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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, October 20, 2005, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

PRESENT:	Marv Teixeira	Mayor
	Robin Williamson	Supervisor, Ward 1
	Shelly Aldean	Supervisor, Ward 2
	Pete Livermore	Supervisor, Ward 3
	Richard S. Staub	Supervisor, Ward 4

STAFF PRESENT:	Linda Ritter	City Manager
	Alan Glover	Clerk-Recorder
	Ken Furlong	Sheriff
	Andrew Burnham	Development Services Director
	Daren Winkelman	Health Director
	Larry Werner	City Engineer
	Melanie Bruketta	Chief Deputy District Attorney
	Cheryl Adams	Purchasing and Contracts Manager
	Katherine McLaughlin	Recording Secretary
	(BOS Tape 10/20/05 - 8:28:53)	

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

CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE, INVOCATION - Mayor Teixeira convened the meeting at 8:30 a.m. Roll call was taken. The entire Board was present, constituting a quorum. Mayor Teixeira advised that today is Supervisor Williamson's birthday. He asked her to lead the Pledge of Allegiance, which she did. Rev. Chuck Nichter of the Wellspring Church gave the Invocation.

CITIZEN COMMENTS (8:30:25) - Mayor Teixeira reiterated that today is Supervisor Williamson's birthday and advised that the date is also his wife's birthday. He wished her a happy birthday.

1. APPROVAL OF MINUTES (8:30:50) - None.

2. AGENDA MODIFICATIONS (8:30:57) - None.

3. CONSENT AGENDA (8:31:05)

3-1. PURCHASING AND CONTRACTS

A. ACTION TO APPROVE THE AWARD OF CONTRACT NO. 0506-059, JUNIOR SKI AND SNOWBOARD TRANSPORTATION TO AMADOR STAGE LINES AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO N.R.S. CHAPTER 332 TO

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PROVIDE TRANSPORTATION FOR THE JUNIOR SKI PROGRAM FOR THE 2006 AND 2007 SEASON WITH THE OPTION TO RENEW FOR FIVE (5) ADDITIONAL YEARS SUBJECT TO NEGOTIATION AT THE FOLLOWING PRICES: \$650.00 FOR FULL SERVICE CHARTER, \$470.06 FOR BUSES CANCELLED AT RESORT, \$418.60 FOR BUSES CANCELLED AT PICKUP, AND \$125.00 FOR BUSES CANCELLED PRIOR TO ARRIVAL

B. ACTION TO APPROVE CONTRACT NO. 0506-071, A REQUEST FOR PREVENTATIVE MAINTENANCE SERVICES FOR THE LANDFILL'S HEAVY EQUIPMENT TO BE PROVIDED BY CASHMAN EQUIPMENT THROUGH OCTOBER 20, 2006, FOR A NOT TO EXCEED COST OF \$34,457 EXEMPT FROM COMPETITIVE BIDDING

C. ACTION TO APPROVE CONTRACT NO. 0506-066, VEHICLE REPLACEMENT FY 2005/2006, AND AUTHORIZE FLEET SERVICES TO PURCHASE 2006 MODEL YEAR VEHICLES FROM NEVADA STATE PURCHASING'S VEHICLE PRICE AGREEMENTS PROVIDED THAT CARSON CITY'S APPROVED FUNDING AND PURCHASING PROCEDURES ARE FOLLOWED

D. ACTION TO APPROVE AMENDMENT NO. 1 FOR CONTRACT NO. 0506-035, CARSON CITY COMMUNITY TRANSIT SERVICE OPERATIONS, TO MV TRANSPORTATION, INC.,

3-2. DEVELOPMENT SERVICES - PUBLIC WORKS - ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN A ONE YEAR WATER LEASE AGREEMENT BETWEEN THE CARSON WATER SUBCONSERVANCY DISTRICT AND CARSON CITY

3-3. FINANCE - ACTION TO APPROVE PAYMENT TO THE CARSON CITY MUNICIPAL GOLF CORPORATION (CCMGC) IN THE AMOUNT OF \$13,300 TO HELP PAY THE COST OF REPLACING AN HVAC UNIT AT EAGLE VALLEY GOLF COURSE

3-4. AIRPORT AUTHORITY - ACTION TO APPROVE A LEASE ASSIGNMENT ON THE AIRPORT LEASE WITH THE CARSON CITY AIRPORT AUTHORITY FOR LOT 72A FROM TED BARBEN TO LOCKHEED WAY, LLC

3-5. DEVELOPMENT SERVICES - BUILDING AND SAFETY - ACTION TO APPOINT FIVE MEMBERS TO THE BOARD OF APPEALS; ONE TO FILL THE "REGISTERED ARCHITECT" POSITION, ONE TO FILL THE "MECHANICAL ENGINEER" POSITION, ONE TO FILL THE "ELECTRICAL ENGINEER" POSITION, ALL FOR THREE YEAR TERMS ENDING OCTOBER 2008, AND ONE TO FILL THE "GENERAL CONTRACTOR" POSITION AND ONE TO FILL THE "STRUCTURAL--CIVIL" POSITION FOR A TWO YEAR TERM ENDING OCTOBER 2007

3-6. DEVELOPMENT SERVICES

A. ACTION TO RESCIND AND CANCEL ORDINANCE NO. 1996-35, AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND HOT SPRINGS CENTER ASSOCIATIONS REGARDING ASSESSOR'S PARCEL NUMBERS 02-061-14 AND 17 LOCATED AT 2460 NORTHGATE LANE, CARSON CITY, NEVADA; AND AUTHORIZE THE MAYOR TO SIGN THE RELEASE AND CANCELLATION

B. ACTION TO RESCIND AND CANCEL ORDINANCE NO. 1997-70, AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND HOT SPRINGS CENTER ASSOCIATIONS REGARDING RECONSTRUCTION OF THE INTERSECTION OF HOT SPRINGS ROAD AND NORTHGATE LANE RELATED TO THE DEVELOPMENT OF ASSESSOR'S PARCEL NUMBER 02-061-31, CARSON CITY, NEVADA; AND

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AUTHORIZE THE MAYOR TO SIGN THE RELEASE AND CANCELLATION

C. ACTION TO RESCIND AND CANCEL ORDINANCE NO. 1994-51, AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY, THE MEXICAN DITCH COMPANY, AND ALEX AND LENORE BERNHARD, REGARDING ASSESSOR'S PARCEL NUMBER 10-035-05, LOCATED SOUTH OF EAST FIFTH STREET AND EAST OF EAGLE VALLEY JUNIOR HIGH SCHOOL, CARSON CITY, NEVADA; AND AUTHORIZE THE MAYOR TO SIGN THE RELEASE AND CANCELLATION

D. ACTION TO RESCIND AND CANCEL ORDINANCE NO. 1992-62, AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND NORMAN H. WHITE AND VIRGINIA D. WHITE REGARDING ASSESSOR'S PARCEL NUMBER 08-162-01 LOCATED AT 1977 NICHOLS LANE, CARSON CITY, NEVADA; AND AUTHORIZE THE MAYOR TO SIGN THE RELEASE AND CANCELLATION

E. ACTION TO RESCIND AND CANCEL ORDINANCE NO. 1989-43, AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND JOHN SERPA AND C.B. MADDOX, DOING BUSINESS AS EAGLE VALLEY INVESTMENTS, REGARDING ASSESSOR'S PARCEL NUMBERS 08-361-19, 08-361-20 AND 08-841-01 THROUGH 08, LOCATED AT GRAVES LANE, CARSON CITY, NEVADA; AND AUTHORIZE THE MAYOR TO SIGN THE RELEASE AND CANCELLATION - Supervisor Livermore moved to approve the Consent Agenda consisting of two (four) items from Purchasing and Contracts, one item from Development Services - Public Works, one item from Finance, one item from the Airport Authority, one item from Development Services - Building and Safety, and five items from Development Services as presented. Supervisor Aldean seconded the motion. Motion carried 5-0.

