

CARSON CITY BOARD OF SUPERVISORS

Minutes of the September 4, 2003, Meeting

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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, September 4, 2003, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

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

STAFF PRESENT:	Linda Ritter	City Manager
	Alan Glover	Clerk-Recorder
	Ken Furlong	Sheriff
	Al Kramer	Treasurer
	Larry Werner	City Engineer
	Mark Forsberg	Chief Deputy District Attorney
	Cheryl Adams	Deputy Purchasing Director
	Katherine McLaughlin	Recording Secretary
	(B.O.S. 9/4/03 Tape 1-0001)	

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Board Action Request and/or supporting documentation. Staff members present for each Department are listed under that 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, INVOCATION, AND PLEDGE OF ALLEGIANCE - Mayor Masayko convened the meeting at 8:30 a.m. Roll call was taken. The entire Board was present, constituting a quorum. A moment of silence was held in lieu of the Invocation. Mayor Masayko lead the Pledge of Allegiance.

CITIZEN COMMENTS (1-0016) - Bruce Scott expressed his concerns regarding the message being sent by the Board's decision to appeal BLM's decision to sell some of its land in Douglas County. He urged the Board to consider the larger picture and the damage it could cause to the City's relationships with Douglas County and BLM. He encouraged the Board to work with the residents, auto dealers, the State, the manufacturers and merchants who have businesses in the City and to make them feel appreciated and wanted. The V&T Railroad Reconstruction Project was sited as an example of things which can occur with recognition and assistance from the public. Leadership and support will create positive changes and maintain public support. The visioning process will eliminate some of the negativism created by Fuji Park. Now is the time to redo this process. Other methods should be sought to address the impact the BLM sale will have on Carson City. The region must work together for the mutual benefit of all. Mayor Masayko thanked him for his comments.

1. APPROVAL OF MINUTES (1-0095) - None.

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2. **AGENDA MODIFICATIONS (1-0105)** - Mayor Masayko noted the numbering and format changes that had been made to the agenda.

LIQUOR AND ENTERTAINMENT BOARD (1-0115) - Mayor Masayko recessed the Board of Supervisors session and convened the Liquor and Entertainment Board. The entire Board was present including Member Furlong, constituting a quorum.

3. **TREASURER - Al Kramer - ACTION TO APPROVE A PACKAGED BEER AND WINE LICENSE FOR CARNICERIA DOS AMIGOS II, INC., DBA CARNICERIA DOS AMIGOS #4 LOCATED AT 1621 HIGHWAY 50 EAST, SUITE 4, FIDEL AND MAGDA SALAS WILL BE THE LIQUOR MANAGERS (1-0120)** - Mr. and Mrs. Salas explained that their other stores are in Reno. This is their first license in Carson City. They intend to sell packaged beer and wine. Chairperson Masayko reminded them that having a Liquor License in Carson City is considered a privilege and the need to comply with all laws, rules and regulations. The prohibition against selling liquor to minors or to intoxicated individuals was emphasized. They indicated they are aware of these restrictions, will train their employees in the laws and regulations, and will be accountable for the outcome. Chairperson Masayko explained the requirement that the Sheriff's Office must have access to the premise at all reasonable times when investigating a crime or possible crime. They agreed to comply with this requirement. Member Furlong noted the favorable Sheriff's Investigative Report. Member Aldean moved to approve a packaged beer and wine license for Carniceria Dos Amigos II, Inc., DBA Carniceria Dos Amigos No. 4, located at 1621 Highway 50 East, Suite 4; Fidel and Magda Salas will be the Liquor Managers under Carson City Municipal Code 4.13; fiscal impact is \$500 original new fee, \$575 investigation fee, and \$200 quarterly fee. Member Williamson seconded the motion. Motion carried 6-0. Chairperson Masayko congratulated them on receiving the license and thanked them for their investment in the community. Discussion indicated they hope to open December 1. The business is a grocery store, meat market, and deli.

BOARD OF SUPERVISORS - Chairperson Masayko adjourned the Liquor and Entertainment Board and immediately reconvened the meeting as the Board of Supervisors. The entire Board was present, constituting a quorum.

4. **BOARD OF SUPERVISORS - NON-ACTION ITEMS**

A. **INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (1-0210)** - Supervisor Williamson reported on her meeting with City Manager Ritter, Supervisor Livermore, and Subconservancy District Executive Officer James regarding Subconservancy issues and announced a tour of Marlette and Hobart Lakes scheduled for September 11. She had enjoyed the discussion at the Board's workshop and looked forward to implementing the new ideas. She then reported on an NNDA luncheon featuring Congressman Gibbons and a meeting with Redevelopment/Economic Development Manager McCarthy, Mark Lopiccicolo, and Charlie Abowd regarding proposed improvements to Adele's Restaurant. She thanked the sponsors, supporters, and volunteers for their involvement with the Carson City music series. A review of the series will be conducted before the next concert series starts. She announced tomorrow evening's Elks Lodge fundraiser for the "C" Hill Flag and the Ninth Annual Mint Coin Show scheduled for the weekend. Mayor Masayko indicated that the V&T Railroad commemorative coins will be ready by Nevada Day. Supervisor Aldean felt that the workshop had been

