

CARSON CITY BOARD OF SUPERVISORS
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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, December 7, 2006, 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
	Larry Werner	City Engineer
	Daren Winkelman	Health Director
	Melanie Bruketta	Chief Deputy District Attorney
	Cheryl Adams	Purchasing and Contracts Manager
	Juan Guzman	Open Space Manager
	Katherine McLaughlin	Recording Secretary
	(BOS 12/7/06 Recording 8:31:42)	

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 the Department's heading. Any other individuals who spoke are listed immediately following the item's heading. A recording of these proceedings is on file in the Clerk-Recorder's office. It is available for review and inspection during normal business hours.

CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE, AND INVOCATION - Mayor Teixeira convened the meeting at 8:30 a.m. Roll call was taken. The entire Board was present, constituting a quorum. Supervisor Aldean led the Pledge of Allegiance. Rev. Ken Haskins of the First Christian Church gave the Invocation. Mayor Teixeira requested a moment of reflection in memory of those individuals who fought for our freedom as this is December 7.

PUBLIC COMMENTS (8:33:16) - Guy Felton noted that he had not been at the Board's meetings for one or two months, which was his Christmas present to the Board. He thanked the Board for the moment of silence in recognition of the individuals who gave the lives during World War II. He referenced his publication on website NeilRombardo.com. He alleged that he had sworn to protect the U.S. Constitution on three occasions during which time he served as a Marine and/or a police officer. He purported to having sent each Board member on 11/24/06 a copy of an Open Meeting Law complaint against Washoe County Commission Chairperson Larkin and the resulting Attorney General's opinion. He read a prepared statement into the record espousing his belief that the Attorney General's opinion was flawed as it had been prepared by Deputy Attorney General Neil Rombardo. Mr. Rombardo is Carson City's District Attorney-Elect. He alleged that Mr. Rombardo is incompetent and has shown contempt for the Constitution. He described the

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complaint, his belief that his constitutional freedom of speech had been violated, court rulings supporting his contention that his constitutional freedom of speech had been violated, a definition of freedom, and his reasons for feeling that Mr. Rombardo's opinion is a treasonable offense, which is a capital crime. He urged Carson City residents to monitor Mr. Rombardo's opinions as he will continue to violate their rights and the Constitution. He urged the Board/community to declare Mr. Rombardo's opinion null and void and require him to resign his position as District Attorney. Failure to call for his resignation will incorporate his character into the Board and its functions. He acknowledged that the Board cannot fire Mr. Rombardo, however, it can call for his resignation. He questioned whether the Board would serve and honor the Constitution or violate its oath. He then wished the Board Happy Holidays.

Mayor Teixeira noted that the statements were Mr. Felton's opinion even though Mr. Rombardo speaks highly of Mr. Felton. He asked for additional public comments.

Sam Dehne indicated that freedom of speech is a "year-round item" as Mr. Felton had indicated. It needs to be recognized. His background in the Air Force and service "protecting the Reno citizens against their government" was noted. Reasons Mr. Dehne had missed the last few meetings were noted. He also felt that the Nevada League of Cities should have invited him to be a keynote speaker at its recent convention. He alleged that the League would not change its meeting dates so that he could attend. He felt that its meetings should have been televised for public viewing and attendance. He also indicated his intent to attend the next Board meeting. Mayor Teixeira indicated that there will be one more Board meeting before Christmas and thanked him for his comments. Additional public comments were solicited but none were given. No formal action was taken on any of these items.

1. **APPROVAL OF MINUTES (8:46:50) - None.**

2. **CHANGES TO THE AGENDA (8:46:55) - None.**

3. **SPECIAL PRESENTATION - PRESENTATION OF AWARDS TO THOSE BUSINESSES THAT MADE CONTRIBUTIONS IN SUPPORT OF THE FIRST ANNUAL HOMELESS CONNECT (8:47:05) -** Administrative Health and Human Services Officer Kathy Wolfe - Mayor Teixeira noted Supervisor Aldean's involvement with this effort. The event was conducted on September 23. Its purpose was described. Appreciation Awards were presented by Supervisor Aldean to Papa Murphy's, Carson City Nugget, Starbucks Coffee, Port of Subs, Sani-Hut, and Harrah's at Lake Tahoe. Their contributions were described. Ms. Wolfe thanked them and expressed the hope that next year's event will be bigger and better. Mayor Teixeira and Carson City Nugget Representative Jim Dempster discussed the Thanksgiving dinner given to approximately 750 individuals. Mayor Teixeira thanked him for this contribution. He also commended Ms. Wolfe on her efforts. No formal action was required or taken.

4. **CONSENT AGENDA**

4-1. SHERIFF - ACTION TO APPROVE THE ACCEPTANCE OF THE OFFICE OF TRAFFIC SAFETY JOINING FORCES ENFORCEMENT GRANT, IN THE AMOUNT OF \$15,329.28 FOR FEDERAL FISCAL YEAR 2007

4-2. PURCHASING AND CONTRACTS

A. ACTION TO AUTHORIZE THE SHERIFF'S OFFICE TO UTILIZE A REQUEST FOR PROPOSAL AND SPECIFICATIONS FOR INMATE TELEPHONE SERVICE THROUGH JUNE 3, 2008, WITH THE OPTION TO EXTEND THE CONTRACT FOR AN ADDITIONAL TWO YEAR TERM WHICH WAS APPROVED BY THE OZAUKEE COUNTY SHERIFF'S DEPARTMENT LOCATED IN PORT WASHINGTON, WISCONSIN, AND WHICH IS EXEMPT FROM COMPETITIVE BIDDING PURSUANT TO NRS 332.115 SUBSECTION 1 (M) AND NRS 332.195 (FILE NO. 0607-052)

