. Glover inquired as to who will pay the transfer tax. (2:31:42) Attorney Jim Cavilia expressed concurrence with the provisions of the proposed agreement, and thanked Mr. Munn and Mr. Werner for "a very creative solution to an issue." He expressed appreciation for Mr. Werner's concern over reducing the interest rate to three percent "which would trigger the ten percent of sales tax going back to Mr. Campagni sooner than it would otherwise and this is a very creative solution because you have a piece of property that has very little value regardless of what Mr. Johnson says it's worth. It doesn't have a lot of value to the public or to the world, but it does have value to Mr. Campagni and his Toyota dealership because it's adjacent to it." Mr. Cavilia expressed confidence that "we'll be able to work out" the transfer tax. Mr. Glover assured Mr. Cavilia there is no exemption for a transfer from the City to a third party. Vice Chairperson Bonkowski expressed the belief that the transfer tax amount is \$1,618.50. Mr. Cavilia reiterated "we can work that out."

In response to a question, Mr. Cavilia advised that the commitment, under the terms of the agreement, is that "Mr. Campagni continues to operate his dealerships in Carson City until 2029. ... whether or not this particular parcel of property is part of that dealership," is not addressed in the agreement, but "shouldn't be a big concern to the City as long as he continues to operate those dealerships, whether they include that piece of property or not." Mr. Cavilia assured the Board "there's certainly no intention ... to try to spin this piece of property off that doesn't have any value to anybody else." He suggested "the plan is probably, at least potentially, to tear down that building and make it part of the rest of the facility." He reiterated that this is not specifically addressed in the agreement. Member McKenna expressed no personal concern, but suggested people may consider it a "windfall" or "a deal in the offing." Mr. Cavilia acknowledged the possibility of increasing the value of the deal, but advised he would need to discuss it with Mr. Campagni. Member McKenna advised of having proposed the possibility "because it's one of those loose ends." He expressed the "personal feeling ... that we are in business with the Campagni group and we are going to remain in business until this contract is over with." Mr. Cavilia assured the Board that "Mr. Campagni has those same feelings. He is committed to Carson City, obviously, and feels like he is in partnership with the City with respect to the importance of the auto dealers to the bottom line of the general fund."

Vice Chairperson Bonkowski advised that he shares Member McKenna's concern, and that he takes issue that there is no recapture clause in the original agreement. "We have this system where we're renegotiating the contract one way because the economy's bad. There's no clause in this agreement that allows us to renegotiate if the economy were to get exceptionally well again." Vice Chairperson Bonkowski suggested adding a recapture clause or "some limitations on the sale of the building so that we're assured or our constituents are assured that it doesn't become a windfall and is just part of an equitable deal ..." Mr. Cavilia expressed a willingness to discuss the same with Mr. Campagni. Mr. Cavilia suggested that "if the economy gets really good, it's good for everybody. We're in business together. If Mr. Campagni sells more cars, it's good for everybody. Whether we're getting ten percent of that back because ... we're at the end of the agreement, the City's still getting 90 percent of that additional tax revenue. ... the incentive's there ..." He reiterated a willingness to discuss the

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matter with Mr. Campagni. Discussion followed.

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Chairperson Abowd entertained additional questions or comments of Mr. Caviglia; however, none were forthcoming. She entertained additional public comment and, when none were forthcoming, entertained a motion. **Member Crowell moved to recommend to the Board of Supervisors, and approve and authorize the Chair of the Redevelopment Agency Board to execute the Third Amended and Restated Commitment Agreement for Continuing Business Operations with Richard Campagni, which provides that upon the Board of Supervisors' approval of a resolution, pursuant to NRS 244.2815(2), the Mayor will execute a Grant, Bargain and Sale Deed to Richard Campagni and thereby transfer 2443 South Curry Street, APN 009-051-19, for the purposes of economic development and resolving a continuing business obligation incentive inequity, by the transfer of this land, in lieu of reducing Campagni's existing redevelopment loan rate from five to three percent to match the rate recently provided to Michael Hohl. Member McKenna seconded the motion.** Chairperson Abowd called again for public comment and, when none was forthcoming, a vote on the pending motion. **Motion carried 5-0.**

26. PUBLIC COMMENT

27. ACTION TO ADJOURN REDEVELOPMENT AUTHORITY (2:41:09) - Chairperson Abowd adjourned the Redevelopment Authority at 2:41 p.m., and passed the gavel to Mayor Crowell.