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productive and hoped that it will become an annual event. Her TRPA activities; her attendance at the NNDA luncheon for Congressman Gibbons; and her family activities were described. Telephone calls received regarding the proposed Airport rock crushing activities and nuisance abatement issues were briefly limned. Staff is working on revising the nuisance ordinance. Mayor Masayko reported on his involvement with Sheriff Furlong and Assemblyman Ron Knecht at the Children's Museum Fun Fair. He then reported on meetings of the Convention and Visitors Bureau and the Board's workshop. He announced plans for a V&T Railway Reconstruction Project fundraiser. He then reported on his attendance at the Job Opportunities In Nevada Board meeting. He indicated his intent to attend Congressman Gibbon's town hall meeting at the Senior Citizens Center on Tuesday, September 8, between 8 a.m. and 10 a.m. and urged the public to attend. He described the Sheriff's staff and command meeting on COMSTAT and the benefits of this program. Supervisor Livermore reported on his attendance at a meeting with City Manager Ritter, Subconservancy Executive Director James and Supervisor Williamson on Subconservancy issues; a Youth Sports Association meeting; the NNDA's luncheon featuring Congress-man Gibbons; a Hospital Board of Trustees meeting; and the Parks and Recreation Commission meeting. He announced a fundraiser/roast for Dr. James Pitts, who is retiring, on Friday at Thunder Canyon and the weigh in for the Great American Weight Loss Program scheduled for Saturday at the Pony Express Pavilion from 10 a.m. to 12 noon. Supervisor Staub explained for Bruce Scott that the Board is working hard on an auto mall project and does understand the importance of the auto dealers to the community. He appreciated the Board's workshop and the agenda modifications. He then reported on his participation in the Douglas County Builders Association's golf tournament; special Airport Authority meetings; and his Labor Day family activities. He invited the public to attend the Annual Boys and Girls Club auction/fundraiser at the Pony Express Pavilion from 3 p.m. to 8 p.m. on Saturday. No formal action was required or taken.

(1-0595) Mayor Masayko reminded the Board and public that the next Board meeting will be held on Tuesday, September 16th, due to the NACO meeting in Elko.

B. STAFF COMMENTS AND STATUS REPORTS (1-0550) - City Manager Linda Ritter explained that there are 100 City employees participating in the Great American Weight Loss Challenge. She congratulated them on their enthusiasm and willingness to participate. She looked forward to seeing the results.

5. CONSENT AGENDA (1-0565)

5-1. ASSESSOR

A. ACTION TO REMOVE ASSESSOR'S PARCEL NO. 2-652-05, 06 AND 07 (ST. TERESA'S CATHOLIC COMMUNITY) FROM THE 2003/2004 TAX ROLL

B. ACTION TO REMOVE ASSESSOR'S PARCEL NUMBER 9-197-02 (150 EAST ROLAND STREET) FROM THE 2003/2004 TAX ROLL

C. ACTION TO APPROVE A PARTIAL REMOVAL OF TAXES TO THE 2003/2004 REAL PROPERTY TAX ROLL FOR 949 ALDER STREET (APN 9-148-07) DUE TO A CLERICAL ERROR PER NRS

5-2. DEVELOPMENT SERVICES - CONTRACTS - ACTION TO ACCEPT DEVELOPMENT SERVICES RECOMMENDATION ON MATERIALS TESTING SERVICES FOR CARSON CITY FREEWAY UTILITY RELOCATION PHASE 1-B (HIGHWAY 50 EAST TO NORTHRIDGE DRIVE), CONTRACT NO. 2003-030 AND AUTHORIZE DEVELOPMENT SERVICES TO ISSUE

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PAYMENTS TO MACTEC ENGINEERING AND CONSULTING, INC., 1572 EAST COLLEGE PARKWAY, SUITE 162, CARSON CITY, NEVADA 89706 FOR A CONTRACT AMOUNT OF \$60,000 AND AUTHORIZE THE CONTRACTS DIVISION TO ISSUE AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$6,000

5-3. PURCHASING AND CONTRACTS - ACTION TO APPROVE THE AWARD OF CONTRACT NO. 0304-019 WATER TREATMENT PLANT FILTER MEDIA TO EAGLE PICHER FILTRATION AND MINERALS, INC., AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO NRS CHAPTER 332 AND PURSUANT TO THE BOARD'S FINDINGS THAT IT IS IN THE PUBLIC'S BEST INTEREST TO ACCEPT THE BID EXCEPTIONS TO PROVIDE EAGLE PICHER FW 12 AT THE COST OF \$214.50 PER PALLET OF 39 BAGS THROUGH SEPTEMBER 4, 2005, WITH THE OPTION TO RENEW FOR TWO (2) ADDITIONAL YEARS SUBJECT TO NEGOTIATIONS

5-4. ENVIRONMENTAL HEALTH - ACTION TO APPROVE A LEASE AGREEMENT BETWEEN CARSON CITY AND HEALTHSMART, INC., A NEVADA NON-PROFIT CORPORATION, FOR USE OF THE BUILDING LOCATED ON THE SOUTHEAST CORNER OF ROOP ST. AND BEVERLY DRIVE IN CARSON CITY, NEVADA, KNOWN AS APN 2-121-11 AND MORE COMMONLY KNOWN AS THE CARSON CITY PUBLIC HEALTH CLINIC LOCATED AT 1711 NORTH ROOP STREET, CARSON CITY, NEVADA

5-5. DISTRICT ATTORNEY - ACTION TO APPROVE A PAYMENT IN THE AMOUNT OF \$85,000 TO BRIAN ELDER IN SETTLEMENT OF AN ACTION BROUGHT IN U.S. DISTRICT COURT AGAINST CARSON CITY AND SEVERAL OF ITS SHERIFF'S DEPUTIES UNDER 42 U.S.C. 1983

5-6. CITY MANAGER - ACTION TO APPROVE A BUDGET FOR DEVELOPMENT OF A LONG RANGE PLAN FOR SHERIFF'S ADMINISTRATION FACILITIES IN THE AMOUNT OF \$36,000 FOR PROFESSIONAL SERVICES AND \$4,000 FOR TRAINING AND TRAVEL - Supervisor Aldean disclosed her husband's employment at Mactec and noted that Item 5-2 is for a contract for Mactec in the amount of \$60,000. Supervisor Livermore moved to approve the eight items presented on the Consent Agenda in the function areas as so described. Supervisor Aldean seconded the motion. Motion carried 5-0.