4. HEALTH - Director Daren Winkelman - ACTION TO ENTER INTO A FACILITY USE AGREEMENT WITH THE BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION, ON BEHALF OF WESTERN NEVADA COMMUNITY COLLEGE (WNCC) TO UTILIZE CARSON CITY FACILITIES FOR THE PURPOSES OF CONDUCTING COURSE PROGRAM INSTRUCTION AND TO FACILITATE IMMUNIZATION CLINICS (8:32:07) - Discussion pointed out the need for a correction to be made to change the name in the document from the University of Nevada-Reno Orvis School of Nursing to WNCC and Allied Health. Clarification also indicated that the nurses will be doing more than observing as incorrectly indicated in Paragraph 3. Supervisor Williamson moved to enter into a facility use agreement with the Board of Regents of the Nevada System of Higher Education on behalf of Western Nevada Community College to utilize Carson City facilities for the purposes of conducting course program instruction and to facilitate immunization clinics with the changes that were noted by Supervisor Aldean. Supervisor Staub seconded the motion. Motion carried 5-0.

5. FINANCE - Sheriff Ken Furlong - ACTION TO CREATE AN ACCOUNT IN THE CITY'S GENERAL FUND FOR THE SUPPORT OF THE CITY'S CORONER'S OFFICE (8:33:45) - City Manager Linda Ritter - Sheriff Furlong's introduction included introducing Coroner Beth Beseler. Discussion indicated that the State could not collect the fees until the account is established. Youth programs which could be developed to use the funds were suggested. Equipment needs were indicated. The City has approximately two deaths per day of which 70% are handled by the coroner. Funding for the coroner's training has been taken from the Sheriff's training budget. If the account is established, it will be used for that purpose and the Sheriff's training budget will be used for other training programs. The fee will raise

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approximately \$4,000 per year for Carson City. The enabling bill was created for Clark County and will generate a lot of money for it. Public comments were solicited but none were given. Supervisor Williamson moved to create an account in the City's general fund for the support of the City Coroner's office which will allow an increase in fees for certified copies of death certificates for a person who dies in Carson City from \$10.00 to \$11.00 with the money to be used for the County Coroner to fund training, youth programs involving the Coroner's office and/or to purchase specialized equipment and that the fiscal impact is approximately \$4,260 per year and the funding source will be the new account. When a second was not made, Mayor Teixeira ruled the motion had died for lack of a second.

6. DEVELOPMENT SERVICES - City Engineer Larry Werner

A. PRESENTATION ON CARSON CITY'S WASTEWATER RECLAMATION PLANT EXPANSION AND REUSE MASTER PLAN ACTIVITIES AND STRATEGIES FOR THE FUTURE (8:43:14) - Bureau Veritas Berryman and Henigar Principal Engineer Martin Harper, Carollo Engineers Partner Eric Leveque, Development Services Director Andrew Burnham - A computerized side presentation was given explaining the reclamation efforts and plant improvements, alternatives that had been studied, options that had been considered, expansions which had been made since 1989, and cost estimates for future improvements. Discussion explained the difference between recharge and direct injection and recovery of reclaimed effluent. Reasons the City had not pursued this process were noted. The costs for this program were not evaluated. There may be other alternatives, such as this program, which may be feasible but are not allowed at this time by the regulatory agencies. Therefore, the City needs to construct a new plant before it runs out of capacity at the present plant. Justification for considering Lyon County's request to connect to the City's sewer system was provided. The three phases of the plant's expansion are estimated to cost \$70 million. Discussion indicated that the bond costs for lining the reservoir will require a revenue stream of approximately \$4 million a year. The Feds will not participate in the program at any level. Efforts to find viable alternatives and options as well as the EPA's responses to them were limned. Discussion indicated that all of the users along the Carson River are faced with the same requirements. The Truckee River's standard is different. Justification for the Truckee River's standard and for denying a request to lower the Carson River standard were provided. Mayor Teixeira's efforts to brokerage a compromise, that would allow the City to delay relining the reservoir for five years, required capturing all of the runoff at the springs and analyzing water quality issues related to the seepage from the reservoir. The compromise would be handled under an "AOC" (Administrative Order on Consent). The AOC process was described. At this time the EPA is alleging that the City is in violation of its permit due to the seepage that is occurring. An illustration of the first phase of the plant that would include a continuous nitrogen removal process was shown and described. Discussion indicated that the plant as illustrated will handle a population of 78,000 to 80,000.

Clarification by Mr. Leveque explained that a musty odor will remain after the expansion of the plant occurs. Covering the ponds will remove a majority of the odors. The cost to do so, however, is prohibitive. Mr. Burnham indicated that the City currently has odor controls at the treatment headways. The second phase will remove the odor that is currently being created. Supervisor Livermore pointed out the need for landscaping/screening.

Mr. Werner reiterated the purpose of the presentation and stressed the intent to keep the Board apprised of the issues and options. He then continued his review by explaining that the EPA has not committed to the

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City's action plan. The status of the documents that have been submitted to date was noted. The best guesstimate of the amount of leakage and groundwater reaching the river is 2400 acre feet. This water's quality, however, is better than the river's water. Justification for accepting Lyon County's sewage and having them take the City's effluent was provided. These discussions are on hold until the AOC is received. Yesterday EPA indicated it had decided against issuing the AOC. It wants the City to provide a plan by December 2 and to commit to everything it has requested to date. Staff plans to reply in writing that there is an inadequate amount of time to complete all of the items required within the deadlines as established and, specifically, for developing a process to determine if there will be an impact if the 2400 acre feet of water is removed from the river.

Mayor Teixeira explained the agreement that had been reached during his meeting with EPA. It had addressed EPA's one area of concern which was the water that is reaching the river. It would have kept the wetlands green and returned the runoff to the reservoir. EPA alleges that all of the runoff is wastewater, however, they cannot prove it. There are a lot of springs in that area. Discussion indicated that part of the issue is determining the water source(s). EPA must develop a firm indication of what Carson City is expected to do before the City can move forward with an action plan. It was felt that another meeting should be held. Mr. Burnham explained that EPA had indicated that it still may be necessary for the City to line the reservoir at the end of the five-year study period. They are now requiring the details on how the reservoir will be lined. Discussion pointed out that this is establishing a requirement without the scientific data necessary to know what work is needed and the lack of commitment from the next bureaucratic layer of control. Dialogue on the monitoring process needs to occur to establish the volume of details required to meet the requirements. Discussion also stressed the need for another location to utilize 2000+ acre feet of water which the City's proposal will recapture. Supervisor Williamson pointed out that the removal of the 2400 acre feet of water could have a negative impact on down stream users.

(9:27:10) Mr. Werner continued his report by defining the list of items which need to be done including adoption of an ordinance increasing the fees to meet the estimated improvement costs. Mayor Teixeira indicated that the revenue generated by selling the reuse water will offset the cost of the improvements. Mr. Burnham also pointed out that Moundhouse will be charged for its sewage. Comments reiterated the need to expand the reclamation plant. A lot of staff time is being spent on this effort. Mayor Teixeira iterated his requirement that EPA sign off on the funding before the City spends it. Messrs. Burnham and Werner concurred. Mr. Werner also indicated that EPA is a player and needs to help develop the program. Mayor Teixeira pointed out that the reservoir was constructed in 1988 and has leaked from the very beginning. Its design was never met to stop all leakage. The reservoir was always out of compliance with the EPA requirements.