B. ACTION TO ADOPT A RESOLUTION AUTHORIZING THE BOARD OF SUPERVISORS TO DETERMINE THAT A 1970 CROSLY (CROWN) FIRE ENGINE VIN F1637 HAS REACHED THE END OF ITS USEFUL LIFE AND IS THEREBY DONATED TO THE WARREN ENGINE COMPANY NUMBER ONE, CARSON CITY'S VOLUNTEER FIREFIGHTERS (FILE 0607-055)

4-3. PUBLIC WORKS - DEVELOPMENT ENGINEERING

A. ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN THE RELEASE AND CANCELLATION OF ORDINANCE NO. 1987-22 AND A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND GARY BORST, CARSON CITY, NEVADA, REGARDING FORMER ASSESSOR'S PARCEL NUMBER 09-163-01 AND NOW ASSESSOR'S PARCEL NUMBER 09-163-15, LOCATED AT 4455 SOUTH CARSON STREET, CARSON CITY, NEVADA

B. ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN THE RELEASE AND CANCELLATION OF ORDINANCE NO. 1996-1 AND A DEVELOPMENT AGREEMENT BETWEEN CARSON CITY AND RICHARD K. LANGSON, CARSON CITY, NEVADA, REGARDING FORMER ASSESSOR'S PARCEL NUMBER 08-123-07 LOCATED ON HOT SPRINGS ROAD, CARSON CITY, NEVADA

C. ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN THE RELEASE AND CANCELLATION FOR PARCEL MAP IMPROVEMENT AGREEMENT BETWEEN CARSON CITY AND DON K. AND TONI K. LANGSON FOR THE CONSTRUCTION OF PUBLIC IMPROVEMENTS LOCATED ON HOT SPRINGS ROAD WEST OF GONI ROAD, CARSON CITY, NEVADA, RECORDED IN BOOK 8 PAGE 2366 OF THE OFFICIAL RECORDS OF CARSON CITY, NEVADA, AND ADOPTED BY THE BOARD OF SUPERVISORS ON MAY 19, 2000

4-4. CITY MANAGER

A. ACTION TO RATIFY THE ACTION OF THE MAYOR AND CITY MANAGER TO APPROVE AMENDMENT NO. 1 TO GROUND LEASE BETWEEN CARSON CITY AND THE SEASONS LIMITED PARTNERSHIP

B. ACTION TO APPROVE AMENDMENT NO. 2 TO GROUND LEASE BETWEEN CARSON CITY AND THE SEASONS LIMITED PARTNERSHIP

C. ACTION TO APPOINT THREE MEMBERS TO THE SHADE TREE COUNCIL, TERMS TO EXPIRE JANUARY 1, 2009

4-5. HEALTH AND HUMAN SERVICES - ACTION TO APPROVE A GRANT AWARD IN THE AMOUNT OF \$100,000 FROM THE NEVADA DEPARTMENT OF HEALTH AND HUMAN

SERVICES, HEALTH DIVISION, FOR FUNDS TO SUPPORT THE NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM

4-6. PARKS AND RECREATION - ACTION TO APPROVE THE RECOMMENDATION FROM THE PARKS AND RECREATION COMMISSION FOR AN INTERLOCAL AGREEMENT PROVIDING FOR A COOPERATIVE WORKING RELATIONSHIP WITH TEN AGENCIES FOR THE DEVELOPMENT OF THE STATE BALLOT QUESTION NO. 1 LAKE TAHOE BIKE PATH PROJECT (8:51:39) - Supervisor Williamson pulled Items 4-4A and B for discussion. Supervisor Livermore moved to approve the Consent Agenda consisting of one item from the Sheriff's Department, two items from Purchasing and Contracts, which includes Item 4-2B that will be assigned Resolution No. 2006-R-40, three items from Public Works - Development Services, one item from the City Manager's Office with special recognition to the appointments/reappointments to the Shade Tree Council - Ms. Terrill Ozawa, Ms. Carole Brewer, and Mr. Roy Trenoweth, one item from Health and Human Services, and one item from Parks and Recreation for a total of nine items on the Consent Agenda as presented. Supervisor Williamson seconded the motion. Motion carried 5-0.

4-4A AND B. (8:53:29) - City Manager Linda Ritter - The calculation error in figuring the connection fees had created a funding concerning for the project. The seniors who were going to move into the facility had given notice to their landlords. The Item A agreement authorizes a temporary certificate of occupancy and provides for permanent extension of the payment for the connection fees. The Item B agreement amends the original ground lease to pay the remaining connection fees over an 18-month period at 3% interest. Justification for paying the fees over the proposed period was based on the desire to avoid impacting the rental fees for the units. Supervisor Williamson pointed out that this is not the normal practice. This should be a one time request. Ms. Ritter indicated that the second phase of the project is under construction. Its fees have been paid. A second extension should not be requested. Supervisor Williamson moved to ratify the action of the Mayor and City Manager to approve Amendment No. 1 to the Ground Lease between Carson City and The Seasons Limited Partnership. Supervisor Aldean seconded the motion. Motion carried 5-0.