28. RECONVENE BOARD OF SUPERVISORS (2:41:13) - Mayor Crowell reconvened the Board of Supervisors at 2:41 p.m.

29. CITY MANAGER

29(A) DISCUSSION AND POSSIBLE ACTION TO ADOPT A RESOLUTION, PURSUANT TO NRS 244.2815(2), ACCEPTING AN APPRAISAL AND DECLARING IT IN THE BEST INTERESTS OF THE PUBLIC TO AUTHORIZE THE SALE OR TRANSFER OF 2443 SOUTH CURRY STREET, APN 009-051-19, TO RICHARD CAMPAGNI UPON THE MAYOR'S EXECUTION OF A GRANT, BARGAIN, AND SALE DEED, WITHOUT COMPETITIVE BIDDING AND BELOW MARKET VALUE FOR THE PURPOSES OF ECONOMIC DEVELOPMENT AND TO RESOLVE A CONTINUING BUSINESS OBLIGATION INCENTIVE INEQUITY, BY THE TRANSFER OF THIS LAND, IN LIEU OF REDUCING CAMPAGNI'S EXISTING REDEVELOPMENT LOAN RATE FROM 5% TO 3% TO MATCH THE RATE RECENTLY PROVIDED TO MICHAEL HOHL, AND TO APPROVE AND AUTHORIZE THE MAYOR TO EXECUTE THE THIRD AMENDED AND RESTATED COMMITMENT AGREEMENT FOR CONTINUING BUSINESS OPERATIONS WITH RICHARD CAMPAGNI, WHICH PROVIDES FOR THE SAME (2:41:19) - Mayor Crowell introduced this item, noting it as the corollary issue to the previous Redevelopment Authority item. He incorporated, by reference, all the testimony which took place as part of said item. Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Abowd moved to adopt Resolution No. 2013-R-34, pursuant to NRS 244.2815(2), accepting the appraisal and declaring it in the best interests of the public to authorize the sale or transfer of 2443 South Curry Street, APN 009-051-19, to Richard Campagni, upon the Mayor's execution of a Grant, Bargain, Sale Deed, without competitive bidding, and below market value for the purposes of economic development, and to resolve a continuing business obligation incentive inequity, by the transfer of this land, in lieu of reducing Campagni's existing redevelopment loan rate, from five percent to three percent, to match the rate recently provided to Michael Hohl, and to approve**

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and authorize the Mayor to execute the Third Amended and Restated Commitment Agreement for Continuing Business Operations with Richard Campagni which provides for the same. **Supervisor McKenna seconded the motion.** Mayor Crowell entertained discussion on the motion. Supervisor Bonkowski noted, for the record, that in the Second Amended and Restated Promissory Note, at page two, the amount was incorrect. Mr. Munn acknowledged the typographical error, noting that the figure depicted in the parentheses is correct. He further noted that the documents are integrated with the Deed of Trust and the Agreement and can “clearly be construed as a typo and wouldn’t change the value of the note.” Mayor Crowell called for a vote on the pending motion. **Motion carried 5-0.**

