

CARSON CITY BOARD OF SUPERVISORS

Minutes of the January 21, 2010 Meeting

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A regular meeting of the Carson City Board of Supervisors was scheduled for 8:30 a.m. on Thursday, January 21, 2010 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Mayor Robert Crowell
Supervisor Robin Williamson, Ward 1
Supervisor Shelly Aldean, Ward 2
Supervisor Pete Livermore, Ward 3
Supervisor Molly Walt, Ward 4

STAFF: Larry Werner, City Manager
Alan Glover, Clerk - Recorder
Neil Rombardo, District Attorney
Kathleen King, Recording Secretary

NOTE: A recording of these proceedings, the Board's agenda materials, and any written comments or documentation provided to the Clerk during the meeting are part of the public record. These materials are available for review during regular business hours.

1 - 4. CALL TO ORDER, ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE

(8:33:59) - Mayor Crowell called the meeting to order at 8:33 a.m. Roll was called; a quorum was present. Mayor Crowell read into the record a quote from Hans Christian Andersen. Public Works Department Director Andrew Burnham led the pledge of allegiance.

5. ACTION ON APPROVAL OF MINUTES - December 17, 2009 (8:36:03) - Supervisor Aldean suggested revisions to pages 4 and 5, and **moved to approve the minutes, as amended. Supervisor Williamson seconded the motion. Motion carried 5-0.**

6. ADOPTION OF AGENDA (8:37:36) - Mayor Crowell entertained requests to modify the agenda. Mr. Werner requested to defer item 16(B) to a future meeting. Mayor Crowell entertained additional requests and, when none were forthcoming, deemed the remainder of the agenda adopted. (12:33:17) At Supervisor Williamson's request, Mayor Crowell deferred item 20 to the afternoon session. (1:20:03) Item 29(C) was deferred.

7. PUBLIC COMMENTS AND DISCUSSION (8:38:24) - Mayor Crowell entertained public comment. (8:38:45) Reba Montrose expressed concern over illegal aliens in the community, and inquired as to a process relative to illegal aliens who are convicted of crimes, serve jail sentences, and return to the community "to do their crimes all over again." Mr. Rombardo advised that the issue of deportation is under the purview of Immigration and Customs Enforcement. Mayor Crowell offered to provide contact information to Ms. Montrose. Mayor Crowell entertained additional public comment; however, none was forthcoming.

8. CONSENT AGENDA (8:42:32) - Mayor Crowell entertained requests to hear items separate from the consent agenda and, when none were forthcoming, a motion. **Supervisor Livermore moved approval of the consent agenda, consisting of six items: 8-1, Finance, (A), (B), and (C); 8-2, Public Works Engineering; 8-3, City Manager, (A) and (B), with special recognition to the appointments of Ken Brown and Michael Bertrand to serve on the Audit Committee for two-year terms ending December 2011, as presented. Supervisor Aldean seconded the motion.** Supervisor Williamson noted item 8-3(B), the report from Grants Coordinator Heidi Eskew-Herrmann, and advised that the City has been very

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aggressive in pursuing grants for a “wide variety of different departments ... and we’re doing the best we can to make the most of your tax dollars.” Mayor Crowell called for a vote on the pending motion. **Motion carried 5-0.** Mayor Crowell advised that Carson City is second, among all the counties, in receiving grant funding. He thanked Mr. Brown and Mr. Bertrand for their willingness to serve as volunteer members of the Audit Committee.

8-1. FINANCE

8-1(A) ACTION TO ALLOW THE FINANCE DEPARTMENT TO DELETE FIXED ASSETS FROM THE ENTERPRISE FUNDS FIXED ASSET LISTING FOR FISCAL YEAR 2008 - 2009

8-1(B) ACTION TO ALLOW THE FINANCE DEPARTMENT TO DELETE FIXED ASSETS FROM THE GENERAL FUND FIXED ASSET LISTING FOR FISCAL YEAR 2008 - 2009

8-1(C) ACTION TO ADOPT THE CARSON CITY PLAN OF CORRECTIVE ACTION FOR FY 08 / 09 STATUTORY VIOLATION INCLUDED IN THE ANNUAL AUDIT

8-2. PUBLIC WORKS DEPARTMENT ENGINEERING DIVISION - ACTION TO APPROVE DEDICATION OF LAND FOR PUBLIC STORM WATER PURPOSES FROM PROPERTY OWNER NEVADA WEST LAND, LLC TO CARSON CITY FOR 14,839 SQUARE FEET FROM APN 010-351-94, FOR A STORM WATER POND SERVING THE SUNDANCE RIDGE PHASE 2 SUBDIVISION

8-3. CITY MANAGER

8-3(A) ACTION TO APPOINT KENNETH BROWN AND MICHAEL BERTRAND TO SERVE ON THE AUDIT COMMITTEE AS MEMBERS-AT-LARGE FOR TWO-YEAR TERMS ENDING DECEMBER 2011

8-3(B) REVIEW OF THE QUARTERLY SUMMARY FOR ALL ACTIVE GRANTS MADE TO CARSON CITY AS WELL AS A LISTING OF ALL PENDING GRANTS

9. RECESS BOARD OF SUPERVISORS (8:44:50) - Mayor Crowell recessed the Board of Supervisors.

LIQUOR AND ENTERTAINMENT BOARD

10. CALL TO ORDER AND ROLL CALL (8:44:53) - Chairperson Crowell called the Liquor and Entertainment Board to order at 8:44 a.m. Roll was called; a quorum was present, including Member Albertson.

11. ACTION ON APPROVAL MINUTES - None.

12. PUBLIC WORKS DEPARTMENT BUSINESS LICENSE DIVISION

12(A) ACTION TO APPROVE JULIE VINCENT AS THE LIQUOR MANAGER FOR ARCO AM / PM, LIQUOR LICENSE NO. 10-27056, LOCATED AT 4340 NORTH CARSON STREET, CARSON CITY (8:45:18) - Chairperson Crowell introduced this item. Principal Planner

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Jennifer Pruitt reviewed the agenda report, and noted the background investigation included in the agenda materials and staff's recommendation of approval.

(8:46:02) In response to a question, Julie Vincent advised that the store is still under construction. She anticipated opening on January 28th. In response to a question, she described the Arco AM / PM convenience store operation. In response to a further question, she advised that Arco "has very strict guidelines on the sale of liquor to the public." Identification is requested from every patron wishing to purchase alcohol and "it's built into the [point of sale] system ..."

Member Williamson expressed appreciation for the store being reopened, and wished Ms. Vincent the best of luck. Chairperson Crowell entertained additional board member questions or comments and public comments. When none were forthcoming, he entertained a motion. **Member Williamson moved to approve Julie Vincent as the liquor manager for Arco AM / PM, liquor license 10-27056, located at 4340 North Carson Street. Member Livermore seconded the motion. Motion carried 6-0.** Chairperson Crowell thanked Ms. Vincent for investing in Carson City.

12(B) ACTION TO APPROVE SARAH SALVO AS THE LIQUOR MANAGER FOR CVS PHARMACY, LIQUOR LICENSE NO. 10-23222, LOCATED AT 230 FAIRVIEW DRIVE, CARSON CITY (8:48:18) - Chairperson Crowell introduced this item. Ms. Pruitt reviewed the agenda report, noted the background investigation report included in the agenda materials, and advised of staff's recommendation of approval. In response to a question, she expressed the understanding there are establishments in Carson City with liquor licenses but without specific liquor managers. Senior Permit Technician Lena Tripp provided background information on the existing CVS Pharmacy liquor license and Ms. Salvo's application to be appointed as liquor manager.

(8:50:04) Attorney Matthew Dushoff, representing CVS Pharmacy, introduced Sarah Salvo and provided additional background information on her application to be appointed as liquor manager. (8:51:01) In response to a question, Ms. Salvo advised she is a resident of Sparks. In response to a further question, she advised that CVS Pharmacy has "very strict rules." She advised that the point of sale system "asks for the date and the year the person was born. We also check the ID, make sure that the picture matches to the actual person. ... If you do get caught, it's an automatic termination." Ms. Salvo advised that CVS Pharmacy has done very well in past compliance checks. In response to a question, she advised that she holds an "AES license ... in Sparks because that was required."

In response to a question, Member Albertson advised of no indication that the CVS Pharmacy employees have participated in the Sheriff's alcohol servers training program. He further advised that a citation was issued in 2007. Member Williamson suggested providing alcohol servers training program dates to Ms. Salvo. Member Aldean described the function of IDVisors, and suggested that Ms. Salvo consider integrating technology into the process. Ms. Tripp offered to include a list of alcohol server training program dates with the Notice of Decision to be sent to Ms. Salvo.

Chairperson Crowell entertained a motion. **Member Aldean moved to approve Sarah Salvo as the liquor manager for the CVS Pharmacy, liquor license number 10-23222, located at 220 Fairview Drive in Carson City. Member Williamson seconded the motion.** Chairperson Crowell entertained public comment and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 6-0.** Chairperson Crowell wished Ms. Salvo good luck.

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12(C) ACTION TO APPROVE GIAN SINGH AS THE LIQUOR MANAGER FOR FOODMART #1, LIQUOR LICENSE NO. 10-27088, LOCATED AT 1102 NORTH CARSON STREET, CARSON CITY (8:55:28) - Chairperson Crowell introduced this item. Ms. Pruitt reviewed the agenda report, noted the background information included in the agenda materials, and advised of staff's recommendation of approval. She acknowledged that Mr. Singh had successfully petitioned to have his first name changed, and that the motion should reflect such change.

(8:56:32) In response to a question, Manjit Singh reviewed procedures for verifying the identification of patrons wishing to purchase alcohol. In response to a further question, he advised of never having been cited for selling alcohol to a minor.

Chairperson Crowell entertained board member and public comments. When none were forthcoming, he entertained a motion. **Member Livermore moved to approve Manjit Singh as the liquor manager for Food Mart #1, liquor license number 10-27088, located at 1102 North Carson Street, Carson City. Member Aldean seconded the motion. Motion carried 6-0.** Chairperson Crowell and Member Williamson thanked Mr. Singh for investing in Carson City. Mr. Singh acknowledged the store is open, and Member Williamson wished him good luck.

In response to a question, Ms. Pruitt advised that Planning Division Director Lee Plemel is working with District Attorney's staff to develop hearing officer standards.

13. ACTION TO ADJOURN LIQUOR AND ENTERTAINMENT BOARD (8:59:16) - Chairperson Crowell adjourned the Liquor and Entertainment Board at 8:59 a.m.