Supervisor Williamson then moved to approve Amendment No. 2 to the Ground Lease between Carson City and The Seasons Limited Partnership. Supervisor Aldean seconded the motion. Motion carried 5-0.

5. HEALTH AND HUMAN SERVICES - Health Director Daren Winkelman - ACTION TO ADOPT, ON SECOND READING, BILL NO. 130, AN ORDINANCE AMENDING CHAPTER 12.05 OF THE CARSON CITY MUNICIPAL CODE, SEWER CONNECTION AND INDIVIDUAL SEWAGE DISPOSAL SYSTEM GENERAL REQUIREMENTS, SECTION 12.05.020 CONNECTION TO MUNICIPAL SEWER SYSTEM REQUIRED, BY DELETING THE FOUR HUNDRED (400) FOOT CONNECTION STANDARD, CREATING A NEW CONNECTION STANDARD, EXPLAINING THE APPROVAL REQUIREMENTS TO ALTER, MOVE, EXTEND A SYSTEM, DEFINING A FAILED SYSTEM AND OTHER MATTERS PROPERLY RELATED THERETO (8:56:49) - Supervisor Staub moved to adopt on second reading Bill No. 130, Ordinance No. 2006-30, AN ORDINANCE AMENDING CHAPTER 12.05 OF THE CARSON CITY MUNICIPAL CODE, SEWER CONNECTION AND INDIVIDUAL SEWAGE DISPOSAL SYSTEM GENERAL REQUIREMENTS, SECTION 12.05.020 CONNECTION TO MUNICIPAL SEWER SYSTEM REQUIRED, BY DELETING

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THE FOUR HUNDRED FOOT CONNECTION STANDARD, CREATING A NEW CONNECTION STANDARD, EXPLAINING THE APPROVAL REQUIREMENTS TO ALTER, MOVE, EXTEND A SYSTEM, DEFINING A FAILED SYSTEM AND OTHER MATTERS PROPERLY RELATED THERETO. Supervisor Aldean seconded the motion. Motion carried 5-0.

6. PUBLIC WORKS - CONTRACTS - ACTION TO ACCEPT PUBLIC WORKS RECOMMENDATION AND AWARD THE "CARSON CITY FREEWAY PHASE 2A UTILITY RELOCATIONS, COLORADO STREET, SALIMAN ROAD, AND FAIRVIEW DRIVE/LINEAR DITCH PROJECT", CONTRACT NO. 2006-074, TO THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO THE REQUIREMENTS OF NRS 332, 338, 339 AND 624 FOR A TOTAL CONTRACT AMOUNT OF THE LOWEST BID PLUS 10% CONSTRUCTION CONTINGENCY FROM THE WATER AND SEWER NDOT BYPASS FUNDS AS PROVIDED FOR IN FY 2006/2007 (8:58:12) - Senior Project Manager Jay Ahrens, Contracts Coordinator Sandy Scott, Public Works Director Andrew Burnham - Mr. Ahrens' introduction included an explanation of three additional contracts which the Board will be asked to approve in the future. Ms. Scott's introduction pointed out that Granite Construction's bid is \$700,000 below the engineer's estimate. Discussion indicated that this had never happened before. Mr. Burnham felt that it was due to a downturn in the economy and that the contractors are "getting hungry". One bid was over the engineer's estimate. Four bids were under it. Therefore, staff believed the bids were valid. Discussion indicated that the State/Federal responsibility is for 60% of the project and the City is responsible for the remaining 40%. Discussion pointed out that the City's total cost for the freeway is estimated at more than \$50 million. This is more than any other community has been asked to provide. Mayor Teixeira felt that if other community's support their NDOT projects at the same level, there would not be the current funding shortage for NDOT projects. Supervisor Aldean moved to accept Public Works' recommendation and award the Carson City Freeway Phase 2A Utility Relocations, Colorado Street, Saliman Road, and Fairview Drive/Linear Ditch Project, Contract No. 2006-074, to RaPid Construction pursuant to the requirements of NRS 332, 338, 339, and 624 in the amount of \$1,567,765 plus a ten percent construction contingency from the Water and Sewer NDOT Bypass Funds as provided for in FY 2006/2007. Supervisor Staub and Livermore seconded the motion. Motion carried 5-0.

7. PUBLIC WORKS - Contracts Coordinator Sandy Scott

A. ACTION TO ACCEPT PUBLIC WORKS RECOMMENDATION FOR THE CONSTRUCTION MATERIALS TESTING SERVICES FOR THE CARSON CITY BYPASS PHASE 2A UTILITY RELOCATION, COLORADO STREET/FAIRVIEW DRIVE PROJECT, CONTRACT NO. 2006-081, AND AUTHORIZE PUBLIC WORKS TO ISSUE PAYMENTS TO STANTEC CONSULTING, INC., 6980 SIERRA CENTER PARKWAY, SUITE 100, RENO, NV 89511, FOR A CONTRACT AMOUNT OF \$48,808 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$5,000, FROM THE WATER AND SEWER FUNDS FREEWAY ACCOUNTS (9:04:55) - Supervisor Staub moved to accept Public Works' recommendation on the Construction Materials Testing Services for the Carson City Bypass Phase 2A Utility Relocation, Colorado Street/Fairview Drive Project, Contract No. 2006-081, and authorize Public Works to issue payments to Stantec Consulting, Inc., 6980 Sierra Center Parkway, Suite 100, Reno, NV 89511 for a

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contract amount of \$48,808 and authorize the Contracts Division to issue amendments for a not to exceed amount of \$5,000, from the Water and Sewer Funds Freeway Accounts; fiscal impact - \$53,808. Supervisor Aldean seconded the motion. Motion carried 5-0.