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

6. BOARD OF SUPERVISORS - ACTION ON REQUEST BY THE COMMUNITY COUNCIL ON YOUTH (CCOY) FOR A LETTER OF SUPPORT TO THE STATE OF NEVADA BUREAU OF ALCOHOL AND DRUG ABUSE REGARDING CCOY'S APPLICATION FOR STATE INCENTIVE GRANT FUNDING AND FOR AUTHORITY FOR THE MAYOR TO SIGN THE LETTER OF SUPPORT (1-0600) - CCOY Coalition Coordinator Pauline Kiser - Clarification indicated that the funds will be used for staffing and activities. It is a three-year grant. The funds are guaranteed. Applications must be submitted annually for the funds. Supervisor Staub moved that the Board of Supervisors support the Community Council on Youth's application for an award to build its infrastructure and capacity to become a regional prevention center through the State Incentive Grant Project. Supervisor Williamson seconded the motion. Motion carried 5-0.

7. FINANCE - ACTION TO ADOPT A RESOLUTION SETTING FORTH CERTAIN DETER-

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MINATIONS REQUIRED BY NRS 244A.711 FOR CARSON CITY, NEVADA, TO ISSUE BONDS PURSUANT TO THE COUNTY ECONOMIC DEVELOPMENT REVENUE BOND LAW TO FINANCE A PROJECT FOR THE NONPROFIT CORPORATION CARSON-TAHOE HOSPITAL FOR ITS CONSTRUCTION AND EQUIPPING OF A NEW HEALTH AND CARE FACILITY (1-0660) -

Carson-Tahoe Hospital Chief Executive Officer Ed Epperson; Carson-Tahoe Hospital Finance Officer Michael Blair; Zigler Capital Markets Group Representative Eric Jordahl; Public Financial Management Representative and Counsel with Hobbs, Ong and Associates John Bonow, Bond Counselor Jennifer Stern - Mr. Epperson explained that the roads to the regional facility are now under construction. Due diligence is being conducted to insure that the City is not at risk for the bonds. Mr. Blair explained that the regional hospital is estimated to cost \$132,000,000. The major contractor has indicated that he will be able to construct the facility at or below this price. A guaranteed maximum price contract will be issued to the contractor this month. They propose to borrow \$95,000,000 for the project. They have \$50,000,000 in reserves. The plan will use \$37,000,000 from the reserves for the building. They have acquired insurance on the first \$50 million from Radiant Asset Assurance Corporation. The bank will give them a letter of credit for the remaining \$45 million. These are either "double a" or "triple a" rated companies. Principal payments on the debt will begin in 2006. Interest payments will commence immediately.

Mr. Jordahl explained that Radiant will assure \$45 million and not the \$50 million as indicated. This bond is offered at a fixed rate and backed by their insurance investors. The letter of credit will be posted by U.S. Bank and used to provide security for a floating rate bond issue. These bonds will float with the money market. The letter of credit program was described. Discussion indicated that the letter of credit provides assurances that the City will not be responsible for the repayment of the bonds and protects the City's good name. The letter of credit is renewable at the end of 3.7 years. The "evergreen" clause in the letter of credit requires the bank to indicate at that end of the first year its intent to not renew the letter of credit. This gives the Hospital two years to find another company to issue a letter of credit or to fix the debt issue and go to market. If City Bond Counselor Jennifer Stern determines it is necessary, the Board may have to consider/act on that bond issue at that time.

Mayor Masayko disclosed for the record that Mr. Bonow's firm had been engaged independently by Carson City. Mr. Bonow's payment is part of a negotiated arrangement with Carson-Tahoe Hospital. He was hired to provide opinions and assist the City with its due diligence. Mr. Bonow indicated that the effort was to minimize the financing costs for the transaction and to preserve the City's name and standing in the credit market. The area of exposure lies in the Hospital's ability to make timely payments on the principal and interest. There will be obligations with fixed and variable rates of interest. The variable interest rate will be averaged and paid monthly. His knowledge of and confidence in Radiant was limited. Radiant will make the payments if the Hospital defaults. Justification for providing a two-year window for the Hospital to find another letter of credit sponsor or insurance company was provided. Mr. Bonow assured the Board that the City will not be responsible for the bond payments. The City will be protected by the insurance and letter of credit. Damage to the City's reputation if the Hospital fails to make the payments is possible. This may be overridden to a degree by the insurance and letter of credit. The City's previous good credit standing is considered when it applies for bonds. The City's ability to obtain credit loans on its projects should not be impaired by the Hospital's bonds. Mayor Masayko explained his concerns regarding the impact the Hospital's failure to make the bond payments will have on the City and its ability to obtain future loans. This is the reason he supported the City's taking the extra step to protect its residents/taxpayers and the investors. These extra steps were paid by the Hospital. Discussion indicated that the bond market is well aware of the statutes limiting the