14. RECONVENE BOARD OF SUPERVISORS (8:59:21) - Mayor Crowell reconvened the Board of Supervisors.

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

15. ANY ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME (8:59:24) - None.

16. PURCHASING AND CONTRACTS

16(A) ACTION TO DETERMINE THAT EL CAMINO CONSTRUCTION COMPANY IS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER, PURSUANT TO NRS CHAPTER 338, AND TO AWARD CONTRACT NO. 0910-125, NORTH - SOUTH WATER TRANSMISSION MAIN PROJECT - PHASE 1 TO EL CAMINO CONSTRUCTION COMPANY FOR A BID AMOUNT OF \$1,991,106.00, PLUS A CONTINGENCY AMOUNT NOT TO EXCEED \$299,000.00, TO BE FUNDED FROM THE ARRA / EAST FIFTH TRANSMISSION WATER MAIN, AS PROVIDED IN FY 2009 / 2010 (8:59:37) - Mayor Crowell introduced this item. Purchasing and Contracts Coordinator Sandy Scott reviewed the agenda materials, and noted the anticipated date of completion as 180 calendar days from the date of issuance of the Notice to Proceed. In response to a question regarding the contingency amount, Deputy Public Works Director Darren Schulz advised of uncertainties associated with the underground utilities. Supervisor Aldean reviewed past changes made to the contract template, in consultation with Ms. Scott and Senior Deputy District Attorney Joel Benton. She noted an additional correction to page 3, Termination for Non-Appropriation.

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Mr. Schulz acknowledged that El Camino Construction Company is based in Las Vegas, but has hired a number of employees from the Carson Valley “that are familiar and have worked on our projects before.” In response to a further question, he estimated 10 to 12 employees will be needed for the project. He acknowledged the project has been budgeted and will be funded with an ARRA allocation at zero interest.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Aldean moved to determine that El Camino Construction Company is the lowest responsive and responsible bidder, pursuant to NRS Chapter 338, and to award Contract No. 0910-125, North - South Water Transmission Main Project - Phase 1, to El Camino Construction Company for a bid amount of \$1,991,106.00, plus a contingency amount not to exceed \$299,000.00, to be funded from the ARRA / East Fifth Transmission Water Main, as provided in FY 2009 / 2010, subject to the changes noted on the record. Supervisor Williamson seconded the motion. Motion carried 5-0.**

16(B) ACTION TO DETERMINE THAT LAYNE CHRISTENSEN COMPANY IS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER, PURSUANT TO NRS CHAPTER 338, AND TO AWARD CONTRACT NO. 0910-109, PRODUCTION WELL 4 DRILLING, CONSTRUCTION, AND TESTING PROJECT, TO LAYNE CHRISTENSEN COMPANY FOR A BID AMOUNT OF \$453,900.00, PLUS A CONTINGENCY AMOUNT NOT TO EXCEED \$45,390.00, TO BE FUNDED FROM THE ARRA / WELL 4 FUND, AS PROVIDED IN FY 2009 / 2010 - Deferred.

17. SUPERVISOR WALT - DISCUSSION AND POSSIBLE ACTION TO DIRECT PARKS AND RECREATION DEPARTMENT STAFF TO EXAMINE CARSON CITY RECREATION ADULT AND YOUTH SPORTS PROGRAMS IN ORDER TO DETERMINE THE LEVEL, IF ANY, OF ADDITIONAL INDOOR SPACE REQUIREMENTS AND DETERMINE AVAILABILITY OF QUESTION #18 FUNDS, IF WARRANTED, TO FUND POSSIBLE ADDITIONAL INDOOR SPACE (9:03:37) - Mayor Crowell introduced this item. Supervisor Walt narrated a PowerPoint presentation, copies of which were provided to the Board members and the Clerk prior to the start of the meeting. She invited Parks and Recreation Commission (“PRC”) Chair Donna Curtis to discuss a needs assessment conducted several years ago.

(9:10:50) Ms. Curtis advised of having discussed the need for indoor recreation facilities for “many, many years” at PRC meetings. She provided an overview of plans for the joint recreation facility at the Boys and Girls Clubs site. She advised that the PRC has been reviewing the parks and recreation master plan element implementation strategies, and suggested requesting staff to conduct another needs assessment.

Supervisor Walt acknowledged the significant costs associated with operating and maintaining “even a lower scale gymnasium.” She suggested “looking outside the box” in order to consider programming that “might actually be able to generate some revenue if we were able to rent out a facility knowing that we had a second gymnasium ...”

Supervisor Livermore thanked Supervisor Walt for agendizing this item as he has been “championing a rec center since 2004.” He acknowledged the “need in this community,” but noted the issues as “the will” and the “lack of operating money.” He advised that the terms “gymnasium” and “rec center” have been deemed similar in nature by a District Attorney’s opinion. “If we’re going to look at providing recreation for team sports, we also have to look at recreation for the rest of this community too.” Supervisor Livermore reviewed the soccer programs encompassed by the Carson City Youth Sports Association, and discussed their need for facilities. He noted that recreation is a quality of life issue and expressed the belief it is also

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“a life, public, health, and safety issue.” He offered to cooperate with Ms. Curtis to develop and disseminate a needs assessment. He acknowledged the funding invested thus far in the joint recreation facility at the Boys and Girls Clubs location, but expressed concern that “taking this ... money out of this” could set back the project for “many, many, many years ...” He suggested “there are ways to accomplish some of this through cooperation with partners ...” He committed to assisting in identifying the community’s “immediate need.” He noted the significance of the next agenda item in consideration of the need to “get serious about finding help ... with resources.”

In response to a question, Supervisor Walt emphasized she had no plans in mind. “That’s why I have directed it to staff to open the discussion” with the community. Supervisor Aldean noted that significant past consideration had been given to expanding the existing community center, and expressed the opinion the idea is still meritorious. “Regardless of whether or not you find additional construction dollars, you’re going to be burdened with the responsibility of maintaining and operating this facility.” Supervisor Walt acknowledged the acceptability of a more extensive analysis, i.e., “a general needs assessment as opposed to merely looking at the need for additional indoor recreation space.” Supervisor Aldean expressed the opinion that expanding the existing community center facility “in this general area” would result in a considerable decrease in the costs of operation. She expressed support for further analysis with the public’s involvement. Supervisor Walt acknowledged the costs associated with operations and maintenance, and advised that Parks and Recreation Director Roger Moellendorf has offered various suggestions, in cooperation with Recreation Program Manager Joel Dunn, for reducing costs. She further clarified her request to “continue that discussion.” She emphasized no intent to do away with existing plans at the Boys and Girls Clubs location. She suggested “possibly put[ting] that on the shelf and looking at what the community needs and, at a different time, readdress that.”

Supervisor Livermore discussed the operations component of Question #18, and suggested “treating this project like we should treat all projects.” He pointed out there is no “operation plan” for the proposed new library; “it’s only a building plan.” He discussed the history of the recreation facility development, and expressed the “feeling among some of us on the commission that the rec center is being held to a higher standard of performance of operational costs than any other project.” Supervisor Aldean discussed “certain degrees of operational efficiency that can be associated with expanding an existing facility where you have the personnel already on site. And there are economies of scale that ... we could take advantage of.” She agreed with evaluating every project independently “because they all have their own unique characteristics.” She reiterated support for conducting an overall needs assessment. She acknowledged the Question #18 operations component, but noted “it’s stretched to the limit.” She further noted the reasons for not moving forward with construction of the recreation facility at the Boys and Girls Clubs were the lack of construction capital and uncertainties associated with “dip[ping] into the general fund on a consistent basis to ... offset the cost of operating.” She reviewed the purpose of the subject action, and reiterated support for “re-examin[ing] these programs periodically because the needs of the community change over time ...” Mayor Crowell commended the discussion.

Mr. Werner offered to work with Mr. Moellendorf to develop a schedule for the needs assessment. In consideration of Supervisor Livermore’s concerns, Mr. Werner discussed concerns over adding additional operational costs to the City’s general fund “because we simply can’t afford it.”

Mayor Crowell entertained public comment. (9:31:39) Aquatic Facility Director Kurt Meyer advised of having served on the Little League Board of Directors for the past eight years. He discussed plans for constructing a privately-funded batting cage facility at Governor’s Field. He expressed support for privately funding an additional recreation facility.

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Mayor Crowell entertained additional public comment and, when none was forthcoming, a motion. **Supervisor Walt moved to direct Parks and Recreation Department staff to examine Carson City Recreation adult and youth sports programs in order to determine the level, if any, of additional indoor space requirements and determine availability of Question #18 funds, if warranted, to fund possible additional indoor space(s). Supervisor Livermore seconded the motion. Motion carried 5-0.**

18. PARKS AND RECREATION DEPARTMENT - ACTION TO ACCEPT RESOLUTION NO. 2009-PRC-R-1, A CARSON CITY PARKS AND RECREATION COMMISSION RESOLUTION SUPPORTING THE SEEKING OF AMERICAN RECOVERY AND REINVESTMENT ACT GRANT FUNDS FOR THE CONSTRUCTION OF THE PROPOSED INDOOR RECREATION CENTER,” AND TO DIRECT STAFF TO TAKE APPROPRIATE ACTION (9:33:23) - Mayor Crowell introduced this item. (9:33:39) PRC Chair Donna Curtis provided background information and reviewed the agenda report. Supervisor Livermore commended PRC Chair Curtis’ commitment to parks and recreation, and discussed the importance of parks facilities and recreation activities to the community’s quality of life. He expressed support for the recommended action. Supervisor Williamson expressed no concern over approving the recommended action. She advised of having received a copy of a memo from Grants Coordinator Heidi Eskew-Herrmann to Senator Reid’s office, inquiring as to the possibility of a federal funding allocation to the recreation facility and the proposed new library. Supervisor Williamson read into the record the reply from Senator Reid’s office, as follows: “Unfortunately, federal programs generally exclude recreational facilities.” She suggested adding the words “or any other funding” to the recommended motion. Supervisor Aldean expressed concern that the recommended action contradicts the action taken on the previous agenda item. She discussed the possibility of endowments for long-term maintenance and operation. “We cannot rely on consistent collections of sales tax revenues. ... More importantly, we don’t know if that’s still the number one project as far as to the people of Carson City are concerned.” Supervisor Livermore expressed understanding for Supervisor Aldean’s concerns pertinent to operations and maintenance costs, and discussed the importance of aggressively pursuing funding.