Discussion pointed out that the rapid infiltration basin along the Mexican Ditch had been part of the original plan. Mr. Burnham indicated that it is no longer being recommended. Mr. Werner indicated that rapid infiltration should be considered in different areas due to public concerns. Brunswick Canyon was suggested as one potential location. Discussion indicated that the EPA had been actively involved in developing the plans for the reservoir. The dam, itself, does not leak. There are fractures in the canyon which leak. Federal laws now make the City liable for the reservoir and its leakage even though the EPA approved the plan initially. It was originally believed that the leakage would never reach the river as the reservoir is a mile from it. The leakage had also helped the City use the reclaimed water as it eliminated a need to find another usage

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for it. Mayor Teixeira indicated that the reservoir had provided the only water in the river for more than two years. The City is now being required to capture the runoff and use it elsewhere in lieu of lining the reservoir. Mr. Werner pointed out that it may be beneficial to just line the reservoir and not spend money capturing and monitoring the runoff. Mayor Teixeira expressed his objection to this action plan due to the need for another storage location and the impact its storage could have on the golf courses who are using the reclaimed water. Mr. Burnham felt that an AOC will be submitted to the Board by the end of the year. Supervisor Staub explained his objection to spending funds developing an action plan which may be rejected in six or seven years. At that time the City will be required to line the reservoir anyway, which will be at a higher cost. He urged staff to keep the future fiscal impact in the equation. Mayor Teixeira agreed. No formal action was required or taken.

B. ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN GRANT AGREEMENT XP-96939101-0 BY AND BETWEEN THE ENVIRONMENTAL PROTECTION AGENCY, REGION IX, AND CARSON CITY, ACCEPTING \$192,400 IN FUNDING FOR BRUNSWICK RESERVOIR MONITORING AND SEEPAGE MITIGATION (9:38:30) - Development Services Director Andrew Burnham - The matching funds will be taken from the sewer account. The purpose of the grant was described. NDEP must sign the grant. Supervisor Aldean moved to approve and authorize the Mayor to sign Grant Agreement XP-96939101-0 by and between the Environmental Protection Agency, Region IX, and Carson City accepting \$192,400 in funding for the Brunswick Reservoir Monitoring and Seepage Mitigation predicated upon NDEP's acceptance of the proposed monitoring and mitigation program. Supervisor Livermore seconded the motion. Following a request for an amendment, Supervisor Aldean amended her motion to include the funding impact is \$157,418 in matching funds and that the fund is the suggested numbered account. Supervisor Livermore concurred. Motion carried 5-0.

C. ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION TO APPROVE A CONTRACT FOR CARSON CITY WASTEWATER RECLAMATION PLANT PHASE 1 EXPANSION PROJECT, CONTRACT NO. 2003-015, AMENDMENT NO. 1, AND TO AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO CAROLLO ENGINEERS, 5740 SOUTH EASTERN AVENUE, SUITE 120, LAS VEGAS, NEVADA 89119, FOR AN AMOUNT NOT TO EXCEED \$537,493 AND TO AUTHORIZE A CONTINGENCY AMOUNT OF \$25,000 (9:41:38) - Discussion explained the selection process and the firm's expertise. Both Messrs. Werner and Burnham indicated that the project will provide construction plans for expanding the reclamation plant and will be usable regardless of what happens to the reservoir. Mayor Teixeira emphasized his intent to have a usable project and not another study lying unused on a shelf. Discussion indicated funding for the design is part of the current budget. Construction will require a rate increase and may cost between \$7 and \$8 million. The rate increase may be considered in two or three months. Clarification indicated that there will be \$1 million left in the account after the design is completed. Staff is not suggesting deficient spending. Supervisor Aldean moved to accept Development Services' recommendation to approve a contract for Carson City Wastewater Reclamation Plant Phase 1 Expansion Project, Contract No. 2003-015, Amendment No. 1, and to authorize Development Services to issue payments to Carollo Engineers, 5740 South Eastern Avenue, Suite 120, Las Vegas, Nevada 89119, for an amount not to exceed \$537,493 and to authorize a contingency amount of \$25,000; fiscal impact: the contract amount will be increased by \$537,493 to a total of \$1,326,751 and with the contingency, the total cost could be \$1,351,751; and the funding source is that funding available for the construction project is \$1,000,000 as provided for in the FY 2005-2006 Budget. Supervisor Livermore

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seconded the motion. Motion carried 5-0.

D. ACTION TO ACCEPT DEVELOPMENT SERVICES' RECOMMENDATION TO APPROVE A CONTRACT FOR CARSON CITY REUSE MASTER PLAN UPDATE PROJECT, CONTRACT NO. 2004-075, AMENDMENT NO.1, AND TO AUTHORIZE DEVELOPMENT SERVICES TO ISSUE PAYMENTS TO BERRYMAN AND HENIGAR, 720 THIRD AVENUE, SUITE 1200, SEATTLE, WASHINGTON 98104 FOR AN AMOUNT NOT TO EXCEED \$297,311.00 AND TO AUTHORIZE A CONTINGENCY AMOUNT OF \$25,000 (9:46:18) - Development Services Director Andrew Burnham, City Manager Linda Ritter - Discussion noted that the grant will not pay for the entire project. Other funding sources for this project and the purpose of the grant funds were limned. The State must sign off on the reuse plan. Clarification indicated that the City prepares the plan, conducts a public hearing on it, and that NDEP must sign off on the results but not the study. Discussion also corrected the amount on the second page of the Request for Board Action under "Prior BOS Approval" to be \$113,468.00 and not "\$113,468.00.00" as written. Ms. Ritter indicated that several private sector individuals/firms have expressed an interest in the reuse program. Mr. Burnham advised that if the private sector is involved, the State must approve the plan. Supervisor Staub moved to accept Development Services recommendation to approve a contract for Carson City Reuse Master Plan Update Project, Contract No. 2004-075, Amendment No. 1, and to authorize Development Services to issue payments to Berryman and Henigar, 20 Third Avenue, Suite 1200, Seattle, Washington 98104, for an amount not to exceed \$297,311.00 and to authorize a contingency amount of \$25,000.00; fiscal impact is the contract amount will be increased by \$297,311.00 to a total of \$410,779.00 and with the contingency, the total cost could be \$435,779.00; and the funding source will be the construction project of \$500,000 as provided in FY 2005-2006 Wastewater Budget, Account No. 575-000-434, also a portion will be paid through an EPA Grant. Following discussion, Supervisor Staub amended his motion to remove "also a portion will be paid through an EPA Grant". Supervisor Livermore seconded the motion. Supervisor Williamson advised that she would not support the motion due to her concerns regarding the company. She had not been impressed with them. She was uncomfortable with it dealing with Lyon County in the selection of sites for the City's reuse projects due to its demonstrated lack of knowledge about the area. She further explained that she was disturbed about the presentations made to the Subconservancy, the Mexican Dam residents, and the Rifle Association. The presentations had lacked sensitivity and interest in dealing with the impacts. She, therefore, was not supportive of having it deal with the City's neighbors. When she and Supervisor Livermore have discussed the concept with the "neighbors", it was clearly indicated that more finesse was needed than she had seen the Company exhibit. Mayor Teixeira suggested that the motion be revised to include that, the firm may have the technical expertise, the City has been disappointed in the firm's handling of the sensitivity of the subjects which must be dealt with and hope that it will improve by granting of the contract. He could not "kill the contract" and select another contractor. Mr. Werner indicated that he understood the problems. He felt that the problem with the Subconservancy was staff's. Staff had made some assumptions which should not have been made. Staff had directed how it was to go and process to be used. The process had, however, "gotten ahead of staff" and created a lot of problems. Ms. Ritter indicated that she had been meeting with Lyon County's Manager and would work closely with her. They are well aware of the public sensitivity regarding this program. She committed to being personally involved in the program to ensure that Lyon County is comfortable with the program. Mayor Teixeira asked Mr. Burnham to sensitize the contractor to the fact that the Board expects a better job than has occurred previously. The project is important. It is a sensitive program and we need to work with our neighbor on it. Mr. Burnham indicated that staff has been talking to Lyon County and will work closely with it. Staff will

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be personally involved throughout the process. The motion to approve the Amendment as indicated was voted and carried 4-1 with Supervisor Williamson voting Naye.