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City's liability for conduit bonds. Conduit bonds allow the lender to have tax advantages which lowers the financing costs and assures the project's repayment success. The disclosure documents include this information. The underwriters, bond buyers and interest rate establishments consider this information when setting the City's rating. The financial market must understand that Carson City will not cure a default if it occurs. There is no access to the City's full faith and credit for these bonds. These bonds should not be tied to Carson City's name. The lenders will look to the insurance and letter of credit for payments. Clarification indicated that if the Hospital cannot provide a letter of credit and U.S. Bank cancels its letter of credit, the bank will step in and pay the bond holders in full. This removes the City's name from the bond. This is a difficult situation and will create a challenge for the Hospital to repay the bond at any terms due to the aggressive payment schedule. The letter of credit may contain provisions regarding the bond repayment schedule and terms for a loan if the letter of credit is withdrawn. Refusal to renew the letter of credit may be based on questions regarding the Hospital's timely payment on the fixed rate bonds. If the payments on the fixed rate bond are being made in a timely manner, the letter of credit should be renewed. These negotiations do not occur in the public sphere. Justification for a bank to not renew a letter of credit could be due to: its decision to no longer be in the health care field; the bank's experiencing or perceives credit stress or unforeseen difficulty for the corporation in the future which mandates a higher interest rate or decision not to renew; or a change in priorities by the bank which may include its own financial stress which forces the decision not to renew any letters of credit. If the bank is no longer in the health care field, it should be possible for the Hospital to obtain another letter of credit from another bank. Mr. Bonow then explained that the Board will continue to have annual financial reports after the annual audit is conducted. It will update the Hospital's financial condition. Quarterly reports are possible and could be provided based on the Hospital's review of its financial picture. These records are open to the public which helps with obtaining the underwriting and is required by the market. Mayor Masayko directed that the record indicate that if the financial status is disclosed to the Board and/or City staff, it is to become public record and is open for review by the public. Mr. Bonow pointed out that as there are competitive issues with the other hospitals in the region. He was unsure how much of the figures are for strategic/planning purposes. These numbers can be kept a secret. The numbers which may be audited can be made public and should be. He also felt that the bonds may include a requirement that the frequency for the reports must be more than annual. Mr. Blair indicated that the Hospital is required to disclose on a quarterly basis within 45 days of each quarter. This information is sent to Wells Fargo Bank who disseminates it to the market. Mr. Bonow felt that quarterly reports were timely enough and is better than annual disclosures.

(1-1210) Ms. Stern indicated that she represents the City and is not connected to the Hospital or its bond decisions. Mayor Masayko asked that this statement be included in the record. She then explained the Board's actions taken in April. The final financial arrangements will be provided in October. She limned the resolution and its purpose. The Hospital has provided the necessary financial data to support the bond issue and establish the \$95 million limit. It will not be necessary for the Board to reconsider the bonds if the variable rate is changed to a fixed rate. Discussion indicated that unless the documents include a requirement mandating a return to the Board, the Board will not be involved with the decisions made when financial stress occurs at the Hospital. Such a clause "could be a danger to the City as it makes the City very involved in the financing". Mayor Masayko stressed his desire to have assurances for the taxpayers and community that the City's name and credit are adequately protected.

Mr. Jordahl explained that the Board does not consider reissuance of the bonds due to the impact it will have on the bond's tax exempt status.

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Mayor Masayko explained his concern about the letter of credit and, specifically, with the possibility that it may not be reissued. Mr. Bonow pointed out that different investors purchase these bonds. Their questions/concerns before acquiring the bonds were noted. There are few fixed rate letters of credit in the market. The City could include within the documents a best effort phrase requiring that the letter of credit include a cost effective credit enhancements for fixed rate bonds when the letter of credit is no longer there. The bond modes are generally a business decision made to minimize the stress on the corporation. Mr. Bonow then explained his experience with conduit bonds. He felt that if his firm does its job correctly, the City's credit will not be impacted by the Hospital's financial stress. The City will provide an adequate explanation to any future bond holders that shows the separation between the City and the Hospital. He also indicated that there is a difference in the type of investors who acquire health care bonds from those acquiring municipal bonds. There should not be any impact on the City's credit rating or ability to access financial institutions. Mayor Masayko explained that he was not attempting to indicate that the Hospital will have difficulty with the letter of credit. Although the City may not have any recourse if default occurs, there is the potential for public opinion recourse.

Ms. Stern assured the Board, for the record, that she had seen the Hospital's five year operating history which is required in the bond documents.

Supervisor Livermore disclosed that he is a member of the Hospital Board of Directors and that he receives a small stipend for this service. He also indicated that he does not currently have a financial interest in the Hospital. He does not anticipate having a financial interest in the Hospital in the future. Supervisor Staub disclosed that he is an unpaid member of the Hospital Board's Finance Committee. Supervisor Williamson disclosed that she is a dues paying member of the Hospital Auxiliary. Supervisor Aldean explained her personal involvement with the Hospital was restricted to having been a patient there. Mayor Masayko indicated that he was not connected to the Hospital and had not been a patient there although he had attended some of the Hospital Auxiliary's functions.

Supervisor Livermore then moved to adopt Resolution No. 2003-R-33, A RESOLUTION SETTING FORTH CERTAIN DETERMINATIONS REQUIRED BY NRS 244A.711 FOR CARSON CITY, NEVADA, TO ISSUE BONDS PURSUANT TO THE COUNTY ECONOMIC DEVELOPMENT REVENUE BOND LAW TO FINANCE A PROJECT FOR THE NONPROFIT CORPORATION CARSON-TAHOE HOSPITAL FOR ITS CONSTRUCTION AND EQUIPPING OF A NEW HEALTH AND CARE FACILITY with the noted attached documents including the Resolution; Hobbs, Ong and Associates/The PFM Group Lettter; the five-year Financial Plan; the Intellimed Business Review and the Service Area Population Growth. Supervisor Williamson seconded the motion. Motion carried 5-0.