(9:43:12) PRC Chair Curtis advised of having read that parks and recreation projects were successfully included in the ARRA funds. She offered to send appropriate information to Senator Reid, and discussed the availability of program funding for “healthy kids, ... kids at risk.” She discussed a pilot project in Los Angeles to open recreation centers at midnight. She suggested that the availability of program funding, together with stimulus funding for construction, may make the project more feasible to operate.

Supervisor Aldean expressed appreciation for the additional information, and support for the recommended action “if we agree, as a Board, that even if we’re granted ... these stimulus dollars, ... unless at the time of the granting we have identified a reliable source of funding for ongoing maintenance and operations, ... we not accept the funds.” Discussion followed wherein the Board members indicated their concurrence. Mayor Crowell noted that operations and maintenance is a “key component of whether or not we’re going to build any project, and ... it’s also implicit in any grant ...” Mr. Werner assured the Board that grant funding is being sought on a continual basis. He additionally assured the Board he would not bring forward any project “to build something that we can’t afford to operate.”

Mayor Crowell entertained additional public comment and, when none was forthcoming, thanked Ms. Curtis. He entertained a motion. **Supervisor Livermore moved to accept Resolution No. 2009-PRC-R-1, “A Carson City Parks and Recreation Commission resolution supporting the seeking of American Recovery and Restoration Act grant funds, and any other funds available, for the construction of the proposed indoor recreation center. Supervisor Walt seconded the motion. Motion carried 5-0.** Mayor Crowell recessed the meeting at 9:51 a.m. and reconvened at 10:07 a.m.

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19. PUBLIC WORKS DEPARTMENT PLANNING AND ZONING DIVISION

19(A) ACTION REGARDING AN APPEAL OF THE PLANNING COMMISSION'S APPROVAL OF A SPECIAL USE PERMIT TO ALLOW A CHARTER SCHOOL CAMPUS, ON PROPERTY TO BE ZONED PUBLIC REGIONAL (PR), LOCATED AT 2222 COLLEGE PARKWAY, APN 005-011-03 (10:07:15) - Mayor Crowell introduced this item. Principal Planner Jennifer Pruitt reviewed the agenda materials, and oriented the Board to the subject site using a displayed aerial photograph. She emphasized the dependence of the special use permit and the zoning map and master plan amendments on each other. She noted staff's recommendation to uphold the Planning Commission's approval, and advised that additional information had been provided by the applicant to the Board members, staff, and the appellant. She read into the record additional condition of approval #47, copies of which were provided to the Board members, City staff, and the public prior to the start of the meeting. Mr. Plemel and Ms. Pruitt responded to procedural questions relative to the special use permit, zoning map and master plan amendments.

(10:16:04) Audra Miller, of Lumos and Associates representing Northern Nevada Comstock Investments, LLC, introduced Managing Member Scott Tate and provided background information on Northern Nevada Comstock Investments, LLC and the Comstock Casino. Ms. Miller advised of having reviewed the letter from Silver State Charter Schools Principal Steve Knight, submitted last week. On behalf of her client, Ms. Miller expressed appreciation for the letter and the support expressed for the casino and its future expansion plans. She advised that Northern Nevada Comstock Investments, LLC and Mr. Tate have no objections "per se to the charter school. ... They are objecting to ... the location of such a facility." She expressed appreciation for the support of the charter school in "not objecting in the future to any expansion plans the casino may have; the issue is just not limited to the school's feelings on this. It is a much broader issue and involves the Gaming Commission, the license, and the will of the community going forward." She invited Mr. Tate to comment on his investment and his future business plans.

Mayor Crowell thanked Mr. Tate for doing business in Carson City. (10:18:15) Northern Nevada Comstock Investments, LLC Managing Member Scott Tate provided background information on his Carson City businesses and on his company's investment philosophy. He advised of having invested "in excess of \$15 million currently in this town." He expressed concern over the substantial investment in the Comstock Casino property "for the future development of additional operating businesses." "While we've made a substantial investment already, for the future, our big concern is the recurring loss of economic gain that transpires by being prohibited to develop our property." He discussed the importance of business success in order to support additional business. "It's not easy operating in downtown Carson City these days, and it's not easy operating in Lyon County, the second most economically depressed county in the United States ..."

Mr. Tate reiterated no opposition to development of the charter school, and recognized its importance to the community. Based on his own experience, growing up in rural Mississippi, he expressed support for the "power of education." He emphasized the importance of teachers "to change people's lives for the good." He reiterated no opposition to the school, but expressed serious concern over the welfare of the students. He advised of having been involved in the gaming industry for the past twenty years, and discussed "the power of someone under age participating in gambling and having a positive success at it. It's long-term detrimental because they're not mature enough to handle that level of success." Mr. Tate noted that the State of Nevada has elected to maintain the legal age for gambling at 21 years, where other states have reduced the legal age. He advised of not having attempted to engage any person to speak on his behalf, and expressed trust in the Board's judgment. He expressed a keen interest in "who wants to support the development of schools and casinos together ..." He advised that Clark County has a 2500-foot

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minimum distance requirement between schools and casinos. He further advised that, in this situation, “property line to property line is 100 feet.” He discussed serious reservations over the welfare of the students. He advised that Attorney General’s representatives required relocation of the cigarette machine inside the Comstock Casino “because it was too close to the door.” He expressed perplexity whether to close the small arcade, installed in conjunction with the dining facility. He expressed concern over students smoking in the Comstock Casino parking lot. He reiterated confidence in the Board’s talent and broad-based knowledge, and advised he looked forward to a decision on this “very important issue.”

(10:27:17) Ms. Miller referred to the appeal letter, included in the agenda materials, and provided an overview of the same. She advised that the Comstock Casino has an unrestricted gaming license through the Nevada Gaming Commission. She emphasized the license is granted as a privilege and not a right. “Any time that Mr. Tate changes operations, changes the facility in any way, he will have to go back in front of the Gaming Commission.” Ms. Miller advised of certain circumstances wherein the Gaming Commission may render a casino operation potentially unsuitable because of surrounding uses. “Those surrounding uses are churches, schools, and children’s playgrounds.” Ms. Miller explained that Mr. Tate is currently under no obligation to prove the suitability of the Comstock Casino’s location. If the school is approved at the proposed site, “the burden now shifts to [Mr. Tate] ... to prove that he is in a suitable location. And the Gaming [Commission] has the right to reject any change to the license that he may present because of the school being in close proximity.”

Ms. Miller advised of having reviewed information submitted by the applicant regarding gaming operations in close proximity to schools in Carson City. She pointed out that “most of those involve convenience stores or grocery stores which are limited gaming facilities and it is not their primary operation.” She noted that the Comstock Casino is “primarily a gaming establishment and it does have expansion plans ... to develop the rest of the property.” She discussed a concern that community values may change over time. She acknowledged that Carson City does not presently have an ordinance addressing minimum separation between casinos and schools, but suggested the possibility that such an ordinance may be passed in the future. “Reno and Douglas County already have such ordinances.” Ms. Miller advised that, based on the current municipal code, Mr. Tate is not required to apply for a special use permit or “any sort of governmental approval” in order to expand, but reiterated the possibility of a future ordinance.

Ms. Miller advised of having made a similar presentation to the Planning Commission, and that the commissioners were very sympathetic toward Mr. Tate’s concerns. “Their basic opinion was that the arguments were just a little bit too speculative in nature.” Ms. Miller argued that Mr. Tate’s concerns are not speculative. “It is a fact that once the school comes in, Mr. Tate does have the burden ... before the Gaming Commission to prove his suitability.” Ms. Miller provided an overview of public testimony provided at the Planning Commission meeting. She advised that, under the current comprehensive master plan and zoning map, the Comstock Casino is consistent with the community’s vision “while the school is not.” She noted Mr. Tate’s comments relative to public safety and the students’ welfare. “As a casino operator, he is very diligent in monitoring the facility and making sure minors cannot enter the facility in places that they should not be.” Ms. Miller advised of reports of incidents “on a fairly routine basis” in which minors attempt to enter the casino area. She noted the City’s current ordinance which prohibits schools in the limited industrial zoning district. She reiterated that the Gaming Commission considers the proximity of schools and casinos.

Ms. Miller requested the Board to find that the proposed development represents a detrimental impact to the Comstock Casino, and “it will cause harm to the continued operation and expansion plans.” She requested the Board to overturn the Planning Commission’s decision. On behalf of Mr. Tate, she expressed

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the belief that, had the school been the existing operation, a special use permit application for development of a casino would be denied. Mayor Crowell thanked Ms. Miller for her presentation.

Mr. Rombardo responded to procedural questions relative to receiving public testimony. Mayor Crowell provided direction with regard to the format for proceeding, and invited Mark Palmer to the podium. (10:35:50) Mark Palmer, of Palmer Engineering representing Silver State Charter Schools, advised that George Szabo, the principal planner on the project, was unable to attend. Mr. Palmer provided an overview of the presentation, and advised that Silver State Charter Schools accepts all the conditions of approval, including the additional condition of approval 47. He reviewed various letters of support which were included in the agenda materials.

In response to a question regarding the "January 15, 2007" letter from Silver State Charter High School Executive Director / Principal Steve Knight, Mr. Palmer expressed the opinion that the letter indicates no opposition to the future expansion of the casino. He was uncertain as to the time frames associated with the Comstock Casino's expansion plans. "Many things can happen in the future. It's speculative the casino would be built. It's speculative the school will be there right now." Mr. Palmer expressed the opinion that the letter could be introduced to the Gaming Commission and to this Board. He was uncertain as to the extent to which the letter would be legally binding.

In response to a question, Mr. Rombardo advised that the letter is "legally binding to the extent that they want it to be but they could always back off of it at some point." He suggested the applicant for the gaming license could use the letter as evidence that they should be able to expand. "That's probably the best use of it." In reference to Gaming Regulation 3.010, Mayor Crowell advised "it's not an absolute bar for licensure ... There's no linear footage distance between a casino and a school in the regulation. It just says that's one of the factors that the gaming authorities can consider in determining the suitability of a location." He agreed there is no way to bind the school, and noted the Board has no authority to bind the Gaming Commission. He described the letter as "a great offer," but expressed uncertainty as to how binding it would be for Gaming Commission purposes. In addition, there are no regulations prohibiting the development of a school near a gaming facility.

