

CARSON CITY BOARD OF SUPERVISORS

Minutes of the February 7, 2002, Meeting

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A regularly scheduled meeting of the Carson City Board of Supervisors was held on Thursday, February 7, 2002, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 8:30 a.m.

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

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| STAFF PRESENT: | John Berkich | City Manager |
| | Alan Glover | Clerk-Recorder |
| | Al Kramer | Treasurer |
| | Phil Herrington | Building Official |
| | Daren Winkelman | Health Director |
| | Judie Fisher | Personnel Manager |
| | Larry Werner | City Engineer |
| | Mark Forsberg | Deputy District Attorney |
| | Cheryl Adams | Deputy Purchasing Director |
| | Larry McPhail | Deputy Building Official |
| | Raymont Saylo | Lieutenant. |
| | Katherine McLaughlin | Recording Secretary |
| | (B.O.S. 2/7/02 Tape 1-0001) | |

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

CALL TO ORDER, ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE - Mayor Masayko convened the meeting at 8:30 a.m. Roll call was taken. The entire Board was present, constituting a quorum. (Tape 1 failed. 2-0001) Rev. Al Tilstra of the Seventh Day Adventist Church gave the Invocation. Mayor Masayko lead the Pledge of Allegiance.

CITIZEN COMMENTS (2-0020) - Tom Keeton noted the difficulties encountered by the Reno Police Department with its Tiburon system and encouraged Sheriff Banister, District Attorney Waters and the Board to send staff to Reno to determine what the difficulties are and to learn from its problems. This may require having some of their operational staff come to Carson City. Mayor Masayko thanked Mr. Keeton for the suggestion. Additional Citizen Comments were solicited but none given. No formal action was taken or required.

1. APPROVAL OF MINUTES (2-0033) - Supervisor Williamson moved to approve the Minutes of

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November 1, 2002, with the corrections on Pages 2, 23, 26 and 27. Supervisor Plank seconded the motion. Motion carried 5-0.

2. AGENDA MODIFICATIONS (2-0054) - None.

3. SPECIAL PRESENTATIONS (2-0056) - Personnel Manager Judie Fisher

A. ACTION ON A RETIREMENT RESOLUTION COMMENDING LARRY MCPHAIL FOR SERVICE AS A DEPUTY BUILDING OFFICIAL (2-0057) - Mayor Masayko noted Mr. McPhail's retirement plans and wished him well in his retirement. Mayor Masayko read the resolution into the record. Supervisor Plank moved to adopt the resolution, A RESOLUTION COMMENDING LARRY MCPHAIL ON HIS RETIREMENT, to be known as Resolution Number 2002-R-8. Supervisor Livermore seconded the motion. Supervisor Williamson briefly described Mr. McPhail's work ethic and complimented him on it. Motion carried 5-0. Mayor Masayko briefly described some of Mr. McPhail's duties, read and presented a plaque to Mr. McPhail. He again wished him success in his retirement. Mr. McPhail thanked the Board for the recognition. He indicated that he may do special projects for the City in the future and thanked his fellow employees for the cooperation and team work he had encountered during his tenure. Chief Building Official Phil Herrington complimented him on behalf of the staff for his cooperative attitude, work ethic and dedication to the City.

B. ACTION ON A RETIREMENT RESOLUTION COMMENDING RICHARD CARRILLO FOR SERVICE AS A PARKS MECHANIC (2-0157) - Parks and Recreation Director Steve Kastens - Mayor Masayko explained Mr. Carrillo's transfer from the golf course to the Parks Department when the golf course was privatized and read the title of the resolution into the record. Supervisor Plank moved to approve the presentation of Retirement Resolution No. 2002-R-9 COMMENDING RICHARD CARRILLO FOR SERVICE AS THE PARKS MECHANIC. Supervisor Livermore seconded the motion. Mr. Kastens limned Mr. Carrillo's employment at the Parks Department and his knowledge of his work as a golf and parks mechanics. He thanked him for his knowledge and ability to maintain small equipment. The motion was voted and carried 5-0. A copy of the resolution and the original plaque were given to Mr. Kastens as Mr. Carrillo was not present.

LIQUOR AND ENTERTAINMENT BOARD (2-0208) - Mayor Masayko recessed the Board of Supervisors session and immediately convened the Liquor and Entertainment Board. The entire Board was present including Sheriff's Representative Lt. Raymont Saylo, constituting a quorum.