8. TREASURER - Al Kramer - ACTION TO INTRODUCE ON FIRST READING AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 4.28 ASSEMBLIES, AMENDING SECTION 4.28.030 (LICENSE APPLICATION-TIME-CONTENTS), AMENDING 4.28.050 (PROCESSING APPLICATION-HEARING-ISSUANCE OF LICENSE), AND OTHER MATTERS PROPERLY RELATED THERETO (1-1528) - Chief Deputy District Attorney Mark Forsberg - Mayor Masayko disclosed his involvement with the concept due to his desire to eliminate the need to waive the fees for nonprofit organizations. The ordinance also removes fingerprinting requirements. Permits for large assemblages may be desired for groups over 4,000. The proposal eliminates the requirement for the majority of the nonprofit

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organizations. The concept allows groups under 4,000 to receive a permit without coming to the Board. Concerns were noted about scams which use the nonprofit standing to sponsor events and, specifically those from other areas. Mr. Kramer indicated that due diligence will occur. Supervisor Aldean suggested that the nonprofit organization be in good standing with the Secretary of State. Clarification indicated that groups under 4,000 will pay a \$25 fee and not come to the Board for approval. Nonprofit or charitable organizations will not be charged for this assemblage. Groups over 4,000 will pay the fee and come to the Board for approval. Supervisor Staub suggested that the terminology allowing the Board to waive the fees for various assemblage sizes be added to Section 4.28.050 b and c. or that a Section d be added waiving the fees for a, b, and c above for uniformity. Mr. Forsberg cautioned against waiving fees at various levels due to the concern that it could make the fees appear to be arbitrarily set. Comments also pointed out that City resources are involved with the event and that a fee of some amount should be assessed to cover these services. The facility rental fee, equipment fees, liquor licenses, sanitary and health requirements will still be mandated. These requirements are located in different Sections of Chapter 4. Discussion indicated that the Board should set the fees in a resolution rather than in an ordinance. The fees should be listed as being at not more than \$100 a day for assemblages under 1,000 people. It was felt that the last sentence of Section 4.28.030 should be revised to read: "No application fee is required of a Carson City based charitable or nonprofit organization." Comments also reiterated the intent to revise 4.28.050 b and c as indicated. Only b and c are to be considered by the Board. A is to be handled by Mr. Kramer. Board comments directed Mr. Kramer to revise the ordinance in accordance with the discussion and bring it back for reconsideration. No formal action was taken.

RECESS: A recess was declared at 10:20 a.m. The entire Board was present when Mayor Masayko reconvened the meeting at 10:30 a.m., constituting a quorum.

9. SHERIFF - Ken Furlong - ACTION TO APPROVE TWO (2) NEW SERVICE TECHNICIANS AND COMBINE TWO (2) CURRENT PART-TIME DEPUTY SHERIFF POSITIONS TO MAKE ONE (1) FULL-TIME SERVICE TECHNICIAN (1-1950) - Sheriff Furlong's introduction included an explanation of his ability to pay for the positions without a revision in the General Fund allocation to the Department until 2007. The proposal will provide better coverage in the jail. Discussion also indicated that the proposal removed POST certified individuals from the jail and placed them on the streets. The jail positions do not require POST certifications. The salary savings occur as a result of turnover by long term employees. Supervisor Williamson complimented Sheriff Furlong on his willingness to be innovative in his staffing and commitment to improve the community service level. Discussion indicated Sheriff Furlong's intent to implement the program as quickly as possible. A list of applicants has already been developed. Supervisor Livermore moved to approve action to approve two new Service Technicians and combine two current part-time Deputy Sheriff positions to make one full-time Service Technician; historically it has been extremely difficult to hire half-time sworn personnel; and the two half-time Deputy positions have been vacant due to this problem; the budget allocation is the 2003 General Fund and the funding source is the same—the 2003 General Fund. Supervisor Williamson seconded the motion. Mayor Masayko stated for the record that, as he told Sheriff Furlong and Ms. Heath outside the room and he will mention to Ms. Ritter, the Board certainly expects that the 04-05 budget projection is a number that the Board will see again on his budget for 04-05. Discussion indicated that Ms. Ritter did not believe that the proposal will impact the projected \$500,000 salary savings which had been included in the budget. The savings for this proposal is part of the current fiscal year's budget. The motion was voted and carried 5-0.

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10. PARKS AND RECREATION - Director Steve Kastens

A. ACTION TO APPROVE A REQUEST BY THE CARSON CITY HISTORICAL SOCIETY TO CONSTRUCT A TWO-STORY CARRIAGE HOUSE ON THE PROPERTY KNOWN AS THE ROBERTS HOUSE (1-2198) - The garage that is to be removed is not historical and does not need to be preserved. Grants will be used to construct the two-story carriage house. The proposal will create a 1,400 square foot structure and may cost \$150,000. Mayor Masayko indicated that he had been to the Roberts House on several different occasions and complimented the Society on its efforts to care for the house and grounds. Supervisor Livermore explained that the Parks and Recreation Commission had unanimously approved the concept. He also complimented the Society on its restoration work. Discussion explained that the Roberts House had been moved to the site from Washoe Valley. A carriage house had existed at the Washoe Valley location. One had not been added at the present location. It was felt that a variance will be required as the proposed location is in the setback. This will be included with the special use permit request. Supervisors Aldean and Staub wished the Society success with the endeavor. The project does not violate the deed restriction. Public comments were solicited but none were given. Supervisor Aldean moved to approve a request by the Carson City Historical Society to construct a two-story carriage house on the property known as the Roberts House with no fiscal impact. Supervisor Williamson seconded the motion. Motion carried 5-0.