Supervisor Livermore thanked Mr. Knight for the letter in the spirit of cooperation, and suggested that the student body is "an important element of the cooperation between the commercial and a public sector school." Supervisor Aldean expressed the opinion that Mr. Knight's representations would be given more weight if the Board chooses to rely on them. In reference to Gaming Regulation 3.010, Mr. Rombardo clarified that any property or expansion is subject to a determination of suitability. The Gaming Commission considers the proximity of schools. "But if the casino already exists, then they take that into account. If it already exists, then they're more likely to be approved to expand." Mayor Crowell agreed with Mr. Rombardo's interpretation, and with Supervisor Aldean's comments in consideration of the Board relying on Mr. Knight's representations.

(10:48:46) In reference to previous comments, Mr. Palmer clarified that Silver State Charter School is a public school. He noted the difficulty in addressing the Gaming Commission issue "is that it's speculative." He advised that the Gaming Commission recognizes "gaming is looked at differently in each community. There is no distance stated. They refer to local ordinances." In reference to Mr. Knight's letter, Mr. Palmer advised that "the school was well aware of the proximity to the casino when they looked at this site." He advised that approximately twelve other parcels were considered in the light of size, future expansion, access, public transportation, high speed fiber optics, and the aerospace learning center. He provided background information on development of the project, and advised that the issue of proximity

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to the casino “has become bigger than what we expected.” He advised that the school operates under a special use permit in its current location adjacent to a 7-Eleven store and across the street from Bully’s, both of which establishments have gaming licenses. He noted the proposed change from the school’s location next to a limited gaming license establishment to an unlimited gaming license establishment. He advised “that interface occurs other places here in Carson City,” and reviewed the distances between property lines of various schools and gaming establishments around town. He advised that the intent of Mr. Knight’s letter was to confirm the two projects are not mutually exclusive. He clarified he was unable to address the legal extent of the letter, but emphasized the sincerity of its intent.

Mr. Palmer referred again to the distances between schools and gaming facilities around Carson City. He suggested that Comstock Casino representatives voicing opposition to the school based on impacts to existing gaming is “conjecture in itself since it’s grandfathered in where the school is in place.” He advised of Gaming Commission regulation language addressing such issues. He expressed the opinion that the casino’s future expansion being threatened “is in the same vein.” Carson City ordinances do not preclude the location of gaming establishments adjacent to schools, and “this would be further away than the existing schools ...”

In reference to the appeal letter included in the agenda materials, Mr. Palmer advised that the area has been changing to mixed use over the last five years. He noted the development “directly across the road” of Irwin Union Bank, Sonic, Capital Christian Child Development, an accounting firm, a hair salon, a title company, and other various professional and medical offices.” Referencing the Planning Division staff report, he noted “the proposed change will result in master plan designations and zoning designations that are consistent, as noted in the Carson City master plan adopted in 2006.” He further noted the area is “mixed use as it exists ...”

In consideration of the proximity of the proposed school to airport property, Mr. Palmer advised of having provided a presentation to the Airport Authority. He referenced the Airport Authority minutes included in the agenda materials, and advised that Mr. Knight has been working with Airport Authority Chair Harlow Norvell. Mr. Palmer expressed the opinion that the Airport Authority’s concerns have been ameliorated with the special use permit conditions of approval. He introduced Mr. Knight.

(10:58:35) Silver State Charter School Founder, Executive Director, and Principal Steve Knight provided background and statistical information on Silver State Charter Schools. In response to a question, Mr. Knight expressed a desire to be a good neighbor to Mr. Tate and Comstock Casino. He expressed the opinion that “our community will embrace using his facility for the restaurants and other things.” He expressed reasonable certainty that Silver State Charter School students will not attempt to illegally gamble or purchase alcohol. He advised of no complaints from either of the 7-Eleven or Bully’s establishments or from the Sheriff’s Department. He noted the unfortunate reality of teenage smoking and described it as “a constant hassle.” He explained that Silver State Charter School is a closed campus. He expressed the hope and doesn’t anticipate that the students will “go across the street to Mr. Tate’s casino or any other location for underage activities.”

In response to a question, Mr. Knight discussed his aviation experience and his efforts to integrate technology and aviation into the school’s curriculum “because I think that’s where the jobs are.” In response to a further question, he advised of the original intent to incorporate aerospace studies in the school curriculum. He advised of having served as an Airport Advisory Committee member, and provided

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additional background information on his service with the Experimental Aircraft Association. In response to a further question, he advised that the proposed development is not dependent upon through-the-fence access to the airport. He advised of no intent to repair aircraft.

In response to a question, Mr. Palmer advised that, had the Airport Authority approved the proposed development, the conditions of approval would have included an aviation easement with a hold harmless agreement. He offered to include these documents as additional conditions of approval pertinent to the subject special use permit application.

In response to a question, Mr. Knight reviewed the school's on-site session schedules. He acknowledged the intent to offer intramural and / or sports programs in competition with other schools. He anticipates the eventual enrollment will reach "as many as 1200" students. Physical education is a State curriculum requirement. On a displayed aerial photograph, Mr. Knight pointed out the proposed location for a gymnasium and a small play field. He advised of past meetings with Parks and Recreation Department Director Roger Moellendorf, Recreation Program Manager Joel Dunn, and Theater Operations Supervisor Mitch Ames to discuss "partnerships where they can use the facilities on weekends and other times." In consideration of joint use of the facility, Supervisor Livermore expressed concern over a "larger component of people that are not your students that you don't have control of ..." Mr. Knight advised of "virtually ... no vandalism in six years," and of two occasions, in six years, where the Sheriff's Department had to be contacted. He acknowledged the necessity of security for intramural or competitive sports programs with other schools.

Mr. Knight discussed various community coaching positions held by Silver State Charter School teachers. He advised of having recently met with Northern Nevada Development Authority Executive Director Rob Hooper to discuss a partnership between the school and the digital media lab. "We are high tech and they're asking our help." Mr. Knight further advised of students who are trained to "run all the audio and visual at the community center and we've offered that." He expressed certainty there will be no problems between the school and the casino. "We'll make ... sure of it if we have to have security."

In reference to the information included in the agenda materials, Supervisor Walt noted that most of the gaming establishments listed were in Reno and had restricted gaming licenses. She expressed concern over comparing "apples and oranges" in consideration of the Comstock Casino's unrestricted gaming license. She inquired as to the distance between entrances of the Gold Dust Casino and Carson High School. She noted that the Silver State Charter School includes middle school-aged students, as seventh grade was recently added. In consideration of adult supervision, Supervisor Walt advised of having recently witnessed students leaving the 7-Eleven store and entering the charter school, as well as two students smoking by their cars in the school parking lot. She further advised of having discussed, at a recent Parks and Recreation Commission meeting, the issue of the "smoker's corner" adjacent to Carson High School which the "Sheriff's Office has to visit ... quite often." She advised of Mr. Tate's concern over having to "beef up ... security" at the Comstock Casino. Mr. Knight advised that the Silver State Charter School is "responsible for the kids until they're physically gone from the school facility." He further advised of "one complaint from 7-Eleven about kids smoking." He immediately responded by confronting the kids and found "they were all Carson High kids." He acknowledged the problem of teenage smoking. In consideration of Mr. Tate's commitment to increase security to ensure minors are prohibited from entering the Comstock Casino, Supervisor Walt inquired as to Mr. Knight's willingness to ensure that Silver State Charter School students are not attempting to enter the casino. Mr. Knight reiterated a willingness to provide full-time security, from 7:30 a.m. to 5:00 p.m., if necessary.

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In response to a previous question, Mr. Palmer estimated the distance between the Carson High School and the Gold Dust Casino entrances is “closer to 350 feet.” In response to a previous question, he advised of 52 parking spaces, under the existing special use permit, and that, at any given time, 1/3 of the parking spaces are being used. The reason for the proposed gymnasium and sports field is due to required physical education curriculums. Mr. Palmer acknowledged the possibility of future expansion of the sports field facility to include a parking lot. Supervisor Livermore reiterated concern over issues outside of Mr. Knight’s control in conjunction with joint use of the gymnasium and the sports field.

Mayor Crowell entertained additional comments from the applicant and the appellant. (11:34:37) In response to Supervisor Walt’s concerns, Mr. Knight expressed a willingness to work with Mr. Tate on security issues.

(11:35:07) In reference to Gaming Regulation 3.010, Ms. Miller clarified she had no intent to convey that the Comstock Casino would be precluded from expanding. Mayor Crowell assured her the Board understood her presentation. Ms. Miller reiterated that, with development of the school, the burden shifts to Mr. Tate to prove suitability for expansion of the casino.

(11:35:45) Mr. Tate reiterated that an unrestricted gaming license is a privilege in the State of Nevada and can be revoked at any time. He advised of frequent contact with Gaming Commissioners in consideration of his other establishments around town. “I can’t have a conversation with the Gaming Control Board the last four months without them asking me, ‘What’s the status of the school going next to the Comstock Casino?’” Mr. Tate advised that the Gaming Control Board would likely not take a position, but “they’re interested.” He advised of having approached the Gaming Control Board, in the past, to develop a facility adjacent to a junior college “and they represented that they didn’t think that was a good idea.”

Mayor Crowell entertained public comment. (11:37:01) Kendra Thurman thanked the Board for the opportunity to comment. She advised of having changed her view, on certain points, after having listened to the testimony provided at this meeting. She clarified her support of the school development. She advised that she and her friends frequent the Carson Hot Springs facility, which is adjacent to a casino and a bar. She doesn’t know anyone who wants to gamble, and advised that teenagers don’t go to casinos to “get alcohol.” She expressed support for locating the high school near the airport to accommodate further aerospace studies. In reference to her written comments, included in the agenda materials, she inquired, “What’s more important, a school or a casino?” She acknowledged the substantial investment in the community by the Comstock Casino, but inquired as to “where will that money be ten years from now when no one is here.” She expressed no desire to stay in Carson City in consideration of the “backwards ideals.” She sees “no opportunity unless [she wants] to be a waitress or work at a casino.”

(11:39:50) Bruce Kittess advised of no vested interest in the subject item, but advised he has “become a fan of this school” as “a fantastic alternative for kids that don’t want to go to Carson High.” He expressed the opinion “it is a planning issue.” He expressed support for business friendliness and, “as a former businessman,” he noted the importance of “as much certainty in ... plans” as possible. He suggested that approving the special use permit will convey “you can’t even count on the zoning, you can’t count on the master plan because they’ll change it.” He agreed that Mr. Tate would be burdened by the school development. “He’s going to have to have extra help to make sure that he doesn’t violate his license.” He expressed the opinion that Mr. Knight’s letter carries no weight. “You can’t agree, in the future, to something that you don’t know. If you did want to have this agreement, ... then it should at the very least be recorded.”