E. ACTION TO APPROVE A WATER PURCHASE AGREEMENT OF UP TO 611 ACRE-FEET OF CARSON VALLEY GROUND WATER RIGHTS OWNED BY DONALD M. AND KATHLEEN SCHULZ, TRUSTEES OF THE SCHULZ LIVING TRUST, MARTIS J. SCHULZ, TRUSTEE OF THE LMA TRUST AND SMJ TRUST, MARGARET SCHULZ LOH, INDIVIDUALLY AND MARTIN J. SCHULZ, INDIVIDUALLY FOR A PRICE OF \$8,000.00 PER ACRE-FOOT OF ACTUAL RIGHTS TRANSFERRED THROUGH THE OFFICE OF THE STATE ENGINEER (9:58:01) - Discussion noted that the future of the Schulz ranch will be discussed later in the meeting. The City's policy to acquire water rights rather than have the developers bring the water rights to the City and the program used by surrounding Counties were noted. Mr. Werner advised that the surrounding Counties have allegedly expressed a desire to implement the City's program and explained the differences in the price of water rights to justify the City's program. It also allows the City to control its destiny and remove the inflation factor from the cost of the water rights. The connection fees pay for acquiring the water rights. Discussion also indicated that the City will use these water rights at some point and that the connection fees will pay for their acquisition even though the price is more than has been paid in the past. The \$3,000 per acre foot previously paid for the water rights was for Eagle Valley water rights in Carson Valley. A lot of those water rights were "retired" and "removed from the books". The Schulz water rights will be added to the City's inventory and will take the City beyond the projected buildout figures. The water rights will be purchased over time. Only those that the Water Engineer transfers will be acquired. The well site will be transferred to the City. Mayor Teixeira felt that the water rates will help pay for the water rights. He also expressed his objection to having connection fees increased to the level now being experienced in Lyon County, i.e., \$9,000 for sewer, \$30,000 to \$40,000 an acre foot for water, and the cost of land. These prices will make it prohibitive for anyone to buy a home. He supported the City's program as it provides a quality project at a reasonable hookup fee. Clarification indicated that the well site will be accessible from a public street. If a well is not required, the Schulz' have agreed to provide an easement for future use. Supervisor Livermore moved to approve a Water Purchase Agreement for up to 611 acre-feet of Carson Valley Ground Water Rights owned by Donald M. Schulz and Kathleen Schulz, Trustees of the Schulz Living Trust, Martis J. Schulz, Trustee of the LMA Trust and SMJ Trust, Margaret Schulz Loh, Individually, and Martin J. Schulz, Individually, for a price of \$8,000 per acre-foot of actual rights transferred through the Office of the State Engineer; the funding impact is \$8,000 per acre-foot of transferred water rights, and the funding source is the Account 520-3505 Water Rights Purchases. Supervisor Williamson seconded the motion. Kathleen and Donald Schulz were in attendance and nodded to indicate that they support the acquisition. Ms. Schulz also noted a typographical error in Line 2 on Page 6. She corrected the name to be "Martin Schulz" and not "Marthis". Mayor Teixeira thanked her for the correction. The motion was voted and carried 5-0.

RECESS: A recess was declared at 10:08 a.m. The entire Board was present when Mayor Teixeira reconvened the meeting at 10:18 a.m., constituting a quorum.

8. DISTRICT ATTORNEY - Chief Deputy District Attorney Melanie Bruketta - ACTION TO APPOINT ALLISON JOFFEE, ESQ., AS THE HEARING OFFICER PURSUANT TO NRS 375.320 TO HEAR THE PETITION FOR REVIEW OF DECISION OF COUNTY RECORDER FILED BY METCALF DEVELOPMENT, LTD. (10:18:55) - Clerk-Recorder Alan Glover - Discussion explored the

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reason for the petition. Supervisor Aldean moved to appoint Allison Joffe, Esquire, as the hearing officer pursuant to NRS 375.320 to hear the Petition for Review of Decision of County Recorder filed by Metcalf Development, Limited, and the fiscal impact is \$150 per day. Supervisor Williamson seconded the motion. Motion carried 5-0.

9. CITY MANAGER- Linda Ritter - ACTION TO APPROVE AN AGREEMENT BETWEEN CARSON CITY AND CARSON-TAHOE HOSPITAL FOR AMBULANCE TRANSPORT SERVICES ASSOCIATED WITH THE OPENING OF THE NEW CARSON-TAHOE REGIONAL MEDICAL CENTER (10:20:42) - Carson-Tahoe Hospital Chief Nursing Officer Cathy Dinauer, Fire Chief Stacy Giomi, - Supervisor Livermore disclosed that he would disqualify himself from hearing this issue and will abstain. Supervisor Staub disclosed that he is on the Board of Finance for Carson-Tahoe Hospital as a volunteer. He will participate in this issue. Fire Chief Giomi explained the status of the secondary access road to the Hospital. The transfer of patients is scheduled for December 3. The major caveat to the transfer of patient is the "CofO". Mayor Teixeira indicated that if problems arise preventing the Hospital's opening as planned, the Board will address it during the next Board meeting. Ms. Dinauer indicated that she understood and the Hospital will take direction from the Fire Department. Mayor Teixeira disclosed that he had driven the road yesterday. It is going in quickly. Supervisor Staub moved to approve an Agreement between Carson City and Carson-Tahoe Hospital for ambulance transport services associated with the opening of the new Carson-Tahoe Regional Medical Center. Supervisor Williamson seconded the motion. Motion carried 4-0-1 with Supervisor Livermore abstaining.

RECESS: A recess was declared at 10:25 a.m. The entire Board was present when Mayor Teixeira reconvened the meeting at 10:28, constituting a quorum.

7. PARKS AND RECREATION - Open Space Manager Juan Guzman - ACTION ON AN OFFER FROM THE U.S. FOREST SERVICE TO PURCHASE THE GILBERT OPEN SPACE PROPERTIES (APNS 7-061-72 THROUGH 7-061-75) LOCATED AT THE SOUTHEASTERN EDGE OF THE BORDA MEADOW, FOR \$1.12 MILLION (10:25:38) - District Ranger Gary Schiff - Mayor Teixeira and Supervisor Williamson had a meeting with District Ranger Schiff yesterday. There are "all kinds of information which the Board is unaware of" that needs to be discussed. He had appointed Supervisor Williamson as the City's liaison to BLM and the Forest Service to mediate any impasses with City committees, commissions and/or boards and the staff. She is to provide quarterly or biannual reports. Mayor Teixeira recommended that the item be continued and that the Open Space Advisory Committee have a special meeting to discuss this information. He hoped that an amicable solution can be found and the partnership between the Forest Service and City maintained. He expressed an intent to send a memo to City Manager Ritter and her staff regarding these items. District Ranger Schiff concurred. He expressed a willingness to meet with the Committee. Mr. Guzman asked that the item be continued until the second meeting in November in case a quorum of the Committee cannot be obtained before the next meeting. Mayor Teixeira hoped that a meeting can be held and the issue addressed before the next Board meeting. Supervisor Williamson moved to refer the item back to the Open Space Advisory Committee for action. Supervisor Livermore seconded the motion. Discussion indicated that the offer to purchase the property will not expire during that timeframe. The motion was voted and carried 5-0.