B. ACTION TO APPROVE THE NEW RONALD D. WILSON MEMORIAL PARK CONCEPTUAL SITE PLAN AND CONSTRUCTION PHASING PLAN (1-2428) - Parks Planner Verne Krahn - Mr. Krahn's introduction noted the Fischers' donation of water and power for the site for five to seven years. The phased construction plan is a result of a compromise on its development. The buffer is to be constructed before development of the park's center occurs. The budget includes \$70,000 for the park. The trees and fence may cost \$20,000 to \$25,000. The remainder of the funds will be used for a small playground. Future Residential Construction Tax monies may be used to complete the project. Mayor Masayko noted Mary Fischer's presence and complimented the Fischers on their cooperation. Supervisor Livermore explained the Board's reasons for not selling the buffer when originally proposed and his work to find a compromise which would allow the park to be developed. The proposal expanded the original plan to have 20 trees in the buffer to 40. The Fischers have a similar buffer adjacent to the park. He hoped that additional funding will be available to complete the park with a full compliment of playground equipment and a portable restroom. Staff will continue to work toward bringing the waterline to the park. He also noted that Ron Wilson's wife and family were present and explained Mr. Wilson's involvement in the community. He felt that it is the appropriate time to move forward with the park which will benefit the neighborhood. Mr. Krahn extended his appreciation to the Wilson family for its support of the program. Justification was provided for the Fischers' five to seven-year limit on providing the water. Utility Operations Manager Hoffert had allegedly indicated that development is occurring in the neighborhood which will extend the waterline. The plan should provide sufficient water for the trees to develop into a buffer for the park. Mayor Masayko noted that the Board cannot commit future Boards to developing the park. If the waterline is not extended, the Fischers should be compensated for the water. Supervisor Livermore explained that if the waterline is not extended as proposed, a water truck could be used for irrigation or another method will be provided. Mayor Masayko explained that the donation is insurance that the buffer will be developed prior to installation of the playground equipment and development of the park. He also directed staff to put the commitment in writing. He thanked the Fischers and staff for finding alternatives. Public comments were solicited but none were given.

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Supervisor Livermore moved to approve the new Ronald D. Wilson Memorial Park conceptual site plan and construction phasing plan as presented. Supervisor Williamson seconded the motion. Motion carried 5-0.

11. COMMUNITY DEVELOPMENT - Director Walter Sullivan

A. ACTION TO APPROVE AMENDMENTS TO THE CARSON CITY POLICIES AND PROCEDURES REGARDING A HOMEOWNER HOUSING REHABILITATION GRANT AWARDED TO CARSON CITY AND CITIZENS FOR AFFORDABLE HOUSING (CAHI) BY THE WESTERN NEVADA HOME CONSORTIUM (1-2830) - Discussion noted the reimbursement clause and indicated the hope that pride of ownership will encourage the home owners to maintain the houses. CAHI has the ability to be selective in choosing individuals who will be given the grants. It has a point scale and "qualified" individuals serve on the selection committee. The committee members were identified. The grant is paid on a reimbursement basis after the work is completed. The Consortium has additional funds which can be used for this purpose. The concept is a trial program. It uses federal funds which have specific guidelines. Mr. Sullivan and Ms. Laster will monitor it. The policy implies that the home must be maintained. The final agreement will include this expectation although it cannot force the homeowner to remain in the house. Public comments were solicited but none were given. Supervisor Williamson moved to approve the amendments to the Carson City policies and procedures regarding a Homeowner Housing Rehabilitation Grant awarded to Carson City and the Citizens for Affordable Housing by the Western Nevada Home Consortium with no fiscal impact. Supervisor Livermore seconded the motion. Motion carried 5-0. Mayor Masayko and Supervisor Williamson complimented both Mr. Sullivan and Ms. Laster on their efforts.

B. ACTION TO APPROVE THE RETURN OF APPROXIMATELY \$35,785.60 TO COSTCO WHOLESALE FROM THEIR LANDSCAPING BOND AS THE PROJECT'S SLOPE STABILIZATION LANDSCAPING HAS BEEN COMPLETED TO CITY STANDARDS (1-3050) - Mayor Masayko noted for the record that some of the drainage facilities have been combined with Highway 50's. This should not create additional erosion problems. The Board must approve the return as it had required the bond. Public comments were solicited but none were given. Supervisor Williamson moved that the Board of Supervisors approve the return of approximately \$35,785.60 to Costco Wholesale from their slope stabilization landscaping bond as the project's landscaping has been completed to City standards; that the fiscal impact is \$35,785.60; and the funding source is Escrow Account No. 1000378-RT. Supervisor Aldean seconded the motion. Mayor Masayko pointed out that the figure is an approximate amount in spite of the inclusion of exact cents. The amount that will be reimbursed is the amount contained within the account. The motion was voted and carried 5-0.

