

CARSON CITY DEBT MANAGEMENT COMMISSION
Minutes of the May 4, 1998, Meeting
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A special meeting of the Carson City Debt Management Commission was held on Monday, May 4, 1998, at the City Hall Capitol Conference Room, 201 North Carson Street, Carson City, Nevada, beginning at 12:15 p.m.

PRESENT: Commissioners John McKenna, Doug Mickelson, Larry Osborne,
Jon Plank, and Belmont Reid

STAFF PRESENT: Treasurer Al Kramer, Finance Director Mary Walker, Deputy
Library Director Traci Haakinson, Wastewater Superintendent Kevin
Ikehara, Sewer Utility Senior Engineer David Merrill, and Recording Secretary Katherine McLaughlin (D.M.C.
5/4/98 Tape 1-0001.5)

OTHERS PRESENT: Library Board of Trustees Chairperson Bernard Sease and
Vice Chairperson John Sparbel, Bond Counsellor Jennifer Stern, Financial
Consultant Scott Nash

1. CALL TO ORDER AND ROLL CALL - Deputy Clerk McLaughlin convened the meeting at 12:15 p.m. Roll call was taken. The entire Commission was present constituting a quorum.

2. DISCUSSION AND POSSIBLE ACTION ON THE SELECTION OF CHAIRPERSON AND VICE CHAIRPERSON (1-0015.5) - Nominations were requested. Commissioner Mickelson nominated Belmont Reid as Chairperson. Commissioners Osborne, Plank and McKenna seconded the motion. Motion carried unanimously. Chairperson Reid took over the gavel.

Nominations for Vice Chairperson were requested. Commissioner Mickelson nominated Commissioner Osborne as Vice Chairperson. Commissioner Plank seconded the motion. No other nominations were made. Motion carried unanimously.

3. ACTION ON APPROVAL OF MINUTES - August 22, 1997 (1-0027.5) - Commissioner Osborne moved to approve the Minutes of the August 22, 1997, Carson City Debt Management Commission meeting. Commissioner Mickelson seconded the motion. Motion carried unanimously.

4. DISCUSSION AND POSSIBLE ACTION ON A RESOLUTION CONCERNING THE SUBMISSION TO THE CARSON CITY DEBT MANAGEMENT COMMISSION OF A PROPOSAL TO ISSUE GENERAL OBLIGATIONS AND LEVY A SPECIAL ELECTIVE TAX FOR LIBRARY PROJECTS; CONCERNING ACTION TAKEN THEREON BY THE COMMISSION; AND APPROVING CERTAIN DETAILS IN CONNECTION THEREWITH; AND, 5. DISCUSSION AND POSSIBLE ACTION ON A RESOLUTION CONCERNING THE SUBMISSION TO THE CARSON CITY DEBT MANAGEMENT COMMISSION OF A PROPOSAL TO ISSUE GENERAL OBLIGATION SEWER BONDS; CONCERNING ACTION TAKEN THEREON BY THE COMMISSION; AND APPROVING CERTAIN DETAILS IN CONNECTION THEREWITH (1-0035.5) - Ms. Walker briefly described the requests and reasons for combining the financial data. Staff will apply for a State revolving loan and a federal grant for the sewer project. Mr. Ikehara summarized the project. Ms. Walker indicated that \$5.4 million will be used for the sewer expansion, that \$100,000 would be used for landscaping, and that the balance would be used for sewerline extensions. Mr. Ikehara indicated that the mechanical dewatering system will eliminate the need for the drying beds and help mitigate the odor problem. The project is projected to take 20 months to complete. Construction should begin in September. Commissioner Plank explained that the projected sewer fee increase proposed for the year 2000 is for operational costs and is not caused by this project. Ms. Walker indicated that the bond would be repaid from the sewer revenue and connection fees.

Library Board of Trustees Chairperson Sease explained the Board's decision to pursue a ballot question for funding additional library hours and expansion of the current structure. The building expansion may begin in two years. Ms. Walker stated for the record that the bond will not exceed \$2.5 million. It could be less than that amount. The

actual amount will not be determined until the final design is created. The Commission will reconsider the bond at that time. Chairperson Sease distributed copies of the conceptual design to the Commission and briefly described it. (A copy was not given to the Clerk.) The concept is for a 10,000 square feet addition and modification of the roof. It will cost approximately \$2.1 to \$2.2 million. Vice Chairperson Sparbel briefly explained the reasons the Board had decided to pursue a ballot question for the funding including the public demand for increased services and material. Discussion noted the conceptual plans to modify the intersection of Washington and Roop Street and the parking area, including the pedestrian hazards and vehicular sight distance problems encountered with the library sign on Roop Street. The ballot question will be on the General Election Ballot.

(1-0307.5) Financial Consultant Nash briefly reviewed the financial documents. Discussion among Mr. Nash, Ms. Walker and the Commission explained the reasons for the decrease in the bond coverage ratio, the growth in connection fees experienced last year, funding available within the sewer fund and its generated interest income, the importance of having future growth pay for sewer expansion projects and not the current users, the library's estimated interest rate, and tax increase created by the library. The sewer proposal does not impact the ad valorem rate. The library proposal does not increase the ad valorem rate beyond that allowed by statute.

(1-0541.5) Commissioner Mickelson moved to approve the proposal to issue General Obligations and levy a special elective tax for the library projects which shall be known as Resolution No. 1998-DMR-1. Commissioner Osborne seconded the motion. Legal Counsellor Stern indicated that the bond amount was not required at this time as the amount is contained within the Resolution which the motion, as drafted, proposed to approve. The motion was voted and carried unanimously.

(1-0557.5) Commissioner Osborne moved that the Debt Management Commission approve a Resolution concerning submission to the Board of Supervisors the authorization to incur General Obligation indebtedness on behalf of the City for General Obligation Sewer Bonds in an amount not to exceed \$6,100,000 for the purpose of acquiring, improving and equipping the City sanitary sewer projects, the Resolution to be known as 1998-DMR-2. Commissioner Mickelson seconded the motion. Motion carried 5-0.

6. DISCUSSION AND POSSIBLE ACTION ON THE NEED FOR SPECIAL MEETING(S) AND ESTABLISH DATE(S) FOR SUCH MEETING(S) (1-0575.5) - None.

7. DISCUSSION AND POSSIBLE ACTION SCHEDULING THE JULY MEETING AND ESTABLISHING THE AGENDA (1-0577.5) - Following discussion, Commissioner McKenna moved to schedule the next meeting on July 27th at 5:15. Commissioner Osborne seconded the motion. Motion carried unanimously.

8. CITIZEN COMMENTS (1-0607.5) - None.

9. COMMISSIONER COMMENTS (1-0610.5) - None.

10. ADJOURNMENT (1-0611.5) - Commissioner Mickelson moved to adjourn. Commissioner Osborne seconded the motion. Motion carried unanimously. Chairperson Reid adjourned the meeting at 12:55 p.m.

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.

The Minutes of the Special May 4, 1998, Carson City Debt Management Commission meeting

ARE SO APPROVED ON June 29,
1998.

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_____/s/_____

Belmont Reid, Chairperson