29(B) POSSIBLE ACTION TO APPROVE THE RE-ESTABLISHMENT OF THE COMMUNITY DEVELOPMENT DEPARTMENT AND PLACING THE PLANNING DIVISION, BUILDING DIVISION, BUSINESS LICENSE DIVISION, CODE ENFORCEMENT DIVISION, AND OFFICE OF BUSINESS DEVELOPMENT (REDEVELOPMENT) FROM THE PUBLIC WORKS DEPARTMENT TO THE COMMUNITY DEVELOPMENT DEPARTMENT; AND TO CHANGE THE TITLE OF THE PLANNING DIVISION DIRECTOR TO THE COMMUNITY DEVELOPMENT DIRECTOR AND THE PRINCIPAL PLANNER TO THE PLANNING MANAGER (2:44:27) - Mayor Crowell introduced this item, and Ms. Works provided background information and reviewed the agenda materials. Mr. Burnham provided additional background information. He and Ms. Works responded to questions of clarification.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Bonkowski moved to approve the re-establishment of the Community Development Department and placing the Planning Division, Building Division, Business License Division, Code Enforcement Division, and Office of Business Development (Redevelopment) from the Public Works Department to the Community Development Department; and to change the title of the Planning Division Director to Community Development Department Director and the Principal Planner to Planning Manager.** Supervisor Abowd seconded the motion. **Motion carried 5-0.**

In response to a question, Mr. Plemel advised that the reorganization would not have much to do with the unified business portal through the Secretary of State’s Office. He advised that “things are really staying the same ...” The only change will be his direct report. Mr. Plemel further advised that his department is working with the Information Technology Department to implement the business portal legislation. Mayor Crowell entertained additional discussion; however, none was forthcoming.

29(C) POSSIBLE ACTION TO APPOINT ONE MEMBER TO THE ADVISORY BOARD TO MANAGE WILDLIFE FOR A THREE-YEAR TERM THAT EXPIRES IN JULY 2016 (2:51:28) - Mayor Crowell introduced this item. At Supervisor McKenna’s request, Gil Yanuck approached the podium. (2:52:39) Mr. Yanuck provided background information on the previous process for the Advisory Board to Manage Wildlife to interview applicants and forward a recommendation to the Board of Supervisors. He commended Advisory Board to Manage Wildlife’s recommendation of James Powell for appointment.

Mayor Crowell thanked Mr. Yanuck for his service to the Advisory Board to Manage Wildlife, and commended his involvement in the Governor’s Sage Grouse Advisory Commission. In response to a question, he discussed the advisory board’s involvement in discussions surrounding wild horse issues.

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Mayor Crowell and the Board members thanked Mr. Yanuck, and Mayor Crowell invited James Powell to the podium.

(3:01:23) James Powell introduced himself for the record, provided background information on his residence and work experience at the Carson City Fire Department, and discussed his interest in serving as a Carson City Advisory Board to Manage Wildlife member. Mayor Crowell commended Mr. Powell's presentation and entertained questions or comments. When no questions or comments were forthcoming, he entertained a motion. **Supervisor Abowd moved to appoint James Powell to the Advisory Board to Manage Wildlife for a three-year term that expires in July 2016. Supervisor Bonkowski seconded the motion. Motion carried 5-0.** Mayor Crowell thanked Mr. Powell for his service to the community, both past and present.

29(D) POSSIBLE ACTION TO APPOINT ONE MEMBER TO THE HISTORIC RESOURCES COMMISSION IN THE BUILDING CONSTRUCTION PROFESSIONAL CATEGORY FOR A FOUR-YEAR TERM THAT EXPIRES IN JULY 2017 (3:03:39) - Mayor Crowell introduced this item, and reviewed the agenda materials. In response to a question, Ms. Works was uncertain as to the length of Mr. Smit's service. Mayor Crowell noted that Mr. Smit was not present in the meeting room. **Supervisor Bonkowski moved to appoint Don Smit to the Historic Resources Commission in the building construction professional category for a four-year term that expires in July 2017. Supervisor Abowd seconded the motion. Motion carried 5-0.**

30. PUBLIC COMMENT (3:05:03) - Mayor Crowell entertained public comment; however, none was forthcoming.

31. ACTION TO ADJOURN (3:05:36) - Mayor Crowell adjourned the meeting at 3:05 p.m.

The Minutes of the July 3, 2013 Carson City Board of Supervisors meeting are so approved this 17th day of October, 2013.

ROBERT L. CROWELL, Mayor

ATTEST:

ALAN GLOVER, Clerk - Recorder