B. ACTION TO ACCEPT PUBLIC WORKS RECOMMENDATION FOR THE CONTRACT ADMINISTRATION AND INSPECTION SERVICES FOR THE CARSON CITY BYPASS PHASE 2A UTILITY RELOCATION, COLORADO STREET/FAIRVIEW DRIVE PROJECT, CONTRACT NO. 2006-079, AND AUTHORIZE PUBLIC WORKS TO ISSUE PAYMENTS TO STANTEC CONSULTING, INC., 6980 SIERRA CENTER PARKWAY, SUITE 100, RENO, NV 89511, FOR A CONTRACT AMOUNT OF \$227,540 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$23,000, FROM THE WATER AND SEWER FREEWAY FUNDS ACCOUNTS (9:06:23) - Supervisor Aldean moved to accept Public Works' recommendation on Contract Administration and Inspection Services for the Carson City Bypass Phase 2A Utility Relocation, Colorado Street/Fairview Drive Project, Contract No. 2006-079, and authorize Public Works to issue payments to Stantec Consulting, Inc., 6980 Sierra Center Parkway, Suite 100, Reno, NV 89511, for a contract amount of \$227,540 and authorize the Contracts Division to issue amendments for a not to exceed amount of \$23,000 from the Water and Sewer Freeway Funds Accounts. Supervisors Staub and Williamson seconded the motion. Motion carried 5-0.

RECESS: A recess was declared at 9:08 a.m. The entire Board was present when Mayor Teixeira reconvened the meeting at 9:15 a.m., constituting a quorum.

8. PARKS AND RECREATION - Director Roger Moellendorf

A. ACTION TO APPROVE A NEW CARSON CITY FAIRGROUNDS AND FUJI PARK CONCEPTUAL SITE DEVELOPMENT PLAN (9:14:46) - The four items under this heading were felt to present a unique opportunity to partner with private enterprise and make improvements to Fuji Park and the Fairgrounds. The history of the proposals was provided. The developer of an adjacent parcel needs additional parking for his project. Improvements needed at the Fairgrounds/Fuji Park were limned. The master plans for the Fairgrounds/Fuji Park had been approved in June of 2003. The lack of funding for those improvements had kept them from being constructed. The proposed goal develops the area in a manner that will allow both the adjacent property owner and the Fairgrounds/Fuji Park users to have mutual use of the area in a safe manner. The new plan for the area was described. It will leave the fishing pond as originally proposed. The concession stand and ticket stand will be eliminated. If they are needed in the future, portable stands will be brought in. The caretaker's residence has been eliminated. Separate entrances for the users and spectators will be developed and address their related safety concerns which were described. Discussion indicated that a "purple" square on the plan is a 100x200 foot covered arena that may be considered in the future. It is not an official part of the plan at this time. Public comments were solicited but none were given. Mayor Teixeira disclosed that he had thought about the concept for some time and believed that the Board should support it. Supervisor Livermore recognized various individuals who had worked on the concept. **Supervisor Livermore moved to approve the new Carson City Fairgrounds and Fuji Park Conceptual Site Development Plan as presented. Supervisor Williamson seconded the motion. Supervisor Staub**

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asked that the record indicate that the proposal is the conceptual plan regardless of the action taken on the next three items. Mr. Moellendorf concurred. He explained that the original casino developer had opened the discussion even though there was some question as to whether he/she had formally agreed with the concept. Discussions with the current developer have created a better plan regardless of the restrictions imposed by the size of the facility. He believed that the concept is the best plan possible for the area. Supervisor Livermore and Mr. Moellendorf explained that the original concept had divided the area into four parcels for phasing the development. The phases were described. They were proposed as a method of funding the improvements as they could not all be done at one time. **The motion to approve the new Conceptual Site Development Plan was voted and carried 5-0.**

B. ACTION TO APPROVE A “JOINT USE PARKING AGREEMENT” BETWEEN THE CITY OF CARSON CITY AND MICHAEL PEGRAM FOR A PROPOSED PARKING LOT TO BE CONSTRUCTED OR FUNDED BY MR. PEGRAM AT THE CARSON CITY FAIRGROUNDS AT FUJI PARK (9:28:20) - Mike Pegram, Tom Keeton, Jim Alexander, Dennis Johnson - Mr. Moellendorf's introduction explained that if the in-kind services to construct the parking do not total \$1 million, the remaining funds will be given to the City for other improvement projects at the site. Statutes prohibit the City from committing financing for a 40-year agreement that would have included the parking lot maintenance. For this reason, a clause regarding this responsibility was not included in the proposed agreement. Mr. Moellendorf committed to working with Mr. Pegram to develop a separate maintenance agreement which the Board will consider in the future. Supervisor Staub suggested that the agreement include a clause indicating the intent to have such an agreement so that future Boards will be able to understand the intent regarding how these costs are to be handled. Mr. Moellendorf agreed to add a whereas clause regarding the intent.

Mr. Pegram explained his reasons for feeling that the maintenance costs should be shared equally due to the different type of vehicles using the parking area. Supervisor Staub disclosed his discussion with Mr. Pegram regarding the intent to negotiate on this point and that the negotiations would “start at his best shot and go from there”. Mr. Pegram indicated that he understood.