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(11:42:35) Carson City Chamber of Commerce Executive Director Ronni Hannaman advised that Chamber of Commerce Board of Directors Chairman James Smolenski had to leave the meeting prior to being able to provide testimony. In response to Mr. Kittess' comments, she advised of having just spoken with a California-based manufacturer who is interested in opening a "big manufacturing plant here." She read into the record a statement supporting Silver State Charter Schools on behalf of the Chamber of Commerce Executive Committee. Supervisor Williamson noted the issue of the proposed location, and inquired as to the Chamber of Commerce Executive Committee's opinion. Ms. Hannaman advised of having testified before the Planning Commission that "almost everywhere we are in this City, there is either going to be gaming or ... liquor." She advised that the Executive Committee had not taken a position on the location, but expressed excitement over a second high school campus in the community. She noted the lack of available property in Carson City, and that the proposed development appears to meet all the requirements.

(11:45:52) Don Peterson, a Carson City resident, advised that he has an aircraft based at the Carson City Airport and, last fall, concluded a term of service on the Airport Authority. He advised of having been a "member of the unanimous vote in opposition to this school." He further advised of having been "led to believe, at that time, that our recommendation would be forwarded to the Planning Commission which would perfunctorily support our advice." Mr. Peterson expressed shock that the Planning Commission had, instead, approved the special use permit. With regard to the Airport Authority's decision to oppose the proposed development, he advised of "one reason ... the safety of a bunch of teenagers on this property over there." He further advised that the Airport Authority members understand their primary purpose as the safety of the airport operation and the surrounding community. He reviewed his aviation certifications and provided background information on his experience. He discussed the "most dangerous time in a flight" as the "takeoff up to about 1,000 feet." He advised of having experienced nine in-flight engine failures in thirty years, four of which were in the take-off phase, one below 500 feet. He expressed concern over "engine failures below 500 feet" ending up in the area of the proposed development. He advised of no further hearings of the subject item during his term of Airport Authority service, and reiterated the "will of the [Airport Authority] was purely for the safety of those students who would be standing there when an out-of-control or crashing airplane would come through. You can't make that go away by a letter of agreement." Mr. Peterson described "a very acrimonious contest between [a] school and the Williamsburg, [Virginia] airport," the school being in essentially the same location from the runway. "A lawsuit tried to close the airport because of noise complaints that were interfering with the process of teaching those students." Mr. Peterson expressed the opinion that allowing the school development would be "a huge mistake" from a safety standpoint. He advised that the FAA lists schools among incompatible uses for an airport environment. In response to a comment, he described the left pattern take-off from runway 2-7. In reference to the May 21, 2009 Airport Authority minutes included in the agenda materials, Supervisor Walt advised that the motion to oppose the special use permit passed by a vote of 4-2. In response to a comment, Mayor Crowell advised of a Planning Commission condition of approval requiring FAA approval.

(11:53:48) El Aero Services President Jenna Reyes expressed support for Silver State Charter Schools, and commended the aerospace program. She expressed concern over the proposed location, and advised of having previously worked at an airport surrounded by industrial zoned property. She concurred with Mr. Peterson's descriptions regarding the tendencies of pilots to land in a similar area upon experiencing engine problems, and advised of having witnessed such incidences. She advised that a pilot training school is operated at the Carson City Airport. "People that learn to fly sometimes have issues and problems." Ms. Reyes advised of having witnessed "those types of issues ..." She discussed recent and planned improvements to the airport, and referred to the school representatives' discussion of physical education requirements. She noted the significant noise issues associated with an airport, and advised of a company

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mandate for all El Aero Services employees to wear hearing protection when outdoors. She noted the proposed location of the school “right off” the runway, and expressed concern over the students’ hearing. “Due to the safety aspects, being right off the end of the runway, and due to the sound levels,” she expressed support for the Comstock’s appeal and respectfully requested the Board to seriously consider the proposed location.

In response to a question, Mr. Plemel advised that Airport Authority Chair Harlow Norvell was in attendance at the December Planning Commission meeting. Mr. Plemel had advised the Planning Commission that Mr. Norvell was available to answer questions; however, he was never called upon to do so.

(11:57:45) Commercial Real Estate Broker John Uhart advised of having been selected, six years ago, to find a suitable location for the Silver State Charter School. “But now we’re at a point where we do have to expand.” Mr. Uhart advised of having spent nearly two years looking for a suitable site for the Silver State Charter Schools. Mr. Knight’s request was to be near an airport because of the school’s aerospace program. Mr. Uhart advised of having conducted research which indicated there are currently 22 middle or high schools in Nevada located either on airport lease property or within several blocks of airport properties. Washoe County High School, with a student body of 550, is leasing property from the Reno Airport. Ace Academy, with an enrollment of approximately 170, also leases property from the Reno Airport. “There’s over 700 students there right on airport lease property.” Mr. Uhart advised of having engaged the University of Nevada, Reno, to provide statistical information on Carson City’s economy which he reviewed. He advised that Jake Moebius, representing the Weikel family, had testified before the Planning Commission that there had never been any crashes on the subject property.

(12:01:40) Real Estate Appraiser Dan Leck expressed appreciation for Kendra Thurman’s testimony. In reference to Northern Nevada Comstock Investments, LLC’s basis for appeal, he advised of “no evidence in the minutes of the Gaming Control Board where they have ever denied a permit or an application for renewal or for expansion to a gaming license due to their proximity to a school, especially when that’s on an existing gaming license.” Mayor Crowell advised that the Gaming Control Board had denied expansion of a Las Vegas casino adjacent to an historic church. Mr. Leck expressed agreement with Mayor Crowell, but noted Carson City has no gaming enterprise ordinance. He further noted that the City had allowed gaming establishments “around heavily dense residential areas where you’ve got children ...” In reference to Ms. Miller’s appeal letter, he expressed alarm over her discussion of the City’s master plan and how it pertains to the subject property. He read a portion of said appeal letter into the record, and expressed the understanding that Ms. Miller was inferring that the Board disallow any property use adjacent to an existing business that might not be compatible with that owner’s belief. “If that’s the case, you will be acting as an agency condemning some of the property rights of those adjacent property owners.” Mr. Leck expressed the opinion that the issue “comes down to reasonableness.” He noted that the Silver State Charter School has had no problem being located immediately adjacent to an establishment with a restricted gaming license. He advised of having appraised gaming properties in the past, and hasn’t seen a significant difference in values between unrestricted and restricted gaming establishments. He further advised that Mr. Tate owns numerous casinos, and that one of his Fallon establishments abuts a residential neighborhood “to the back side.” “In the State of Nevada, it’s something we live with and it’s compatibility with it.”

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(12:07:10) Joni Weikel, representing the property owners, advised that her family purchased the subject property in 1985. She attested to the fact there have been no airplane crashes on the property since that time. She advised that her husband, Jake Moebius, who has lived in the area for 45 years, can recall only one crash “by the Catholic Church ...”

(12:07:58) Edie Grubb advised of having been involved with Silver State Charter School since before its foundation. She advised of having lived in Carson City since 1989, and “there’s been one crash anywhere close and it wasn’t even close. It was into an hangar.” She suggested there may be misconception about plans for after-school sports activities, and advised of no intent to become a sports-oriented high school. She advised that Mr. Tate had testified before the Planning Commission of having been offered a significant sum for the property to the south of the Comstock Casino “and he turned it down.” She expressed the opinion that the school will not cause a decrease in Mr. Tate’s property values nor will it hinder any plans for expansion. Mayor Crowell explained Mr. Tate’s intent in refusing to sell had to do with his plans for expansion.

Mayor Crowell called for additional public comment and, when none was forthcoming, closed public comment. Supervisor Walt advised that the Pinion Plaza had increased security in order to accommodate middle school students utilizing the bowling facility. “That was at the expense of the casino, not ... the school district.” In response to a question, Mr. Plemel advised of having reviewed the airport master plan element “for any policies related to surrounding development.” He further advised that the master plan does not address off-site uses. In response to a further question, he advised of no indication that the proposed school development would impact any uses proposed for inside the fence in terms of future expansion. In response to a comment, he explained that the Airport Authority’s discussion focused on how the proposed development would impact uses on the airport property.

Supervisor Aldean noted that the airport is in Ward 2, and advised of having been involved in a number of issues relative to sound mitigation at the airport since 2003. She further noted airport representatives have become much more proactive in “trying to resolve these issues and be good neighbors.” She reviewed recent associated improvements, and suggested that perhaps the City should have “created an envelope around the airport and prohibited any further development within that radius” at the time the airport was constructed. “We have maybe inadvertently created these conflicts.” Supervisor Aldean expressed concern over “following that same pattern of behavior and creating more potential conflicts.” She commended the school as a “wonderful thing,” and expressed support for it. She expressed concern that the development in the proposed location is “just one more potential nail in the coffin of this airport.” She advised of plans for the FAA and the Airport Authority to spend \$24 million on airport improvements and upgrades. She expressed reluctance over placing that effort at risk. She expressed the opinion that Mr. Tate’s arguments are compelling “but there’s a certain degree of unpredictability.” She inquired as to whether anyone has asked the Gaming Control Board for a preliminary determination. In consideration of Nevada generally being “full of temptation,” she was uncertain as to the distinction between an unlimited gaming license and a limited gaming license. She described the proposed development as “trying to push a square peg into a round hole,” and suggested that “sometimes when things are too difficult, they’re not meant to be.” She expressed appreciation for all the time and effort invested in identifying a location that meets all the criteria. She acknowledged Mr. Uhart’s commercial real estate experience, and also offered her assistance in identifying an alternate location, if necessary.

Mayor Crowell reviewed the Board’s options for action. Mr. Rombardo advised of an additional option for the Board to return the matter to the Planning Commission for further consideration. In reference to Section 18.02.060 of the Carson City Municipal Code, he explained the Board’s purview to only consider

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the issues on appeal which are the school's relationship to the casino and the public safety issue, not its relationship to the airport. Discussion followed.