11. BOARD OF SUPERVISORS - NON-ACTION ITEMS:

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A. INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (10:35:23)-

Mayor Teixeira indicated that on November 3 he will attend a railroad meeting in Tennessee. Supervisor Aldean advised that she and Supervisor Livermore had been working on the national program to end homelessness. A power point presentation has been scheduled for a future Board of Health meeting on the August "Point-In-Time Count". Supervisor Williamson indicated that she had been attending a lot of meetings. They are making progress on the downtown and economic development programs. Her and her husband's involvement in a fundraiser for the cancer center was limned. The event raised \$14,000. She thanked Applebee's and its employees for organizing and participating in the effort. She announced the Ghost Walks scheduled for Saturday and encouraged the public to participate. She also announced that the Bliss Mansion Christmas Ornament is now on sale and can be found in the downtown shops. She wished everyone a Happy Nevada Day. Supervisor Staub advised that RTC will have a recommendation for consideration by the Board at the next meeting regarding reopening Bowers Lane and keeping Sunrise temporarily closed until the Arrowhead-Graves Lane connector road is constructed and opened. Supervisor Livermore reported on the annual Nevada Association of Counties and Nevada League of Cities conference. Gifts he had obtained at the conference for the Board were distributed. He presented to the Board a plaque that Ron Smith had given to the City commending it on its 130th anniversary of incorporation. Mayor Teixeira announced a special Saturday meeting at the Carson High School on driver awareness and the meth problem. He encouraged the Board and public to attend the meeting. No formal action was required or taken on any of these items.

B. STAFF COMMENTS AND STATUS REPORT - None.

RECESS: (10:42:38) A recess was declared at 10:43 a.m. The entire Board was present when Mayor Teixeira reconvened the meeting at 1:30 p.m., constituting a quorum.

10. DEVELOPMENT SERVICES - PLANNING AND ZONING - Community Development Director Walter Sullivan

A. A PRESENTATION TO THE BOARD OF SUPERVISORS FROM THE HISTORIC RESOURCES COMMISSION (HRC) TO DISCUSS HRC CERTIFIED LOCAL GOVERNMENT (CLG) GRANT COMPLETION (1:28:35) - Senior Planner Jennifer Pruitt, HRC Chairperson Michael Drews - Ms. Pruitt advised that the design guidelines are available. Anyone wishing a copy should call her office. They have already been given to every property owner in the District. Chairperson Drews explained the revisions that had been made to the guidelines. Discussion justified the need for fluid guidelines. Public comments were solicited but none were given. Supervisor Livermore advised that he had encouraged the Commission to consider holding their meetings in the Sierra Room. The Commission had taken his comments to heart and are now meeting in the Sierra Room. Benefits of having the meetings in the Sierra Room were noted. He thanked the Commission for moving the meeting location. No formal action was required or taken.

B. ACTION TO APPROVE A TENTATIVE SUBDIVISION MAP APPLICATION FROM REYNEN AND BARDIS COMMUNITIES, OWNERS: (BURTON, LARRY, AND BURTON, SMJ 1992 TRUST & LMA 1992 TRUST, SCHULZ LIVING TRUST, PFLUM FAMILY REVOCABLE

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LIVING TRUST, BENNETT, ALICE S., GONI, JOSEPH R. AND LATZY P., AND KUGLER, W.R. AND COFFEE C.) TO ALLOW A COMMON OPEN SPACE DEVELOPMENT OF 521 RESIDENTIAL LOTS AND VARIANCES FOR LOT AREA, LOT WIDTH, AND LOT SETBACK REQUIREMENT WITHIN THE SUBDIVISION AS SPECIFIED IN THE SCHULZ RANCH SPECIFIC PLAN AREA DOCUMENT, ON PROPERTY ZONED SINGLE FAMILY ONE ACRE (SF1A) AND MOBILE HOME ONE ACRE (MH1A), LOCATED BETWEEN CENTER DRIVE AND BIGELOW DRIVE ASSESSOR'S PARCEL NUMBERS 009-311-03, 08, 09, 10, 14, 15 AND 47, BASED ON TWELVE FINDINGS AND SUBJECT TO THE RECOMMENDED CONDITIONS OF APPROVAL CONTAINED IN THE STAFF REPORT (FILE TSM-05-144); AND C. ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE EFFECTING A ZONING MAP AMENDMENT TO CHANGE THE ZONING FROM MOBILE HOME ONE ACRE (MH1A) AND SINGLE FAMILY ONE ACRE (SF1A) TO SINGLE FAMILY 6,000 (SF6), ON PROPERTY LOCATED GENERALLY WEST OF BIGELOW DRIVE, EAST OF CENTER DRIVE AND THE CARSON CITY/DOUGLAS COUNTY BOUNDARY LINE AND SOUTH OF CLEAR CREEK; AT 1200, 1301 AND 1351 RACE TRACK ROAD AND 6501, 6701 AND 7001 CENTER DRIVE, APN'S 009-311-03, 08, 09, 10, 14, 15 AND 47, BASED ON THE FINDINGS CONTAINED IN THE STAFF REPORT (FILE NO. ZMA-05-157) (FTR failed - Lanier Tape BOS 10/20/05 - 1-2376) - Principal Planner Lee Plemel, Applicant's Representative Mark Rotter, Parks and Recreation Director Roger Moellendorf, Applicant's Traffic Engineer Paul Soleagui; City Engineer Larry Werner, Senior Planner Jennifer Pruitt, Fire Chief Stacy Giomi, Washoe Tribe of Nevada and California General Counsel Tim Seward - Mr. Sullivan's introduction included an explanation of the presentation process. Mr. Plemel reported on the historical background on the applications and public hearings on the special planned area (SPA) including justification for the delays in presenting the project. The Board had approved the SPA on May 18, 2005, therefore, the proposed tentative subdivision map is now being considered based on that approval. The SPA included a requirement that zoning be considered as part of the tentative map. Therefore, it is included at this time. Discussions today should not include the density as it was established previously. Only the tentative subdivision map should be discussed at this time. Discussion pointed out that the Brown Street-Edmonds area was handled as an SPA. The current master plan includes other SPAs. This is the first development that has been brought forward under that process. Mr. Plemel explained that the master plan goal of protecting the rural environment is addressed by the public review process and buffering the rural lots with larger lots. The presentation will further delineate this proposal. Supervisor Aldean expressed her concern that the project is contrary to the policies that will be adopted in the new master plan. Mr. Plemel reiterated that the master plan for this property is the adopted SPA. Mr. Sullivan explained that the conditions include requirements that protect the large lots and their animals. These issues were raised during the neighborhood hearings. Discussion indicated that the noise and odor issues are also addressed in the conditions of approval.

(1-2640) Mr. Rotter used a map and aerial photographs of the area to explain the area included in the tentative subdivision, the open space areas, and the zoning surrounding the subdivision. Justification for using the SPA process was provided. A conceptual SPA plan was developed to obtain input from staff. It was followed by the detailed tentative map process. The Planning Commission had approved the tentative map on a 6-1 vote. Mr. Rotter then described the tentative subdivision including its five neighborhoods, the "six pack units", the different product types proposed for the other neighborhoods, and the ability to have construction occurring in all of the phases at the same time. Discussion explored the product costs for each neighborhood. The Board's concern about the lack of development in the park and open space areas until after 271 units are