Discussion explained that the Commission's one opposing vote on the agreement had been based on the belief that the developer should have use of the parking lot only when the Fairgrounds/Fuji Park do not have any events. Mr. Pegram purportedly believed that they should share the facility equally. The Commission's intent is for staff and Mr. Pegram to negotiate an agreement on the use of the parking lot. It was felt that he would not have large events at the same time as there are park events in the arena as that could create parking problems. Discussion pointed out that a commitment was not being made to the developer that there will always be ample parking available for his needs. The proposal should link the usage to its capacity and not dedicate the parking lot to the developer. Its use should be on a “first come, first use” basis. A second concern expressed in an email to Supervisor Aldean related to the transfer of \$1 million of Question 18 funding from Centennial Park projects to the Fairgrounds/Fuji Park. Justification for transferring the funds was based on the economic benefits that will be created by the improvements to the Fairgrounds/Fuji Park and their regional users. Supervisor Livermore pointed out that many Nevada communities have fairgrounds. The community wants to preserve the area. Its use will be limited by its size. As a private donor has stepped forward, other resources need to be considered. Question 18 funds are generated from sales taxes which

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accrue on a daily basis. He agreed that Centennial is also important to the community, however, cooperation is necessary to make the overall improvements to parks throughout the community. Their use will make the concept doable. The Director, Commission and Board will allocate additional Question 18 funds for Centennial's development in the future. The proposal will use Question 18 funds which are presently in the account. The proposed development of the Fairgrounds will start in March with demolition and be completed in early September. The proposal is an opportunity to complete the project without phasing. The opportunity also provides for enhancement of the users' safety. It will create a facility that will contribute to the room, sales, and gas tax dollars as indicated by the number of participants in the High School Rodeo programs. These participants include individuals who reside in other areas of the State. Mayor Teixeira pointed out that the proposal allows the City to improve a depressed area of the community for the benefit of the community. The joint use partnership is a concept which will allow them to move forward. Additional joint use partnerships will be considered in the future. Supervisor Staub expressed his support of the joint use concept and the private/public partnership. He was, however, not prepared to tie the hands of future Boards with a long term agreement. He expressed an intent to discuss those issues after Mr. Moellendorf completes his presentation.

Mr. Moellendorf then explained that the Board and Clerk had been given two agreements based on input from Supervisors Aldean and Staub. (Copies are in the file.) He then explained the changes that had been made to the original agreements as contained in the packet. (A copy is in the file.)

Mr. Pegram indicated that it had always been his intent for the parking lot to be used on a "first come, first served" basis. He was willing to accept "whatever wording is necessary" to verbalize this intent. His concern is regarding the maintenance item but felt that it was "in the spirit of what had been started". He understood the issue regarding the agreement's term. He believed that a resolution of that issue is possible. Supervisor Staub explained that at the end of a 40-year term, the agreement will be renegotiated by the parties. Mr. Pegram requested the ability to renegotiate and understood the points regarding perpetuity. The lawyers should address this issue. He then explained to the Board that the project had been a very good one to work with staff on. They had come a long way in a short time due to their spirit of cooperation and honesty. The agreement demonstrates the partnership. He also believed that it will improve a depressed area within the year. Cooperation had made this doable. Mayor Teixeira then declared a recess so Supervisor Staub and Mr. Pegram could discuss an issue.

RECESS: A recess was declared at 9:47 a.m. The entire Board was present when Mayor Teixeira reconvened the meeting at 9:58 a.m., constituting a quorum.

Mr. Keeton explained that his dissenting vote at the Commission's meeting was due to his disagreement with the concept. He was not opposed to Mr. Pegram. He felt that the concept allowed Mr. Pegram to own the property and allow the City to share it. The area should remain under the City's control. The discussion with the previous developer had not been in writing but was clearly understood. He also believed that the proposal to have the Parks and Recreation Director determine when the parking can be used by the casino was valid as illustrated by his example of the use by several events. The proposal allows Mr. Pegram to double his parking area in turn for his donation. Mr. Keeton could not agree to allow him to use the parking area when

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it is needed for Fairground/Fuji Park events. Originally the concept had allowed the City/staff to close off the parking area. The proposed agreement allegedly does not allow for that closure. He felt that the ability to close the parking area to non-Fairground/Park users should be retained. Also, developer should not have a say in its closure. Mr. Keeton then disclosed his disagreement with transferring the \$1 million from Centennial. He believed that the transfer of funds will delay additional improvements at Centennial for a period of ten to 15 years. He also felt that the agreement that was presented was not the one considered by the Commission. It had contained conditions and should be supported by the Board. Mayor Teixeira noted that his comments are a dissenting opinion and that the motion had carried on a 6-1 vote.

Mr. Alexander indicated that he is a member of the users group that developed the plan. He had problems with the 2003 plan, which was created based on discussions with the previous developer. The proposed plan provided another access from Highway 395. NDOT had not opposed the access. The proposal puts all of the horses and trailers on the south side of the creek, relocates the barns, and provides larger barns. The construction will again eliminate their ability to have a show this summer. The plan is a step forward. The problem has always been one of economics. Funds are needed to replace the current structures if they tear them down. The parking has been addressed. The \$1 million transfer is needed to replace the structures. The users reluctantly approved the concept due to the realization that the area cannot be cleaned up and made better without the participation. He stressed the need to eliminate the phasing for the project and to meet the proposed timeframe of March to September.