In response to a question, Mr. Palmer explained the requirement to "go through FAA because of the building restriction heights, but that's all. We got that information prior to going in to the airport meeting and that's why it was designed the way it was, with the heights, with the setbacks, those types of things; and why the gymnasium is on the airport side to protect the school, all those kinds of things." In consideration of the Airport Authority's objections, Mr. Palmer advised "we responded to each of those things, and each of the [Airport Authority] members' concerns." He advised of a problem that "there was never any factual evidence brought before the [Airport Authority] for the decision being made." "Everybody said, 'Well, it's not within FAA regulations.' Well, that's not true. ... 'Well, it was a unanimous decision.' Well, that's not true. 'Well, planes fall out of the sky.' Well, that's true. But what are the percentages? What are the concerns? 'Well, they're going to fly off the end of the runway.' If we were located further off the end of the runway, we wouldn't have to go before the Airport board but it would be in a more susceptible place. We're adjacent to the runway outside that property. ... We're in a total different zoning influence than people crashing off the end of the runway." Mr. Palmer referred to statistical information, included in the agenda materials, "that puts things into perspective." He advised of having researched "where all the crashes were on any given airport. You cannot go and find a map that says, 'Here's the airport and here's where the crashes are and in what year.' They don't do it. The reason is because it doesn't support any of the airport's concerns. The crashes are so few and so far between that, from generation to generation, the only reason is because somebody's grandfather remembered it from there. Statistically, if you got on an airplane anywhere in the world, doesn't matter whether it's a commercial flight, domestic flight, twin engine, 12 people going over the Grand Canyon, if you got on a flight every single day of your life, it would be 24,000 years before that plane crashed." Mr. Palmer suggested the Board should base their decision on facts, percentages, "not people pounding on the table saying 'We're going to be crashing a plane into the school' because ... it's not supported." He further suggested that the Board should not base their decision on speculation "like the casino is that we can't build in the future because of the Gaming Board."

Mayor Crowell entertained a motion. Supervisor Williamson expressed appreciation for everyone's concerns and comments, and advised she had taken them into consideration. **Supervisor Williamson moved to uphold the Planning Commission's decision to allow a charter school campus, on property to be zoned public regional, located at 2222 College Parkway, APN 005-011-03, based on the findings for approval and conditions contained in the staff report, including the additional condition of approval 47.** At Supervisor Aldean's request, **Supervisor Williamson included an additional condition of approval requiring the applicant to sign a hold harmless agreement in favor of Carson City and the Carson City Airport Authority.** Mayor Crowell called for a second; however, motion died for lack of a second.

Mayor Crowell entertained a motion. **Supervisor Aldean moved to reverse the Planning Commission's decision and deny SUP-09-037, subject to the recommended findings for denial within the staff report; the findings were not made; the project will not be detrimental to the use, peaceful enjoyment, economic value or development of surrounding properties or the immediate neighborhood and will cause no objectionable noise, vibrations, fumes, odors, glare, or physical activity, and that the project will not result in material damage or prejudice to other properties in the vicinity.** Supervisor Livermore seconded the motion. Motion carried 4-1.

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19(B) ACTION TO APPROVE A MASTER PLAN AMENDMENT APPLICATION TO MODIFY A PORTION OF A PARCEL FROM INDUSTRIAL (I) TO PUBLIC / QUASI - PUBLIC (P / QP) FOR PROPERTY LOCATED AT 2222 COLLEGE PARKWAY, APN 005-011-03 (MPA-09-035) (12:30:34) - Mayor Crowell introduced this item. In response to a question, Mr. Plemel explained that a lack of action would result in the master plan and zoning map amendments being approved. He expressed the belief that the property owner does not want the property rezoned without the proposed school development. Mayor Crowell entertained a motion. Supervisor Williamson moved to deny a master plan amendment application to modify a portion of a parcel from industrial to public / quasi-public for property located at 2222 College Parkway, APN 005-011-03 (MPA-09-035). Supervisor Walt seconded the motion. Mayor Crowell entertained public comment and, when none was forthcoming, called for a vote on the pending motion. Motion carried 5-0.

19(C) ACTION TO INTRODUCE, ON FIRST READING, AN ORDINANCE TO AMEND THE ZONING ON A PORTION OF THE PARCEL FROM LIMITED INDUSTRIAL (LI) TO PUBLIC REGIONAL (PR), LOCATED AT 2222 COLLEGE PARKWAY, APN 005-011-03 (ZMA-09-036) (12:32:50) - Mayor Crowell entertained a motion. Supervisor Aldean moved to deny, on first reading, an ordinance to amend the zoning of a portion of the parcel from limited industrial to public regional, located at 2222 College Parkway, APN 005-011-03. Supervisor Williamson seconded the motion. Mayor Crowell entertained public comment and, when none was forthcoming, called for a vote on the pending motion. Motion carried 5-0.

20. FINANCE - ACTION TO ADOPT A RESOLUTION TO AUGMENT AND AMEND THE CARSON CITY FY 2009 / 2010 BUDGET IN THE AMOUNT OF \$33,863,369.00 (2:41:46) - Mayor Crowell introduced this item, and Finance Department Director Nick Providenti reviewed the agenda materials. Mayor Crowell entertained Board member questions or comments and public comments. When none were forthcoming, he entertained a motion. Supervisor Livermore moved to adopt Resolution No. 2010-R-5, a resolution to augment and amend the Carson City FY 2009 / 2010 budget in the amount of \$33,863,369.00, as presented. Supervisor Aldean seconded the motion. Motion carried 5-0.

21. CITY MANAGER - ACTION TO ADOPT A RESOLUTION ESTABLISHING THE CARSON NUGGET ADVISORY COMMITTEE (12:33:34) - Mayor Crowell introduced this item, and Mr. Werner reviewed the agenda materials. Supervisor Williamson suggested a revision to the fourth "WHEREAS" paragraph, at page 1 of the proposed resolution included in the agenda materials. A brief discussion ensued, and the Board members concurred with revising the language to indicate the advisory committee will "review and make recommendations to the Board regarding the development of the Carson Nugget property ..." Supervisor Livermore expressed the hope that the advisory committee will evaluate the project in consideration of its benefit to the community. Mr. Werner advised that, in addition to the advisory committee members, various City staff persons will participate together with special counsel retained by the District Attorney's Office and the City's financial advisor, Scott Nash. "Ultimately, it will be a recommendation to this Board as to the funding mechanism, ... and the project." Mr. Werner expressed the hope that a "comprehensive frequently asked questions" document will be developed to disseminate to the community. Additional discussion took place regarding the language of the resolution in consideration of the advisory committee's purpose. Mayor Crowell entertained public comment and, when none was forthcoming, a motion. Supervisor Walt moved to adopt Resolution No. 2010-R-6, establishing the Carson Nugget Development Advisory Committee, subject to the revisions stated on the record. Supervisor Williamson seconded the motion. Motion carried 5-0.

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22. RECESS BOARD OF SUPERVISORS (12:42:39) - Mayor Crowell recessed the Board of Supervisors.

REDEVELOPMENT AUTHORITY

23. CALL TO ORDER AND ROLL CALL (12:42:46) - Chairperson Williamson called the Redevelopment Authority to order, noting the presence of a quorum.

24. ACTION ON APPROVAL OF MINUTES - November 19, 2009 and December 3, 2009 (12:44:23) - Member Livermore moved approval of the minutes, as presented. Member Walt seconded the motion. Motion carried 5-0.

25. FINANCE - ACTION TO ADOPT A RESOLUTION TO AUGMENT AND AMEND THE CARSON CITY REDEVELOPMENT AUTHORITY FY 2009 / 2010 BUDGET IN THE AMOUNT OF \$3,050,472.00 (12:41:46) - Finance Department Director Nick Providenti reviewed the agenda report. Chairperson Williamson entertained comments or questions and, when none were forthcoming, a motion. **Member Walt moved to adopt Resolution No. 2010-RAR-1, a resolution to augment and amend the Carson City Redevelopment Authority FY 2009 / 2010 budget in the amount of \$3,050,472.00. Vice Chairperson Aldean seconded the motion.** Chairperson Williamson entertained public comment and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 5-0.**

26. CITY MANAGER

26(A) ACTION TO ACKNOWLEDGE THE ESTABLISHMENT OF THE CARSON NUGGET DEVELOPMENT ADVISORY COMMITTEE (12:44:53) - Chairperson Williamson introduced this item, and Mr. Werner incorporated, by reference, his comments and explanation relative to item 21. Chairperson Williamson entertained comments and, when none were forthcoming, a motion. **Member Walt moved to acknowledge the establishment of the Carson Nugget Development Advisory Committee. Member Livermore seconded the motion.** Chairperson Williamson entertained public comment and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 5-0.**

26(B) ACTION TO APPROVE AND AUTHORIZE THE CHAIR OF THE CARSON CITY REDEVELOPMENT AGENCY TO SIGN A LETTER OF INTENT, BY AND BETWEEN CARSON CITY, THE CARSON CITY REDEVELOPMENT AGENCY, THE CENTER FOR UNIQUE ENTERPRISES, AND THE CARSON NUGGET, INC. / HOP AND MAE ADAMS FOUNDATION / MAE B. ADAMS TRUST, FOR THE DEVELOPMENT, CONSTRUCTION, AND MANAGEMENT OF THE CARSON CITY BUSINESS AND TECHNOLOGY INCUBATOR (12:45:59) - Chairperson Williamson introduced this item. Mr. Werner reviewed the agenda report and provided an overview of the letter of intent included in the agenda materials. In response to a question, Mr. Rombardo advised that his staff had revised the letter of intent, as recommended by Vice Chairperson Aldean. As the latest revisions had not been distributed to all the Redevelopment Authority members, Vice Chairperson Aldean reviewed them. Chairperson Williamson recessed the meeting at 12:49 p.m. and reconvened at 1:06 p.m. Mr. Rombardo clarified the record to indicate that the purpose of the recess was to get the most recent letters of intent with the revisions recommended by Vice Chairperson Aldean. He advised that no discussion took place during the recess with regard to any of these items.

Vice Chairperson Aldean reviewed her suggested revisions, and Mr. Rombardo acknowledged concurrence. Member Livermore expressed concern that the letter of intent included no "protection for the City to make sure that the Cube has the financials to operate this." Vice Chairperson Aldean suggested this would be

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“part of the exploratory process we’re going to be going through. We’re going to be making requests of the various parties for information so that we can fairly evaluate their suitability.” Member Livermore expressed concern there were no provisions in the letter of intent to compel C4 Cube to provide information requested by the advisory committee. Vice Chairperson Aldean suggested that if C4 Cube fails to respond to requests made by the advisory committee in order to evaluate the legitimacy of the proposal or the ability to move forward, “that will predispose certain members of the committee not to want to proceed.” Chairperson Williamson noted that City staff and consultants will be involved in evaluating and analyzing the information. She expressed the opinion, “We’re all dealing with professionals and we have a lot of people that have the best interests of the City in mind.” Member Livermore suggested that C4 Cube should be committed to providing “their supply of the party supplies.”