4. TREASURER - Al Kramer - ACTION ON A FULL BAR LIQUOR LICENSE FOR NEVADA RESTAURANT SERVICES, INC., DOING BUSINESS AS DOTTY'S, LOCATED AT 3771 SOUTH CARSON STREET, RICHARD AND KATHRINE ESTEY AS LIQUOR MANAGERS (2-0212) - Richard and Kathrine Estey - Chairperson Masayko explained the reasons they were required to attend the meeting and that having a liquor license is considered a privilege in Carson City. The Esteys assured the Board that they would be aware of the Municipal Code and Statutes regarding serving liquor, would not serve intoxicated individuals or juveniles, would appropriately train their employees and enforce the liquor laws. Member Saylo noted the favorable Sheriff's investigation report. Chairperson Masayko noted that they also hold another Liquor License. Member Livermore disclosed his discussion with the District Attorney, Member Saylo and Mr. Kramer regarding

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the need for the active manager to attend the meeting. Mr. Kramer explained the Code and the need to amend it or enforce the requirement that the manager live within 35 miles of the establishment. The interpretation, which has been the policy since it was implemented, has been that the manager, who is operating the business, be the local resident. His inability to enforce the requirement was also explained. Member Livermore explained his original concern and urged the staff to bring forward an ordinance amendment. Mr. Kramer agreed to do so. He also explained his need to further discuss the issue with him and his concerns regarding not enforcing an ordinance that is on the books. Chairperson Masayko noted for the record that the Esteys live in Las Vegas and asked that they be sure that the Treasurer and Sheriff's Office have adequate information to know whom to contact when the local manager is needed. The Esteys nodded which Chairperson Masayko interpreted, for the record, as their indication that they would voluntarily do so. Discussion noted that the first Dotties had not yet opened but may in two weeks. The second establishment should open in May. Member Williamson thanked them for their investment and for raising the issues. Member Livermore moved to approve a full bar liquor license for Nevada Restaurant Services, Inc., dba as Dotty's, located at 3771 South Carson Street, Richard and Kathrine Estey as Liquor Managers under CCMC 4.13, fiscal impact is \$1,000 original new fee and \$2,000 quarterly. Following a request for a correction, Member Livermore amended his motion to indicate that the quarterly fee is \$200. Member Williamson seconded the motion. Motion carried 6-0.

Chairperson Masayko encouraged Members Livermore and Saylo or a Sheriff's Representative, the District Attorney's Office and the Treasurer's Office to discuss the issues which Member Livermore had raised. Member Saylo indicated that he had discussed it with Mr. Kramer and that a revision will be submitted.

BOARD OF SUPERVISORS (2-0377) -There being no other matters for consideration as the Liquor and Entertainment Board, Chairperson Masayko adjourned the Liquor and Entertainment Board and immediately reconvened the meeting as the Board of Supervisors. The entire Board was present, constituting a quorum.

5. CONSENT AGENDA (2-0380)

5-1. ASSESSOR

A. ACTION TO REFUND TAXES ON A MODULAR RETAIL STRUCTURE PLACED ON APN 8-161-08 FOR THE 2000/2001 AND 2001/2002 TAX YEARS PER NRS 361.765

B. ACTION TO REMOVE AND REFUND TAXES ON THE BUILDING AT 930 CORBETT STREET (APN 2-122-15) FOR THE 1999/2000, 2000/2001 AND 2001/2002 TAX YEARS PER NRS 361.768

5-2. ENVIRONMENTAL HEALTH - ACTION TO AUTHORIZE THE MAYOR TO SIGN THE RECREATION AND PUBLIC PURPOSES LEASE RENEWAL (R&PP) N-298 BETWEEN CARSON CITY AND THE BUREAU OF LAND MANAGEMENT (BLM) FOR THE CARSON CITY SANITARY LANDFILL

5-3. PURCHASING AND CONTRACTS

A. ACTION TO EXTEND CONTRACT NO. 9899-150 JOINDER BID WITH CORPORATE EXPRESS THROUGH THE STATE OF NEVADA TO PURCHASE OFFICE PRODUCTS AND AUTHORIZE ALL CITY DEPARTMENTS TO BE ABLE TO PLACE ORDERS FROM THE CONTRACT THROUGH DECEMBER 31, 2002, PROVIDING THEY HAVE APPROVED FUNDING AND FOLLOW APPROVED CARSON CITY PURCHASING PROCEDURES

B. ACTION TO AUTHORIZE ALL CITY DEPARTMENTS TO UTILIZE RFP 10-00115

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FOR THE PURCHASE OF WIRELESS COMMUNICATION SERVICES AND EQUIPMENT THROUGH JUNE 30, 2004, WHICH RFP WAS APPROVED BY THE STATE OF NEVADA THROUGH THE WESTERN STATES CONTRACTING ALLIANCE AND WHICH IS EXEMPT FROM COMPETITIVE BIDDING PURSUANT TO NRS 332.195

5-4. DEVELOPMENT SERVICES - CONTRACTS - ACTION ON A REQUEST FOR CONTRACT APPROVAL FOR THE FIRE STATION PRODUCTION WELL DESIGN AND CONSTRUCTION OVERSITE AGREEMENT, CONTRACT NO. 2001-086 TO BROWN AND CALDWELL, 3488 GONI ROAD, SUITE 142, CARSON CITY, NV 89706 FOR A COST NOT TO EXCEED \$29,960 AND AUTHORIZATION FOR THE CONTRACTS DIVISION TO EXECUTE AMENDMENTS FOR A NOT TO EXCEED AMOUNT OF \$10,000