Discussion between Supervisor Aldean and Mr. Pegram indicated that he did not foresee the need for the additional parking spaces on the Fairgrounds. By downsizing his original structure he gained 15% more parking space. This increased the number of parking spaces from 230 to 255. A new architect has been retained to redo the plans. Other changes to his building plans were limned. He felt that his clientele will want to park close to his building. He hoped that he will have events that may need 100 of the parking spaces on the City property. He also indicated his intent to have his employees park on the south side of the creek. His clientele should use the spaces closest to his building. In the future there may be one or two days when parking is needed on the City's property. He did not wish to have to "argue" about this ability when needed in the future. He wished to be a good neighbor and to start off on the "right foot". Mayor Teixeira felt that "the gate swings both ways". Current Fairgrounds/Fuji Park users are parking in Costco's lot. Mr. Pegram must understand that the users will use his lot also. Mr. Pegram indicated that he understood. Mayor Teixeira reiterated that it is a joint use and partnership. Discussion between Supervisor Staub and Mr. Pegram indicated that Mr. Pegram's parking area meets all of the requirements for his 33,000 square foot structure and that he does not need the City's additional spaces to meeting the City's Code requirements for parking. He also indicated that the building will never go above 33,000 square feet as the "elevations" will not allow it.

Mr. Johnson felt that Mr. Moellendorf had done a great job with the park designs. The layout will work. His concern regarding the sharing and equal use by the parties had been discussed. He then explained his concern, based on his background, that the term within the agreement should be joint use rather than a license agreement. Justification for his concern was limned. He then suggested that the developer/his contractor be responsible for the parking lot maintenance for a period of one or two years so that any defects can be

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corrected. After that period the responsibility should be shared as heavy trailers/vehicles could damage the area. The proposed joint use allows private use of a public facility which raises questions regarding AB 312 and SB 396. They require having an appraisal of the property to determine whether \$100 per stall per year is an appropriate amount for that usage. Based on his background in the leasing field, he then suggested that Section 7 be modified to allow a set percentage rate increase rather the use of a CPI. Justification for the suggestion was provided. The agreement also lacks an eminent domain clause which could be done by the Feds, State, or Carson City. This lack raises some issues. It also lacks a clause regarding termination due to default or bankruptcy of the developer. He indicated his desire to see the agreement be successful. He also suggested that the Board be allowed to consider any revisions created by the City Representative and the Developer. He was concerned about the 40-year term of the agreement and suggested the term be set at five years with automatic renewals with a clause that would prohibit unreasonable refusal to extend the agreement. Justification for this recommendation was provided. He complimented the staff on the design. Additional public comments were solicited but none were given.

(10:19:41) **Supervisor Staub moved to approve a Joint Use Parking Agreement between the City of Carson City and Michael Pegram for a proposed parking lot to be constructed or funded by Mr. Pegram at the Carson City Fairgrounds at Fuji Park based upon the joint use agreement presented to the Board today with the following amendments: Page 2, the second to the last Whereas paragraph, meaning that before the Whereas paragraph where the developer considers it in his best interest, we would add another Whereas paragraph which will state: "Whereas it is the intent of the parties to enter into a separate maintenance agreement for said parking lot"; the next change would be on Page 2, Paragraph 1, we would delete the new italic language "completion of said improvements shall be within blank years"; on Page 4 we would add language at the end of the italics which states: "each extension, which extensions shall not be unreasonably withheld."; we will add the following language: "at no time shall said extension alter the provisions of Paragraph 9 or 10 contained herein"; on Page 5, Paragraph 7, we would add the language at the end of the paragraph "in the event said index is changed or discontinued, the most nearly comparable official price index of United States Government shall be used for computing the foregoing adjustment to the amount of the indemnity after converting the existing index as of the base date of the new index"; Page 6, Paragraph 9, we would add the language "in the parking lot, however, all uses shall be subject to capacity limitations."; and I request that we add, delete the language in Paragraph 11 regarding maintenance of the parking lot and insert as a new Paragraph 11: "The developer agrees that said parking lot shall never be used to meet minimum City parking requirements for the developer's project.". Supervisor Staub then indicated that that is his motion. Supervisor Aldean seconded the motion.**

Mr. Pegram explained a concern regarding the CPI for insurance. He suggested that the insurance be adjusted every ten years rather than renegotiate annually. He is giving the City a \$5 million liability policy. He believed that this amount is adequate. Supervisor Staub suggested that a more reasonable period be every five years. Mr. Pegram agreed. **Supervisor Staub amended his motion to add to Paragraph 7, "which shall be adjusted for inflation every five years". Supervisor Aldean concurred.** Discussion indicated that Paragraph 6 on Page 4 also needed to be adjusted to the same period and that Supervisor Staub and Mr. Pegram had different copies of the agreement. **Supervisor Staub then agreed to the amendment in**

Paragraph 6 “which shall be adjusted for inflation every five years”. Supervisor Aldean concurred. Discussion indicated that inflation is also referred to in the indemnity clause. **Supervisor Staub again amended the motion to include the language “every five years” in both paragraphs. Supervisor Aldean concurred. The motion as amended was then voted by roll call with the following result: Supervisor Staub - Yes; Supervisor Livermore - Yes; Mayor Teixeira - Yes; Supervisor Aldean - Yes; and Supervisor Williamson - Yes. Motion carried 5-0.** Mayor Teixeira expressed his belief that it was important for the vote to be 5-0 as it is new ground. His support for additional public/private partnerships was indicated.