C. ACTION TO ADOPT ON SECOND READING BILL NO. 120, AN ORDINANCE AMENDING THE CARSON CITY MUNICIPAL CODE, CARSON CITY DEVELOPMENT STANDARDS, DIVISION 4, SIGNS, RELATING TO REGULATION OF SIGNS AND OUTDOOR ADVERTISEMENT, INCLUDING DIVISION 4.2, PURPOSE BY MODIFYING THE SIGN ORDINANCE PURPOSE STATEMENT; DIVISION 4.3, DEFINITIONS, BY MODIFYING AND ADDING VARIOUS DEFINITIONS RELATED TO SIGNS; DIVISION 4.4, ADMINISTRATION, SECTION 4.4.3., EXEMPTIONS, BY MODIFYING EXEMPT SIGN REGULATIONS RELATED TO TEMPORARY WINDOW SIGNS, GARAGE SALES, SIGNS, PENNANTS, INFLATABLE DEVICES,

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BALLOONS, BANNERS, NONPROFIT ORGANIZATION BANNERS, AND FLAGS; SECTION 4.4.13, NONCONFORMING SIGNS, BY MODIFYING THE PROVISIONS UNDER WHICH NONCONFORMING SIGNS MUST BE BROUGHT INTO COMPLIANCE WITH CURRENT SIGN STANDARDS; SECTION 4.4.14, APPEAL TO COMMISSION, BY MODIFYING THE APPEAL HEARING PROCESS FOR CLARITY AND TO BE CONSISTENT WITH NRS; DIVISION 4.5, RESTRICTED AND/OR PROHIBITED SIGNS, SECTION 4.5.1 RELATING TO STRUCTURES TO WHICH SIGNS MAY NOT BE ATTACHED WITHIN THE RIGHT-OF-WAY; SECTION 4.5.6, ADVERTISING BY PARKED VEHICLE, BY MODIFYING THE PROVISIONS RELATED TO ADVERTISING ON MOTOR VEHICLES; SECTION 4.5.7, IDENTIFICATION OF DELIVERY VEHICLES, BY MODIFYING THE PROVISIONS RELATED TO ADVERTISING ON DELIVERY VEHICLES; SECTION 4.5.8, CHANGEABLE PROMOTIONAL SIGNS, BY MODIFYING THE PROVISIONS FOR SUCH SIGN TO ALLOW FREESTANDING CHANGEABLE PROMOTIONAL SIGN STRUCTURES; SECTION 4.5.9, DECEPTIVE SIGNS, BY DELETING SECTION 4.5.9 IN ITS ENTIRETY; SECTION 4.5.18, PORTABLE FREESTANDING SIGNS, BY ALLOWING PORTABLE SIGNS ON PRIVATE PROPERTY UNDER CERTAIN CIRCUMSTANCES; DIVISION 4.6, GENERAL REGULATIONS AND STANDARDS, SECTION 4.6.2, COMPUTATION OF SURFACING OR DISPLAY SURFACE, BY MODIFYING THE MANNER OF CALCULATING SIGN AREA TO EXCLUDE SIGN SUPPORT STRUCTURES AND ARCHITECTURAL FEATURES, AND BY MODIFYING PROVISIONS OF SIGN AREA CALCULATION FOR PROPERTIES WITH MULTIPLE STREET FRONTAGES; DIVISION 4.7, REGULATIONS AND STANDARDS BY USE, SECTION 4.7.3, OFFICE BUILDING USES, BY DECREASING THE MAXIMUM FREESTANDING SIGN HEIGHT FROM 25 FEET TO 20 FEET; SECTION 4.7.4, SHOPPING CENTER USES, BY MODIFYING THE PERMITTED SIGN AREA PROVISIONS FOR SHOPPING CENTERS TO ALLOW AN INCREASE IN SIGN SIZE FOR WALL SIGNS IN CERTAIN CIRCUMSTANCES BASED ON THE SIZE OF THE BUSINESS OR UNIT OF OPERATION; SECTION 4.7.5, OTHER COMMERCIAL USES, BY MODIFYING THE PERMITTED SIGN AREA PROVISIONS FOR COMMERCIAL USES TO ALLOW AN INCREASE IN PERMITTED SIGN AREA IN CERTAIN CIRCUMSTANCES BASED ON THE SIZE OF THE COMMERCIAL BUILDING, AND 4.8, REQUIREMENTS FOR BILLBOARDS AND OFF-PREMISE SIGNS, SECTION 4.8.4, EXISTING SIGNS ALLOWED TO CONTINUE IN EXISTENCE SUBJECT TO REQUIREMENTS, BY DELETING PROVISIONS WHICH HAVE ALREADY OCCURRED AND ARE OUTDATED RELATED TO NONCONFORMING BILLBOARDS, AND OTHER TYPOGRAPHICAL, NUMBERING AND CLERICAL CORRECTIONS TO DIVISION 4 IN ITS ENTIRETY FOR CLARIFICATION AND CONSISTENCY PURPOSES, AND OTHER MATTERS PROPERLY RELATED THERETO (1-3150) - Mayor Masayko indicated for the record that he had not received any comments either pro or con on the ordinance since the first reading. Mr. Sullivan indicated that the revisions requested by the Board at the last meeting had been made to Page 32. Principal Planner Lee Plemel indicated that he had not received any comments regarding the ordinance since the first reading. Comments noted the public's desire to revise the ordinance and the time taken to do so. Mr. Sullivan explained the committee's composition. Mayor Masayko thanked them for their hard work and dedication. Public comments were solicited but none were given. Supervisor Aldean moved to adopt on second reading Bill No. 120, Ordinance No. 2003-21, AN ORDINANCE AMENDING THE CARSON CITY MUNICIPAL CODE TITLE 18, DEVELOPMENT

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STANDARDS, DIVISION 4, SIGNS by modifying various aspects of the Sign Ordinance as identified on the agenda and as recommended by the Planning Commission based on findings contained in the staff report, File No. A-02/03-14. Supervisor Livermore seconded the motion. Discussion explained that Title 18 and Standards Division 4 are cross referenced. The motion was voted and carried 5-0.