Chairperson Williamson entertained public comment and, when none was forthcoming, a motion. **Member Crowell moved to enter into a letter of intent, in accordance with the document distributed at this meeting, between the Center for Unique Business Enterprises, a non-profit 501(c)(3) corporation, the Carson Nugget, Inc. / Hop and Mae Adams Foundation / Mae B. Adams Trust, and the Carson City Redevelopment Authority. Member Walt seconded the motion. Motion carried 5-0.**

26(C) ACTION TO APPROVE AND AUTHORIZE THE CHAIR OF THE CARSON CITY REDEVELOPMENT AGENCY TO SIGN A LETTER OF INTENT, BY AND BETWEEN CARSON CITY, THE CARSON CITY REDEVELOPMENT AGENCY, EAGLE WORLD MEDIA, INC., AND THE CARSON NUGGET, INC. / HOP AND MAE ADAMS FOUNDATION / MAE B. ADAMS TRUST, FOR THE DEVELOPMENT, CONSTRUCTION, AND MANAGEMENT OF THE CARSON CITY DIGITAL LAB (1:14:46) - Chairperson Williamson introduced this item. Vice Chairperson Aldean reviewed revisions to the letter of intent. Member Livermore incorporated his comments, under item 26(B), by reference. He expressed regret over being unable to “sensitize [his] colleagues into making sure that this community had some evidence that these people have the ability to perform.” Vice Chairperson Aldean suggested the inconceivability, as a member of the Redevelopment Authority and the advisory committee, that a positive recommendation will be presented to enter into a contract with a company that is not forthcoming with the information requested. Mr. Werner explained the purpose of the letter of intent to establish that “we’re interested in talking to you and here’s what we’re interested in talking to you about.” The development agreements will include “full disclosure of everything. At this stage, it’s premature.” Member Livermore pointed out that Carson City was “invited to the table.” Mr. Werner acknowledged “it’s being handled ... from a private party standpoint of which we’re a partner, but it’s not being handled as a public works project ... at this stage.” He reiterated the prematurity of “getting into a lot of details until we really know if that’s where we’re headed.” Member Livermore expressed objection to the direction, and discussed his “fiduciary responsibility to make sure that the taxpayers of this community are protected.” In response to a comment, Mr. Werner reminded the Redevelopment Authority that both parties to the letters of intent were introduced to the Board of Supervisors at the December 10, 2009 meeting.

Chairperson Williamson entertained public comment and, when none was forthcoming, a motion. **Member Walt moved to approve and authorize the Chair of the Carson City Redevelopment Authority to sign a letter of intent, by and between Carson City and the Carson City Redevelopment Authority, Eagle World Media, Inc., the Carson Nugget, Inc. / Hop and Mae Adams Foundation / Mae B. Adams Trust, for the development, construction, and management of the Carson City Digital Lab, subject to all the revisions presented. Vice Chairperson Aldean seconded the motion. Motion carried 5-0.**

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27. ACTION TO ADJOURN REDEVELOPMENT AUTHORITY (1:19:52) - Chairperson Williamson adjourned the Redevelopment Authority meeting.

28. RECONVENE BOARD OF SUPERVISORS (1:19:48) - Mayor Crowell reconvened the Board of Supervisors.

29. CITY MANAGER

29(A) ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN A LETTER OF INTENT, BY AND BETWEEN CARSON CITY, THE CARSON CITY REDEVELOPMENT AGENCY, THE CENTER FOR UNIQUE ENTERPRISES, AND THE CARSON NUGGET, INC. / HOP AND MAE ADAMS FOUNDATION / MAE B. ADAMS TRUST FOR THE DEVELOPMENT, CONSTRUCTION, AND MANAGEMENT OF THE CARSON CITY BUSINESS AND TECHNOLOGY INCUBATOR (1:19:54) - Mayor Crowell entertained a motion. **Supervisor Aldean moved to approve and authorize the Mayor to sign the letter of intent, by and between Carson City, the Carson City Redevelopment Authority, the Center for Unique Business Enterprises, and the Carson Nugget, Inc. / Hop and Mae Adams Foundation / Mae B. Adams Trust, for the development, construction, and management of the Carson City business and technology incubator, as amended and approved by the Redevelopment Authority. Supervisor Williamson seconded the motion.** Mayor Crowell entertained public and Board member comments. When none were forthcoming, he called for a vote on the pending motion. **Motion carried 5-0.**

(2:23:07) Mayor Crowell reconvened the meeting at 2:23 p.m., and advised of having been informed by the Chamber of Commerce Board of Directors President of his interest in providing public comment. (2:23:55) Chamber of Commerce Board of Directors President Jim Smolenski advised of having e-mailed the Board of Supervisors yesterday. He provided background information on a request for the Chamber to “take a position regarding the development.” He read a prepared statement into the record, and advised that said statement was adopted by the Board of Directors on January 18, 2010. In response to a question, he provided an overview of discussion which took place at the January 18th Chamber of Commerce Board of Directors meeting. He estimated that “80 percent of the board ... think this is a ... wonderful idea.” He advised of concerns over costs to the City and the need for “it to be going so fast.” He emphasized that the Chamber of Commerce Board of Directors is not opposed to the project, but “it’s just that we can’t put our full endorsement behind it until we have a little bit better idea of how everything is going to work.”

Supervisor Williamson thanked Mr. Smolenski, and described his comments as disappointing in consideration of the “pace of change that the City and the Nugget are going forward with.” She advised that “the many community champions, like the 300-plus members of the Downtown Consortium, the downtown businesses, the thousands of residents who participated in the recent master planning efforts, and the tireless City staff likely share my disappointment also.” She pointed out the option of “doing things the easy way, the traditional way ... that doesn’t stir up controversy, but hunker down and hope for the best isn’t going to solve our City’s problems. Carson City, like the rest of the State will continue to face basic, fundamental challenges of a tourist-based economy. Casinos will never be the fuel they once were. In our entire community, economic development processes need reform and our entire community must be held accountable to work together and to find meaningful solutions that will be put into action. Doing nothing is not an option. We need to create new jobs.” She advised of having heard, earlier in the day, from a high school student who doesn’t want to stay in Carson City. Supervisor Williamson discussed the importance of continuing to “build the heart of a community that offers a sense of place and a home for residents and tourists alike. This particular plan anchors the center with a place of learning and entrepreneurial activity.” Supervisor Williamson described the proposed project as “a window of opportunity with low building

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costs, low interest rates, and active, interested partners.” She advised that all the information will be provided as the private parties come forward with it. She noted the simplicity of the public plan. “We’re talking about an eighth of a cent sales tax; no property tax increase.” She expressed the hope that everyone will work together with “open minds and open hearts.” Mr. Smolenski reiterated no opposition to the project, but advised of “too many questions still left unanswered ... at this point in time.” He commended the formation of the advisory committee, and reiterated the Chamber of Commerce Board of Directors’ unwillingness to take a position at this point in time.

Supervisor Aldean advised of “lots of questions and some concerns,” but expressed the opinion that the proposed project has sufficient merit to move forward with inquiries “to see if we can make this a successful project.” She further advised that a member of the Chamber of Commerce Board of Directors has agreed to serve on the advisory committee “which will mean ... a conduit between the committee and the Chamber ...” She expressed the hope that this will be a two-way conduit. Supervisor Livermore noted that the proposed project has “stirred a lot of emotion, positive and negative, in this community.” He expressed the opinion “that’s what makes a democracy good.” He expressed appreciation for the Chamber of Commerce Board of Directors feedback, and understanding for the hesitancy in endorsing the project at this point. Supervisor Walt inquired as to the timing of the Chamber of Commerce Board of Directors statement. “... the same questions that the Chamber seems to have are the same questions that we’re asking up here.” She suggested providing City staff and the Board “the time to ask and get those questions answered.” She further suggested that the Chamber of Commerce statement “is a tad bit premature.”

Mr. Smolenski expressed appreciation for the Board’s comments, and reiterated the reason for the statement at this time was “because we have been asked numerous times to make a statement.” Mayor Crowell acknowledged the sizeableness of the project, and the differing viewpoints. He noted the various options for addressing the proposed project, and pointed out that the City’s course has been to “put the idea out there, look at the tools that are out there, and then engage in the process as we go through it.” He further noted that nothing has been finalized yet. “We’re working through the issues and so the transparency is occurring now. ... We’re struggling to give everybody a right to think about how we want to design the future of downtown.” Mayor Crowell noted the critical importance of adults in a community to provide an opportunity for future generations “to create things, to create wealth, to create value.” He encouraged the Chamber of Commerce and the public to allow the process, and described the project as “building the future” rather than encumbering it. He reiterated that the transparency is “happening right now.” Mr. Smolenski thanked Mayor Crowell for re-opening this item, and reiterated the Chamber is not opposed to the project. “We’re on the fence just like everybody else is, I think.”

29(B) ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN A LETTER OF INTENT, BY AND BETWEEN CARSON CITY, THE CARSON CITY REDEVELOPMENT AGENCY, EAGLE WORLD MEDIA, INC., AND THE CARSON NUGGET, INC. / HOP AND MAE ADAMS FOUNDATION / MAE B. ADAMS TRUST, FOR THE DEVELOPMENT, CONSTRUCTION, AND MANAGEMENT OF THE CARSON CITY DIGITAL LAB (1:20:26) - Mayor Crowell entertained a motion. **Supervisor Aldean moved to approve and authorize the Mayor to sign a letter of intent, by and between Carson City, the Carson City Redevelopment Authority, Eagle World Media, Inc., and the Carson Nugget, Inc. / Hop and Mae Adams Foundation / Mae B. Adams Trust, for the development, construction, and management of the Carson City Digital Lab, as amended and approved by the Redevelopment Authority. Supervisor Williamson seconded the motion.** Mayor Crowell entertained public and Board member comments. When none were forthcoming, he called for a vote on the pending motion. **Motion carried 5-0.**

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29(C) REVIEW OF THE CARSON CITY OPERATIONS SCORECARD AND REPORTING OF MEASURES AND INFORMATION AFFECTING THE 2009 / 2010 BUSINESS PLAN - Deferred.

Mayor Crowell recessed the meeting at 1:21 p.m. and reconvened at 2:23 p.m.