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constructed was stressed. Mr. Rotter explained that the development's linear parks along the roadways will be constructed as the phases are constructed. He also indicated that if "30 to 50" units in each of the neighborhood is constructed, all of the open space/park areas must be completed before unit number 251 can be constructed. Construction of the models and parkway strips along the main roadway will occur as part of phase one. The detention facilities must be done first as they are an engineering requirement. Clarification indicated that the detention basin in the upper right corner can be held until the 250th building permit is requested. This detention basin can be constructed before that permit is pulled, however, it not required until that time. Supervisor Aldean suggested that this condition be revised to require the basin earlier in the process. Mayor Teixeira supported having it constructed when the 251st unit is being constructed. Discussion then explained the maintenance district which is being established to care for the parks and open space areas. These funds will be maintained in a special account for this sole purpose. Mr. Rotter justified the location of the pocket park for the "six pack" neighborhood. He believed that the distance to the pocket park was acceptable and approximated it to be that between the Community Center and the Pony Express Pavilion. Supervisor Livermore, as the Board's representative to the Parks and Recreation Commission, explained the discussions and decision made by the Commission regarding the park. He felt that the distance was acceptable and cited the Sonoma Park's location to justify it. Mr. Moellendorf explained his and staff's support of the park locations, proposed designs, and their connectivity. Mayor Teixeira pointed out that Silver Oaks has 1200 homes with a three-acre park. The proposed park is 3.8 acres with 521 homes. Mr. Moellendorf then explained the reasons staff supported having the homeowners' association pay for maintenance of the parks. Substantial information will be provided to the developers so that the buyers will be aware of this requirement and its potential cost which will include irrigation. Supervisor Aldean reiterated her concern about the lack of green space for children to play on in the "six pack" neighborhood. Mr. Rotter described the open space areas, their amenities, and the detention basins. The total acreage for these purposes is slightly more than 12 acres. (2-0039) He then described the buffer provided by having larger lots facing Schulz Drive and its one acre lots. The six pack configuration was described. Illustrations of the units for each neighborhood were shown and described. The proposal provided varying front yard setbacks; one, two, and three car garages; front and side facing garages, and one and two story units. He then described the location of the sanitary lift station, the sewer plants, water utilities, underground power lines, and the effort to resolve the 911 emergency issue with Verizon. Mayor Teixeira stressed the need for this issue to be resolved. Mr. Rotter continued his description of the location for the natural gas lines; the cable television lines; drainage amenities including the commitment to meet local, state and federal discharge requirements; Paul Soleagui's traffic study regarding the need to connect Topsy Lane to Highway 395, its inclusion of 650 residential units that are to be developed in Douglas County, the impact of closing Center Lane, and the improvements to Snyder Lane both with and without Center Lane; and potential gated emergency accesses north of Topsy and south of Gibson on Center if Center is closed to through traffic. Supervisor Aldean indicated an objection to street closures. Mr. Rotter explained that the plan had studied keeping Center open and closing it. The estimated traffic volume is between 1400 and 1600 vehicles per day and compared to the daily traffic count on Mountain Street at the Fritsch Elementary School of 6500 vehicles. Discussion indicated that an agreement between the City and Tribe is in the offing. The suggested road improvements will work well after the freeway is constructed.

(2-0272) Mr. Soleagui advised that NDOT has indicated that the roadway at Topsy and 395 will have a service level of "E". He believed that the City roads will be at the "C" level but will have to verify it.

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Discussion between Mr. Rotter and Supervisor Livermore indicated that they had considered the current traffic volume on 395/Carson Street and the potential use of the subdivision to traverse around it. Mr. Rotter felt that the roundabout at Snyder and Bigelow could handle the increased traffic. Supervisor Aldean pointed out that Page 18 indicates that the intersection will be at level "D" or better, which is within the City's acceptable service level. (2-0313) Clarification explained the prohibition against having the rear yards of the residences back onto the streets with the exceptions of Topsy Lane and Center Drive. Mr. Rotter indicated that the lots are not to have access/driveways to the roadways. There is to be a "parkway" strip along those roadways and a parameter fence. Mr. Rotter stipulated to "looking real hard before constructing the roundabout" if Center Street is closed to avoid having the problems encountered with Fifth and Edmonds. Discussion pointed out that the roundabout on Arrowhead works well. Mr. Rotter then explained the agreement to conduct cultural resource studies before development and to have a professional on site to monitor when ground is broken to ensure artifacts are not disturbed and that the Tribe and State Historic Preservation and Cultural Resources are notified. Ownership of the land was described. The main thoroughfares' widths and abilities to be expanded were explained.

(2-0381) Ms. Pruitt highlighted the staff report and read the two stipulations into the record. They were: 1. Along the northeastern border of the Schulz Ranch development the applicant will work with the Washoe Tribe on acceptable fencing treatments; and 2. The developer will provide an archeological report to staff and the Washoe Tribe prior to commencement of the grading and trenching of the subject site and during grading and trenching. The developer shall have an archeological monitor on site to review the activities. The applicant had agreed to the 49 conditions of approval and the two stipulations at the Planning Commission meeting. Supervisor Staub noted for the record that RTC has not been included in the discussions regarding the possible closure of Center Street. Supervisor Aldean disclosed her research regarding noise and odor easements. The easements are to encumber the entire subdivision and are to be disclosed in the sales documents. Ms. Pruitt concurred that the easements are to be included in the purchase documents. Supervisor Aldean encouraged inclusion of these easements within the CC&Rs.

Mr. Sullivan then read and explained the findings and conditions into the record. (2-0667) Mr. Werner explained staff's contact with the Washoe Tribe including the potential lawsuit that may be raised regarding Center Drive, water quality issues, and the detention basin. Staff believes that the traffic volume will not significantly impact Center Drive. The Tribe, however, allegedly believes it will bisect its community and pose a hazard to their children and elders' programs. If the Board agrees to the closure of Center Drive and approves the tentative map, staff will bring back an agreement with the Tribe regarding these issues. Although the Board cannot approve this agreement today, it can condition the tentative map to include the closure of Center Drive which would require the developer to construct as described and recommended in the traffic report without this street.

Fire Chief Giomi briefly described the status of the discussions with Verizon regarding 911 and the need for Carson City residents to contact Carson City's emergency services rather than Douglas County's. At this time the residents will have to use the seven digit telephone number to access Carson City's dispatch center. He also indicated that another meeting on the issue will be held tomorrow. Public comments were then solicited.

Mr. Seward reviewed his letter to the Board. Copies were given to the Board and Clerk. (A copy is in the file.) He had not completed it in time to make the Board's packet. Concerns regarding the "six pack" units,

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cultural resources, watershed and drainage have been addressed. The Tribe's health, safety, and welfare issues with the use of Center Drive were limned. They have stipulated to the fencing, however, traffic and right-of-way issues remain. He indicated that the sewer issues included in the letter are not part of the development issues, however, in an effort to address all outstanding issues, they were included in the discussions with staff. A "draft" agreement had allegedly been presented to the Tribal Council. It purportedly closes Center to vehicle traffic except for emergency vehicle access which will be controlled by the use of two small gates. Pedestrian and bicycle access will be allowed. Justification for allowing pedestrian and bicycle access was explained. Benefits of the agreement were noted. The agreement also included having the Tribe provide a minimum amount of land for the roundabout at Bigelow and Snyder. He felt that the agreement would be agenized for Board consideration on November 3. Discussion indicated Mr. Seward's belief that the developer could stipulate to the closure of Center, installation of the two gates, and development of the roundabout. It would not be necessary to amend the conditions. Discussion explained the stipulations regarding the cultural issues and fencing. The ditch, the drainage issues regarding it, and the water rights were limned. The proposal will return the water in the ditch to Clear Creek along the rear boundary of the development, which will create a "natural green barrier". Mayor Teixeira indicated that Mr. Werner concurred with the proposal. Mr. Werner then explained the reasons for wanting to remove the ditch from the development. If it is not removed, the developer will have to pipe the water through the development. He then explained the belief that there is a prescriptive right to the use of Center Drive. The court's possible view of this right was briefly limned. This is an issue that will take time to sort out. The City has maintained the road even though its ownership is unclear. The issue can be solved through an agreement or by court decree. Supervisor Staub pointed out the need to have RTC consider any agreement regarding the roadway. He also indicated his dislike for closing roadways and a need to have additional information before he agrees to the closure. Discussion between Supervisor Livermore and Mr. Werner explained the access to Topsy from Bigelow and concerns about Rabe and its need for improvements. In view of the ability for the Rabe residents to petition for improvements, Supervisor Livermore indicated a need for RTC to consider the impact on Rabe. Mayor Teixeira felt that as only one side of the issue is being presented, the Board should not make a decision regarding Center Street at this time. The final agreement also needs to be developed before the Board blesses it. The item should be agenized for the next Board meeting. A change in the condition was not made and Mr. Werner indicated that the issue will be addressed in the future. Additional public comments were solicited but none were given.