C. ACTION TO APPROVE FUNDING FAIRGROUND IMPROVEMENTS AT FUJI PARK BY TRANSFERRING \$1,000,000 FROM QUESTION 18 CAPITAL FUNDS APPROPRIATED FOR JOHND WINTERS CENTENNIAL PARK FIELD IMPROVEMENTS TO THE FAIR- GROUND IMPROVEMENTS FUND (10:26:28) - Jim Alexander felt that it would be difficult to tear down the arena and rebuild it within the March to September timeframe without the fund transfer. There is no other funding source available for the project. Supervisor Livermore moved to approve funding Fairground improvements at Fuji Park by transferring \$1,000,000 from Question 18 Capital Funds appropriated for JohnD Winters Centennial Park Field Improvements to the Fairground Improvements Fund. Supervisor Williamson seconded the motion. Motion carried 5-0.

D. ACTION TO APPROVE AN AGREEMENT TITLED, “OFFER AND ACCEPTANCE TO DONATE ONE MILLION DOLLARS TO CARSON CITY FOR CARSON CITY FAIR- GROUND AT FUJI PARK” (10:28:10) - Mr. Pegram’s Attorney James Puzey - Revised copies of the agreement were distributed to the Board and Clerk. (A copy is in the file.) **Supervisor Staub moved to approve an agreement titled, “Offer and Acceptance to Donate One Million Dollars to Carson City for Carson City Fairgrounds at Fuji Park” subject to the amendments provided in that document presented to the Board here today. Supervisor Aldean seconded the motion.** Supervisor Williamson explained that in the document the location is identified as being located on Old Clear Creek Road in Carson City at 395. The location has been called different things in various documents. Mr. Moellendorf agreed that the location should be revised to indicated Old Clear Creek Road. Mr. Puzey expressed concern about Page 2 regarding the deadline for completion of the lighting project. Mr. Moellendorf concurred with the removal of the deadline. **Supervisor Staub amended his motion to remove the deadline. Supervisor Livermore seconded the amendment. The motion as amended was voted and carried 5-0.**

9. CITY MANAGER - Linda Ritter

A. PRESENTATION OF A FINANCIAL UPDATE OF THE CARSON CITY GENER- AL FUND AND ACTION TO EXTEND THE POSITIONS OF DOMESTIC VIOLENCE PROSE- CUTOR, COMMUNITY SAFETY AND EDUCATION COORDINATOR, ALTERNATIVE SENTENCING OFFICER AND CITIZEN OUTREACH COORDINATOR UNTIL FEBRUARY 1, 2007 (10:38:37) - Chief of Alternative Sentencing Rory Planeta -Ms. Ritter explained the decrease in sales tax and the projected \$3 million loss in revenue over the coming fiscal year. She recommended extending the positions until a financial report can be provided to the Board at the next meeting. Efforts are underway

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to reduce expenses. Both the Domestic Violence Prosecutor and the Alternative Sentencing Officer positions are vacant at this time. Justification for retaining the Domestic Violence Prosecutor position was provided. Mr. Planeta indicated that he has funding for the positions and other “ideas” that will assist with the funding.

Mayor Teixeira explained that the City’s revenue stream is based on sales taxes including automobile sales taxes. The effort is now focused on trying to balance the revenue stream. Progress is occurring on the effort to obtain a Home Depot store and to redevelop the former K-Mart site. Their construction periods may take two years. Ms. Ritter indicated that staff is looking at all expenses and funding potentials. Mayor Teixeira pointed out that the City is a member of the Nevada League of Cities, the Nevada Association of Counties, the Northern Nevada Development District, and the Subconservancy. He believed that these organizations should be included in the analysis. The City must become a “mean and lean machine that will stand the test of time”. The Board will make the final decision regarding the service level to be provided. Ms. Ritter indicated that a cost benefit analysis will be conducted. Mayor Teixeira voiced his opposition to a three to four percent cut across the board. The Board must fund health, safety and welfare services for the community. Items should not be eliminated that will negatively impact the community. Ms. Ritter indicated that, after the plan is developed, consideration of long term financial policies that will utilize saving any increases in sales taxes for capital should occur. Justification for consideration of these policies was indicated. Supervisor Williamson congratulated City employees for their suggestions on how/where to reduce costs while maintaining the service level. She also indicated that four employees had taken advantage of the recent retirement program. Discussion ensued on the economic development occurring in Douglas County and Redevelopment/Economic Development Manager McCarthy’s efforts to attract/retain businesses to and in Carson City. Mayor Teixeira stressed the importance that the City’s program be one that can stand the test of time and not be a bandaid. He also supported Ms. Ritter’s suggestion that a funding source for capital projects be established. Supervisor Williamson moved to extend the positions of Domestic Violence Prosecutor, Community Safety Education Coordinator, Alternative Sentencing Officer, and Citizen Outreach Coordinator until February 1, 2007. Supervisor Aldean seconded the motion. Motion carried 5-0.

RECESS: A recess was declared at 10:53 a.m. A quorum of the Board was present when Mayor Teixeira reconvened the meeting at 11:03 a.m. although Supervisor Staub was absent.