30. FINANCE AND CITY MANAGER - DISCUSSION AND ACTION TO ADOPT A "CUTBACK PROGRAM PRIORITY LIST," FOR USE IN PREPARING THE CARSON CITY GENERAL FUND FY 2011 BUDGET (2:45:50) - Mayor Crowell introduced this item. Mr. Werner provided background information, reviewed the agenda materials, and proposed a format for presenting the information. He advised that the courts had submitted a list which "didn't quite achieve the ten percent." Together with the Internal Finance Committee, Mr. Werner revised the list to achieve the ten percent cuts. He pointed out the distinction between the items previously submitted by the courts and those added by the Internal Finance Committee, advising that the additional items had not been approved by the judges. "Essentially, everybody got to ten percent ..." He responded to questions of clarification regarding the information presented in the agenda materials. Based on a recent telephone conversation, Supervisor Livermore expressed opposition to cutting public services in favor of saving positions. "Don't know how that applies throughout the whole list here ..." Mr. Werner provided additional background information on the method by which each department head was requested to present recommendations for five, six, and ten percent cuts. "Basically, in discussions, we said, 'This is not to punish the community.' The second instruction ... was that if you identify an item that requires negotiations with the labor organizations, ... we have to be ready to face the fact that may not occur." Discussion followed, and Mr. Werner responded to additional questions of clarification regarding the priority list included in the agenda materials.

Following discussion, Mr. Werner acknowledged the intent to have an ending fund balance of five percent each year for the next four or five years. In response to a further question, Mr. Providenti advised that the stabilization fund will be "used up" in FY 2011. Mr. Werner advised that "the biggest issue we see is ... FY 2012, but if we see we're still decreasing, we have time between now and then to react to that and make more adjustments." He explained the intent to develop a program "that allows us to react on an incremental basis and try to adjust to the problem as opposed to waiting until it hits us ..." Mayor Crowell commended staff on their efforts to design a program for the Board to "make these decisions." In response to a question, Mr. Werner advised, "We're taking the most conservative approach we can. We'd rather anticipate that we're going to be down and then build it back up."

Mr. Werner reviewed the Cutback Program Priority List, copies of which were provided to the Board members and the public as late material. He and Mr. Providenti responded to corresponding questions of clarification, and discussion took place regarding various line items.

(3:08:42) Court Administrator Max Cortes advised of having been directed to speak to the Board about the Cutback Program Priority List "and the impacts to the courts and the departments they oversee." She explained that the courts have five budgets and six departments, which she reviewed. Total budget for these six departments for FY 2010 is \$8,968,647.00, "less than seven percent of the general fund." Ms. Cortes advised that the court contributes to the general fund in the form of filing fees, fines, and various other fees collected. She advised that a total of \$1,916,701.00 was contributed to the general fund in 2009, "over 17 percent of all of our budgets." She specifically reviewed items on the Cutback Program Priority List "that we all agreed ..." upon: 27, 33, 34, 47, 49, 55, 56, 69, 70, 74, and 93. She noted that the cuts total \$296,456.00. "This amount, added to our revenue contributions, is \$2,213,157.00 ... approximately 20 percent of ... our five budgets that is reverted back to the general fund." Ms. Cortes advised that items

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88, 99, 102, 103, 108, and 114, totaling \$495,917.00, “if cut would have a detrimental impact on the functions of the court and the delivery of services.” She advised of having met yesterday with the Internal Finance Committee to propose a \$107,672.00 reduction “that would reduce [item] 102.” On behalf of the judges, she expressed understanding and appreciation for the “critical budgetary shortfalls Carson City and the State of Nevada are currently experiencing.” She advised of having worked very closely with Mr. Providenti, Mr. Werner, Human Resources Department Director Jennifer Schultz, and Chief Deputy District Attorney Melanie Bruketta, commended their professionalism, and expressed appreciation for their assistance in identifying areas for reduction. She further advised that the judges had directed court staff to work diligently with City management to identify areas for reduction without compromising or diminishing judicial responsibilities. She pointed out that the “courts are a separate branch of government and, under the Constitution, have the inherent powers to govern their budgetary needs.” She advised of the judges’ suggestion to schedule a meeting with the City Manager, the Finance Department Director, and the Mayor to discuss items 88, 99, 102, 103, 108, and 114 prior to the Board taking further action.

In response to a question, Mr. Werner suggested that prior to implementing one of the disputed cutback items, City management could meet with court representatives at that time. He expressed understanding for Ms. Cortes’ presentation, but suggested applying the same philosophy would result in “Al Kramer being the only department that has any money because he collects all the taxes.” He explained, “this is not just a nicety anymore of trying to reduce the budget. We are going to have to impact service levels.” He acknowledged the Board’s authority to determine “when we’re in an out-of-money situation, what you can do with that money.” He reiterated the suggestion to include in the Board’s action a contingency that “if we get down this far, we are really impacting City services and everybody needs to come to the table to the point that it may hurt.” He expressed a willingness to meet with the judges, but suggested it may be premature.

Ms. Cortes advised that five of the Cutback Program Priority List items, “after item 87 were put on the list through the Internal Finance Committee.” She expressed understanding for the intent to “reach that ten percent reduction number for each department.” She advised of the possibility that items designated with a lower priority by the Internal Finance Committee “should be cut before [item] 88.” In response to a question regarding items 88, 99, 102, 103, 108, and 114, Ms. Cortes expressed disagreement with the priority rankings assigned by the Internal Finance Committee. She responded to questions of clarification, and requested the opportunity to review the six additional items, totaling approximately \$495,000, and assign rankings. In response to a question, Mr. Werner advised that all the department managers could make the same argument. He expressed no problem accommodating the request, however. Discussion followed with regard to the method by which to accommodate the request, and Mr. Werner revised the list accordingly. In response to a question, Ms. Cortes advised of an employee who is interested in retiring early. She met with the Internal Finance Committee yesterday to discuss the possibility of “buying out” the employee. Because of the length of the employee’s service, the buy out amount, with benefits, would be approximately \$118,000. In response to a question, Ms. Cortes advised that grant funding allocations are not included in the general fund. She reiterated “that is a way that we are offsetting our expenditures and will continue to do so.”

Mr. Werner and Mr. Providenti responded to additional questions of clarification, and discussion ensued, regarding the Cutback Program Priority List and the method for addressing the line items.

(3:42:05) In reference to the items added by the Internal Finance Committee, Chief Juvenile Probation Officer John Simms advised there was no opportunity to present departmental impacts. He requested the opportunity to address said impacts, and redesignate priorities for Juvenile Probation / Detention.

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Additional discussion took place with regard to the method by which to address the prioritizations, and Mr. Werner responded to additional questions of clarification regarding various line items. In response to a question, Mr. Simms reiterated he had no opportunity to present departmental impacts associated with the line items added by the Internal Finance Committee. Additional discussion followed.

(3:52:28) In response to a question, Human Resources Department Director Jennifer Schultz advised of having worked closely with City employee associations leadership, many of whom were present in the meeting room. She suggested that approving the entire Cutback Program Priority List would be helpful to the employees associations in considering alternatives.

Mayor Crowell entertained public comment. (3:54:47) Carson City Employees Association President Cindy Gower advised of having requested “input on this list.” She acknowledged the possibility of concessions, and expressed understanding that “there are things ... built into the budget that really aren’t ... as necessary.” She advised that the CCEA spent a great deal of time reviewing the list and making suggested prioritizations. Mayor Crowell expressed appreciation for the CCEA’s involvement. Ms. Gower expressed appreciation for the opportunity to provide input.

(3:57:35) Carson City Deputies Association President Don Gibson thanked Mr. Werner, Mr. Providenti, and Ms. Schultz for the opportunity to provide input. He reviewed the method by which suggested rankings were provided. He advised of having requested figures from “our supervisors” in order to “come up with constructive ideas and / or cost savings ideas ...”

Mr. Werner expressed appreciation for all the cooperation from the employees associations, and advised that all the employees will be treated the same.

(4:00:57) Alternative Sentencing Chief Rory Planeta advised that item 99 “is a public safety issue.” In response to a question, Mr. Werner discussed the method by which revenue generated by various departments is allocated through the general fund. Chief Planeta responded to questions of clarification regarding item 99, and advised of having had no opportunity to present departmental impacts for the items added by the Internal Finance Committee.

(4:04:51) Fire Department Chief Stacey Giomi advised “there are none of us in here who want to make cuts.” “Ultimately, my boss asked me to present a list of five, six, and ten percent and the effects that the list has.” He noted the City’s responsibility to the community and the responsibility of each department head to communicate to the Board the impacts of budget cuts. He advised that each of the department heads will “make do with whatever budget we set, but there are impacts to all of those budgets. Some of our cuts have public safety ramifications. Some of our cuts don’t have public safety implications.” Chief Giomi noted that Carson City is a lean government, and that “necessity is the mother of invention.” He advised that the department heads have come up with “great ways to save money; things that are being done in this community that aren’t being done in any other community in the State of Nevada.” He expressed the opinion that the department heads have presented responsible cuts, in consideration of departmental impacts, “through our boss.”

Mayor Crowell entertained additional public comment and, when none was forthcoming, a motion. **Supervisor Williamson moved to adopt the Cutback Program Priority List, with the changes discussed, for use in preparing the Carson City general fund FY 2011 budget. Supervisor Aldean seconded the motion.** Mayor Crowell reviewed the changes to items 88, 99, 102, 103, 108, and 144, and called for a vote on the pending motion. **Motion carried 5-0.**

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Mayor Crowell thanked the department heads, employees association representatives, the City Manager, and the Finance Department Director. The Board members concurred.

31. BOARD OF SUPERVISORS NON-ACTION ITEMS:

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS (4:09:47) - Supervisor Aldean suggested the possibility of agendizing discussion to direct staff to create a specific plan area for the property around the airport. A brief discussion followed, and Mr. Werner agreed to meet with Planning Division Director Lee Plemel to begin the process.

CORRESPONDENCE TO THE BOARD OF SUPERVISORS

STATUS REPORTS AND COMMENTS FROM BOARD MEMBERS

STAFF COMMENTS AND STATUS REPORT

32. ACTION TO ADJOURN (4:12:48) - Supervisor Livermore moved to adjourn the meeting. The motion was seconded and carried 5-0.

The Minutes of the January 21, 2010 Carson City Board of Supervisors meeting are so approved this _____ day of February, 2010.

ROBERT L. CROWELL, Mayor

ATTEST:

ALAN GLOVER, Clerk - Recorder