Supervisor Staub moved to approve a Tentative Subdivision Map application from Reynen and Bardis Communities, owners: Burton, Larry and Burton, SMJ 1992 Trust and LMA 1992 Trust, Schulz Living Trust, Pflum Family Revokable Living Trust, Bennett, Alice S., Goni, Joseph R. and Latzy P., and Kugler, W.R. and Coffee C., to allow a common open space development of 521 residential lots and variances for lot area, lot width, and lot setback requirements within the subdivision as specified in the Schulz Ranch Specific Plan Area document, on property zoned Single Family One Acre, SF1A, and Mobile Home One Acre, MH1A, located between Center Drive and Bigelow Drive, Assessor's Parcel Numbers 009-311-03, 08, 09, 10, 14, 15, and 47, based upon twelve findings and subject to the recommended conditions of approval contained in the staff report. Supervisor Livermore seconded the motion. The developer's representatives, Reynen and Bardis Communities Division President Ted Araconda and Barker Coleman Homes Representative Carl Hessler, introduced themselves. Mayor Teixeira expressed his belief that the project will work well for both the City and the developer. His involvement with the design was limned. He felt that the developer had heard and answered the need for affordable housing. He asked that they stipulate to sell to individuals who will occupy

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the units. Mr. Araconda indicated that they attempt to screen their buyers and keep investors from purchasing the units through their pre-qualification process. Mr. Hessler indicated that his firm uses the same policy and process to screen the applicants. Mayor Teixeira stressed the desire to keep speculators from "eating up the product and making it a rental community". He wanted to have the homes available for people who need them. The motion to approve the Tentative Subdivision Map as indicated was voted and carried 5-0.

(2-1185) Supervisor Staub moved to introduce on first reading Bill No. 129, AN ORDINANCE EFFECTING A ZONING MAP AMENDMENT TO CHANGE THE ZONING FROM MOBILE HOME ONE ACRE, MH1A, AND SINGLE FAMILY ONE ACRE, SF1A, TO SINGLE FAMILY 6,000, SF6, ON PROPERTY LOCATED GENERALLY WEST OF BIGELOW DRIVE, EAST OF CENTER DRIVE AND THE CARSON CITY/DOUGLAS COUNTY BOUNDARY LINE AND SOUTH OF CLEAR CREEK, AT 1200, 1301 AND 1351 RACE TRACK ROAD AND 6501, 6701 AND 7001 CENTER DRIVE, ASSESSOR'S PARCEL NUMBERS 009-311-03, 08, 09, 10, 14, 15, AND 47 based upon the findings contained in the staff report. Supervisor Livermore seconded the motion. Motion carried 5-0.

RECESS: A recess was declared at 3:22 p.m. The entire Board was present when Mayor Teixeira reconvened the meeting at 6 p.m., constituting a quorum. Staff members present included: City Manager Ritter, Development Services Director Burnham, Finance Director Minton, Deputy District Attorney Burketta, Redevelopment/Economic Development Manager McCarthy, and Recording Secretary McLaughlin.

12. FINANCE - Director Tom Minton

A. HEARING ON A PLAN FOR EXPENDITURE OF THE PROCEEDS OF A 1/8 CENT SALES TAX (VIRGINIA AND TRUCKEE RAILWAY RECONSTRUCTION PLAN) FOR EXPENDITURE OF THE PROCEEDS OF THE TAX IMPOSED PURSUANT TO NEVADA REVISED STATUTE CHAPTER 377B FOR THE PURPOSE OF FINANCING THE CONSTRUCTION AND RENOVATION OF HISTORICAL PROJECTS, INCLUDING BUT NOT LIMITED TO THE VIRGINIA AND TRUCKEE RAILWAY PROJECT (2-1220) - Capital Engineering Principal Ken Dorr, V&T Railway Commission Chair Bob Hadfield, Nevada Tourism Commission Director Bruce Bommarito, Convention and Visitors Bureau Executive Director Candy Duncan, Senator Mark Amodei, Carson City Gaming Association President Steve Forester, Carson City Chamber of Commerce Chair Ronnie Hannaman, Washoe County's Representative to the V&T Railway Commission John Tyson, Tom Gray, Tom Knoblec, Tom Fetic, V&T Railway Commissioner Ron Allen, Tricia Lincoln, V&T Railway Foundation Member Linda Lippincott, John Wagner - Mayor Teixeira explained that he was passing the gavel to Mayor Pro-Tem Williamson due to his involvement with the project and stepped down from the dais. He intended to participate in the discussion and decision. Mayor Teixeira then explained his advocacy of the railroad since 1992 including solicitation of funding, materials, and right-of-way. Funding will construct the tracks to the Lyon County line. Brunswick Canyon is the needed to complete the project. Although he did not enjoy the prospect of passing a tax without a vote by the electorate, he felt that the sales tax for a family would amount to 75¢ and is needed to generate the funding to complete the project. Once the project is completed it will be an economic product that will stand the test of time benefitting the community and justifying the commitment.

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Mr. Minton explained that the 1/8 of a cent sales tax would support the proposed \$15 million bond. His late handouts were noted. (A copy is in the file.) It shows that if the sales tax revenue does not grow, it will take 20 years to repay the bond. If the sales tax revenue grows, the bonds will be repaid in 13 years. The revenue generated by the tax will be kept in a separate account. The bond document allows the City to have an early call date. Once the bonds are paid off, the tax will sunset and go away. Discussion indicated that Section 7 of the bond ordinance allows the State to keep a half of a percent for collecting the tax. The Statute purportedly allows them to keep three-quarters of a percent. It is factored into the retirement period.

Mr. Dorr explained his role in the reconstruction project and introduced other members of the team. He gave a computerized slide presentation explaining the status of the reconstruction project. To date 1.4 miles of the railroad has been reconstructed. There are seven miles left to be constructed. The project will be completed in phases which he described. It should be completed by 2009 at an estimated cost of \$34.2 million. Funding sources were limned.

Mr. Hadfield read his prepared statement into the record and introduced the members of the Commission who were present. (A copy of his statement is in the file.) He urged the Board to enact the sales tax and rebuild the railroad. Storey County's commitment was noted. He believed that, as Carson City is the hub for the region, the railroad will make the area the tourist destination it should be.

Mr. Bommarito explained the funding the Commission had dedicated toward the project including the Legislature's support of those funds. The railroad will give Carson City a signature and provide good marketing. It will attract tourists both nationally and internationally as illustrated by the number of individuals he felt would visit the area due to the Chinese who were connected to the original train.

Ms. Duncan explained the Convention Bureau's priority the project had as illustrated by its funding commitment to it. She also believed that it will make the area a major worldwide tourist attraction with endless economic possibilities. The lack of an objection to the increased room tax that has been used to support the project was also cited to illustrate the community's support for the project. The Carson City and Virginia City's joint marketing program was explained to show that they are both supporting the effort. She urged the Board to implement the tax.

Senator Amodei indicated that he represented himself and Assemblywoman Bonnie Parnell. He asked that her letter be made a part of the record. (A copy was not given to the Clerk.) His interest in the railroad and knowledge of the area were limned. His support of the legislative act enabling the 1/8 cent sales tax was noted. Public and private donations were indicated to illustrate the depth of the support for the project. Political support from the surrounding Counties was also noted. Washoe and Douglas Counties may at some future time ask that the tracks be extended to their areas. The railroad is needed for both cultural and historical reasons. The regional benefits will justify the expenditures and dedications. The cost to Carson City shoppers and residents is minute. The financial benefits that will be reaped as a result of the project will more than justify the cost. He urged the Board to approve the bill which the Senate had approved on a 21-0 vote and the Legislature on a 42-0 vote.