B. ACTION TO APPOINT ONE MEMBER TO THE LIBRARY BOARD OF TRUSTEES, TERM TO EXPIRE JUNE 2009 (11:04:01) - Office Support Technician Rhonda Price - The Board interviewed Joe Eiben, (11:23:27) Caren Jenkins, and (11:33:01) Melissa Dyer-Cobb. The Board thanked each of the applicants for applying. Board comments emphasized the quality of the applicants and the lack of positions in which to put the applicants. The Board was polled. Supervisor Williamson moved to appoint Caren Jenkins to fulfill a term on the Carson City Library Board of Trustees expiring June 2009. Supervisor Aldean seconded the motion. Motion carried 4-0-1 with Supervisor Staub absent. The Board thanked Ms. Dyer-Cobb and Mr. Eiben for applying and expressed the hope that they will be seen again.

10. PUBLIC WORKS - Director Andrew Burnham - ACTION TO APPROVE A WATER RESOURCES TEAMING AGREEMENT WITH THE VIDLER WATER COMPANY, INC. TO DEVELOP WATER RESOURCE PROJECTS (11:47:08) - Vidler CEO and President Dorothy Timian-

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Palmer, Vidler Vice President Steve Hartman, Public Works Operations Manager Tom Hoffert - Mr. Burnham's introduction included reasons bidders had dropped out of the process. The agreement provides Vidler with a "license to hunt" for a City project. The City does not have to accept the project. If the City agrees to accept it, it will become a partner with Vidler. The marketing of effluent was cited to illustrate a potential project. Supervisor Aldean noted for the record that the proposal does not impact any water rights currently held by the City. It is to provide the future ability to obtain additional water rights.

Ms. Timian-Palmer introduced Vice President Steve Hartman and Vidler Geologist Greg Bushner. Examples illustrating the partnerships and showing the potentials were provided. Discussion explored potential effluent contracts and indicated that the City has an adequate number of water rights to reach its projected buildout. The need for additional water rights in Lyon County was noted. The programs in Arizona that "clean up effluent" and reuse the fluid were explained to illustrate a potential use of the City's effluent. Ms. Timian-Palmer also indicated that the contract could include a buyout clause that would allow the City to acquire Vidler's interest in any or all of the projects after development if the City desires to do so.

Mr. Hartman explained the firm's typical contract. He agreed that buyouts could be included, however, the projects are long-term and the water right prices are based on market value. He emphasized the need for the City's economic well-being dictates that relationship with surrounding counties are economically beneficial. Examples illustrating the reasons for long-term relationships with Vidler included Lincoln County which had involved environmental impact statements and appeals to Federal Courts. He also indicated that Vidler does not receive a preferred return but does receive reimbursements. There are no overhead or management fees. Supervisor Aldean explained her concern that Vidler may or could buyout Carson City in the future. Mr. Hartman indicated that if this should happen, it would be based on market value. Mayor Teixeira felt that the City may not have the ability to buyout Vidler.

Board discussion indicated that the teaming agreement sets up how they will work together. Vidler will bring back contracts for projects. Mr. Hartman illustrated how the reimbursement works by indicating that they may spend \$15 million to develop a water source with a value of \$30 to \$40 million for less than 1,000 acre feet. The water rights could be jointly owned or 500 acre feet would be for each entity. The reimbursement costs will be brought to the City every six months, verified by City personnel, and audited. If the permitting entity fails to grant the water rights, Vidler will be out of luck.

Ms. Timian-Palmer indicated that Vidler is a publicly traded company and audited by an outside firm. Their auditor and City's will meet and review the books. She felt that the City will be impressed with their corporate books due to the FCC requirements. Discussion explained the work Vidler had done in Prescott, Arizona. Ms. Timian-Palmer then explained the process used to find developers and their work with Landmark Homes in Lyon County. Mr. Hartman expressed the hope that it would not be necessary to utilize the bidding process due to the problems encountered in Washoe County as result of its auction. Discussion indicated that the agreements cannot be assigned to other entities without the Board's approval and even then only to Vidler's parent or an affiliate company. Comments also indicated that initially all water rights should be in joint names of Vidler and the City. Vidler is not looking for agricultural water rights. There will be specific projects which agreements will develop.

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Mayor Teixeira and Mr. Hoffert discussed his retirement date and his support of the concept. Mr. Hoffert indicated that if Vidler spends time searching for a project and fails to find one, Vidler will leave. It will be a win-win situation for both the City and Vidler when/if projects are found. The City cannot look for or develop these projects due to the lack of funding to do so. The City is not at risk.

Supervisor Williamson moved to approve a Water Resources Teaming Agreement with the Vidler Water Company, Inc., to develop water resource projects. Supervisor Livermore seconded the motion. Motion carried 4-0-1 with Supervisor Staub absent.

11. BOARD OF SUPERVISORS - NON-ACTION ITEMS:

A. INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (12:19:00) -

Supervisor Livermore announced the passing away of former Clerk-Treasurer Ted Thornton and expressed his condolences to the family. Supervisor Williamson announced the Christmas Tree Lighting ceremonies and the City Hall Open House for this evening.

B. STAFF COMMENTS AND STATUS REPORT - None.

12. ACTION TO ADJOURN - Supervisor Aldean moved to adjourn. Supervisor Williamson seconded the motion. Motion carried 4-0-1 with Supervisor Staub absent. Mayor Teixeira adjourned the meeting at 12:21 p.m.

The Minutes of the December 7, 2006, Carson City Board of Supervisors meeting

ARE SO APPROVED ON March 15, 2007.

/s/

Marv Teixeira, Mayor

ATTEST:

/s/

Alan Glover, Clerk-Recorder