12. DEVELOPMENT SERVICES - City Engineer Larry Werner - DISCUSSION ON THE CARSON CITY MUNICIPAL SEPARATE STORM SEWER SYSTEM STORM WATER MANAGEMENT PLAN AND ACTION ON A RESOLUTION OF THE CARSON CITY BOARD OF SUPERVISORS ADOPTING THE CARSON CITY MUNICIPAL SEPARATE STORM SEWER SYSTEM STORM WATER MANAGEMENT PLAN, AND ACKNOWLEDGING THE NECESSITY TO DEVELOP AND IMPLEMENT THE STRATEGIES, BEST MANAGEMENT PRACTICES, CONTROL MEASURES, CORRECTIVE ACTIONS AND APPROPRIATE ENFORCEMENT MECHANISMS NEEDED TO PROTECT WATER QUALITY AND REDUCE THE DISCHARGE OF POLLUTANTS FROM THE CITY'S STORM DRAINAGE FACILITIES (1-3305) - Mr. Werner distributed an executive summary to the Board and Clerk. (A copy is in the file.) Mr. Werner highlighted the report. Mayor Masayko noted that the Board had been given a power point presentation on the program at a previous Board meeting. The need, accountabilities, measurables, and timeframes have been spelled. The funding mechanism remains to be determined. It will impact all of the residents and businesses in the community. Public notices were limned. Public responses were solicited. The Board will receive a report on them in October. Mayor Masayko encouraged the public to participate. Douglas and Lyon Counties are not part of the program at this time. They have their own permitting requirements which they must adhere to. The proposed program is for Carson City only. Indian Hills is "parroting" the City's program. It will be responsible for implementation, maintenance, enforcement, etc., in its area. (2-0023) Supervisor Aldean indicated that she would give him her list of spelling errors. (A copy was not given to the Clerk.) Supervisor Livermore encouraged staff to work with the Subconservancy and its River water study to avoid potential conflicts in the programs. Mr. Werner explained that Utility Operations Manager Tom Hoffert is a member of its study group. Justification for using acronyms throughout the plan was provided. Supervisor Williamson moved to adopt Resolution No. 2003-R-34, adopting the Carson City Municipal Separate Storm Sewer System Storm Water Management Plan and acknowledging the necessity to develop and implement the strategies, best management practices, control measures, corrective actions and appropriate enforcement mechanisms needed to protect water quality and reduce the discharge of pollutants from the City's storm drainage facilities with the fiscal impact being that the Phase II program is expected to include a mix of operational, structural, regulatory, and public education components that Carson City has not had to fund before; additionally, the costs associated with active management of storm water quality are expected to increase as new storm drainage facilities are constructed and as the systemic extent of service provided by the City extends into reaches of the drainage systems that we have not traditionally maintained, with an estimate of \$180,000 per year to \$900,000 per year; and the funding source is unknown at this time. Mayor Masayko indicated that it will be a new funding source which is to be determined. He also indicated that the resolution is subject to the spell check which Supervisor Aldean will provide Mr. Werner. Supervisor Williamson concurred. Supervisor Livermore seconded the motion. Motion carried 5-0.

13. CITY MANAGER - Linda Ritter - ACTION TO APPROVE A LETTER OF SUPPORT FOR AN APPLICATION FOR ECONOMIC DEVELOPMENT INCENTIVES FILED BY HARLEY DAVIDSON FINANCIAL SERVICES WITH THE COMMISSION ON ECONOMIC DEVELOP-

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MENT (2-0100) - Justification for supporting the State funded incentive program, the firm's history in Carson City, and its community support were limned. It was felt that the nongovernmental firm is one of the City's best kept secrets. The firm is committing to remaining in the community for a set period if the program is supported by the State. Supervisor Aldean described the firm's commitment(s) to Western Nevada Community College. She also described for the record a telephone conversation she had with Jean Nowlin who supported the program. Mayor Masayko noted the letter from the Chamber of Commerce supporting the firm and its request. Mayor Masayko explained his original involvement with Mr. Hummer and Harley Davidson which had occurred as a result of a bill proposed by the Legislature. Mr. Hummer indicated his intent to remain in the community. This statement had purportedly been made several times during the last six months. He appreciated the local support. The joint effort to defeat the Legislative bill was noted. They propose to construct a \$30 million structure on land they will own. They will use local contractors. The program will make them competitive and help them stay in the community and entice other businesses to locate here. Mayor Masayko thanked him for his investment in the community. It was felt that 70 to 80 percent of the firm's employees live in the area. They want to stay in this area. Ninety-nine percent of the firm's business is from outside the state. Supervisor Livermore explained the "Policom" study which stressed the importance of retaining firms like Harley Davidson. He expressed his intent to support the request and retain the firm in the community. This support is an important message to other firms considering relocation to the area. He congratulated Mr. Hummer on his expansion program. Supervisor Aldean moved to approve a letter of support for an application for Economic Development Incentives filed by Harley Davidson Financial Services with the Commission on Economic Development; fiscal impact is \$15,890,680 which represents the annual Harley-Davidson payroll and a potential loss of new revenue in the amount of \$235,125 which represents a sales tax abatement for one time purchases only and the potential loss of new revenue in the amount of \$108,955 representing potential loss of personal property taxes over a ten-year period. Supervisor Williamson seconded the motion. Motion carried 5-0.

There being no other matters for consideration, Supervisor Aldean moved to adjourn. Supervisor Williamson seconded the motion. Motion carried unanimously. Mayor Masayko adjourned the meeting at 11:48 a.m.
The Minutes of the September 4, 2003, Carson City Board of Supervisors meeting

ARE SO APPROVED ON January 4, 2004.

/s/
Ray Masayko, Mayor

ATTEST:

/s/
Alan Glover, Clerk-Recorder