Mr. Forester listed the members of the Gaming Association. They support the project and urge the Board to implement the tax. Ms. Hannaman read her prepared statement into the record urging the Board to support

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the project. The Chamber had not decided the issue regarding implementation of the tax. Mr. Tyson stressed the historical value of the railroad and the need to preserve that asset.

Mayor Teixeira pointed out the region's scenic view of the Sierra Nevada Mountains. It cannot be duplicated or manufactured elsewhere. He introduced Tom Gray by noting that he is operating the train that has been running for years and serving as an attraction to the area. Mr. Gray believed that the expansion of the line as proposed will increase tourism as indicated by his contact with former students who had ridden the train while a child and have returned with their children. They have always wanted to go further. The project will give them the ability to do so. Individuals whom he knew that are actively involved in/supporting the program were listed to illustrate the belief that the project will be accomplished. He alleged that a UNR professor had indicated that the train will be like a golf course—it will not make money. The services provided as a result of the tourist draw will, however, make money and support the communities. He believed that the market is there for the project.

Mayor Teixeira described the darkest day of his first term as being when the roundhouse was lost. Then Mr. Knoblec became involved. He introduced Mayor Teixeira to Mr. Gray and the momentum for rebuilding the railroad commenced.

Mr. Knoblec described his personal experience with the Durango-Silverton Railroad. It is a self-generated tourist attraction requiring a three-month advance ticket purchase. Its economic impact to its neighborhood was explained to illustrate what a train could do for this area. He complimented Mayor Teixeira on his dedication and efforts to obtain right-of-way and donations of material and services. He urged the Board to approve implementation of the tax as it will enhance the region tremendously.

Mr. Fetic explained his support for the project. Mr. Allen explained his family's involvement with the railroad and urged the Board to implement the tax as it will provide unforeseen opportunities in the future. Ms. Lincoln explained her personal knowledge of the worldwide interest in the train and its completion. She felt that if the track is rebuilt, the tourists will come. Ms. Lippincott explained the telephone calls the Foundation receives regarding when the train will be open for business in Carson City. She believed that the tourists will come once it is open.

Mr. Wagner voiced his opposition to the tax and urged the Board to find another funding mechanism. He also felt that the cost would be higher than had been estimated as illustrated by recent bids for City projects. If it must be done, do it quickly before the prices increase. He questioned the ability to generate revenue during the winter season when the train would not be operational. If the tax must be implemented, the electorate should vote on it. He cited the *Nevada Appeal* survey, which he acknowledged is not very scientific, to support his contention that the electorate does not want the tax. He also acknowledged that a poll taken by "carsoncitynews.com" had allegedly supported the project. He questioned whether the \$10 million commitment by Congress will be paid and where funds will be found to replace it if not paid. He urged the private sector to develop the project. He explained that he did not object to the project but did object to the tax. Additional public comments were solicited but none were given. The public hearing was then closed. No formal action was required or taken.

B. ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE OF THE CON-

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SOLIDATED MUNICIPALITY OF CARSON CITY, AMENDING CARSON CITY MUNICIPAL CODE TITLE 21, TAXATION, BY ADDING CHAPTER 21.06 V & T RAILROAD SALES TAX, SECTION 21.06.010 PURPOSE, WHICH DESCRIBES THE PURPOSE OF THIS ORDINANCE; SECTION 21.06.020 IMPOSITION OF TAX--RATE OF TAX--EXEMPTIONS; SECTION 21.06.030 CREATION OF FUND; SECTION 21.06.040 USE OF PROCEEDS OF TAX; SECTION 21.06.050 PAYMENT OF PROCEEDS TO STATE DEPARTMENT OF TAXATION AND DISTRIBUTION; SECTION 21.06.060 ISSUANCE OF BONDS AND OTHER SECURITIES; SECTION 21.06.070 IMPAIRMENT OF OBLIGATIONS PROHIBITED; SECTION 21.06.080 INCORPORATION OF PROVISION OF CHAPTER 374 OF THE NRS (2-3034) - Chief Deputy District Attorney Melanie Bruketta - Ms. Bruketta indicated that typographical errors in Section 7 on Page 4 referring to the NRS 21.07.060 should be revised to be NRS 21.06.060 and reference to NRS Chapter 337B should be NRS Chapter 377B. Discussion indicated that the Statutes do not require the funds to be spent in Carson City. There will be \$15 million in infrastructure/structures constructed in Carson City. Mr. Minton suggested that the usage not be restricted to "in Carson City". Supervisor Staub concurred. Clarification indicated that there will not be any other bonds or securities. The term "securities" could be removed from the ordinance. The bonds should be called "V&T Historic Bonds" for consistency throughout the ordinance. Supervisor Aldean corrected the spelling of Mayor Teixeira's name on the signature line. Supervisor Aldean explained the concern that people on fixed incomes have had about the length of time the tax will be imposed. She emphasized that the "tax shall be repealed" by the Board upon final payment of interest and principal on the bonds known as the V&T historical bonds as contained in Paragraph 4 on Page 3. The tax cannot be used for operational expenses. Mayor Teixeira moved to introduce on first reading Bill No. 130, AN ORDINANCE OF THE CONSOLIDATED MUNICIPALITY OF CARSON CITY, AMENDING CARSON CITY MUNICIPAL CODE TITLE 21, TAXATION, BY ADDING CHAPTER 21.06 V & T RAILROAD SALES TAX, SECTION 21.06.010 PURPOSE, WHICH DESCRIBES THE PURPOSE OF THIS ORDINANCE; SECTION 21.06.020 IMPOSITION OF TAX--RATE OF TAX--EXEMPTIONS; SECTION 21.06.030 CREATION OF FUND; SECTION 21.06.040 USE OF PROCEEDS OF TAX; SECTION 21.06.050 PAYMENT OF PROCEEDS TO STATE DEPARTMENT OF TAXATION AND DISTRIBUTION; SECTION 21.06.060 ISSUANCE OF BONDS AND OTHER SECURITIES; SECTION 21.06.070 IMPAIRMENT OF OBLIGATIONS PROHIBITED; SECTION 21.06.080 INCORPORATION OF PROVISION OF CHAPTER 374 OF THE NRS ; fiscal impact is to raise \$1.25 million a year in additional sales tax revenues to pay debt service on the V&T Historical Bonds; and the funding source is not applicable. Supervisor Aldean seconded the motion. Following discussion on an amendment, Mayor Teixeira amended his motion to include the corrections as discussed by Supervisors Staub and Aldean. Supervisor Aldean concurred. The motion was voted by roll call with the following result: Supervisor Livermore - Yes; Supervisor Staub - Yes; Supervisor Aldean - Yes; Mayor Teixeira - Yes; and Mayor Pro-Tem Williamson - Yes. Motion carried 5-0.

Mayor Teixeira thanked the audience and participants for attending. He believed that the train is coming to Carson City and will not stop. He thanked the Board for its support.

Supervisor Livermore displayed the second volume of a book published by the *Nevada Appeal* containing a century of memories which covered the period 1900 to 1990. It purportedly contained a "tremendous amount" of references to and memories of the V&T. He believed that the V&T deserves to be restored.

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13. ACTION TO ADJOURN (2-3390) - Supervisor Livermore moved to adjourn. Supervisor Aldean seconded the motion. Motion carried 5-0. Mayor Pro-Tem Williamson adjourned the meeting at 7:25 p.m.

The Minutes of the October 20, 2005, Carson City Board of Supervisors meeting

ARE SO APPROVED ON December 1, 2005.

/s/
Marv Teixeira, Mayor

ATTEST:

/s/
Alan Glover, Clerk-Recorder