5-5. DEVELOPMENT SERVICES - ENGINEERING

A. ACTION TO ACCEPT AN AGREEMENT BETWEEN ALEXANDER K. BERNHARD AND LENORE J. BERNHARD, CO-TRUSTEES OF THE BERNHARD FAMILY TRUST DATED SEPTEMBER 12, 1994, AND CARSON CITY, WHEREBY THE BERNHARD FAMILY TRUST AGREES TO: 1. DONATE AND CONVEY ALL THAT CERTAIN REAL PROPERTY DESCRIBED AS PARCEL U-395-CC-007.090, AND 2. TO DONATE A PERPETUAL EASEMENT AND RIGHT-OF-WAY, FOR THE PURPOSE OF A DRAINAGE DITCH, LOCATED UPON, OVER AND ACROSS ALL THAT REAL PROPERTY DESCRIBED AS PARCEL U-395-CC-007.090PE TO THE CITY

B. ACTION TO ACCEPT AN IMPROVEMENT AGREEMENT BETWEEN CARSON CITY AND ALEXANDER K. BERNHARD AND LENORE J. BERNHARD, CO-TRUSTEES OF THE BERNHARD FAMILY TRUST DATED SEPTEMBER 12, 1994, REGARDING THE CONSTRUCTION OF PUBLIC IMPROVEMENTS RELATED TO HIDDEN MEADOW ESTATES, UNIT 4, KNOWN AS A PORTION OF ASSESSOR'S PARCEL NOS. 10-611-17 AND 10-641-03

5-6. FINANCE

A. ACTION ON DELETION OF FIXED ASSETS FROM THE GENERAL FUND FIXED ASSET LISTING

B. ACTION ON DELETION OF FIXED ASSETS FROM THE ENTERPRISE FUND FIXED ASSET LISTING

C. ACTION ON RATIFICATION OF THE EXPENDITURE APPROVAL LISTING FOR THE MONTH OF DECEMBER 2001 - None of the items were pulled for discussion. Supervisor Plank moved to accept each of the 11 items on today's Consent Agenda as presented. Supervisor Livermore seconded the motion. Motion carried 5-0.

6. BOARD OF SUPERVISORS

A. ACTION TO ADOPT GOALS FOR FISCAL YEAR 2002-2003 (2-0405) - City Manager John Berkich - Mayor Masayko read the goals into the record. (A copy is in the file.) Tom Keeton indicated his support for the list. Supervisor Staub explained RTC's direction to staff and justification for reconsidering the Stewart-Roop Street couplet. Mayor Masayko expressed concerns regarding the impact the couplet could have on the Stewart-Curry Street interchange if it is a one way street. Supervisor Staub explained his discussion with Mr. Berkich which suggested that south bound Roop Street traffic use only two lanes of Stewart. The remaining lane(s) could be used by the north bound traffic. Under this concept only two lanes of Stewart Street would be used for the couplet. Roop

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would provide two lanes for north bound traffic. Mayor Masayko felt that RTC will obtain the necessary information to deliberate the concepts during its goal setting session. Priorities may be revised as future conditions dictate. Supervisor Williamson felt that the Board's RTC goal is to reduce negative traffic impacts by improving traffic flows. The items which had been listed were some of the potential projects which could be used to achieve this goal. The same is true for the Board's Redevelopment goals. Redevelopment has positive action occurring on a parking garage and five potential improvement sites. It is not just the downtown economic planning process which is involving private citizens. The Committee is attempting to identify potential economic generators for the community. Its goals are ambitious but doable. Mayor Masayko felt that the goals that are to be done first and used as measurements should be identified. These items should then be accomplished as a priority. Supervisor Williamson felt that the long-term goals should also be identified and that a budget should be established identifying a funding source or providing on-going funding for those goals. The budget normally does not include these goals beyond that established in the final budget session which uses one shot funding. Failure to do so keeps these projects from being accomplished. Mayor Masayko felt that this is the intent. He also pointed out that the goals and their priority do not necessarily guarantee funding during the budget process. Supervisor Plank explained that the RTC's priority setting date is Wednesday, February 13th. He was not sure that the couplet would work. He had asked staff to meet with each Commissioner in an attempt to educate him/her on the proposed design. The Roop Street widening project has only identified three parcels which will be impacted. Staff is working to mitigate those issues. He supported the goals as written but felt that a priority had not been established. Supervisor Livermore felt that the 2002-03 goals were long standing items, i.e., No. 3 - the V&T Railroad. Justification for continuing to support it is based on the need for tourism and the City's economy. Mayor Masayko acknowledged his point and suggested staff change the goal to read "by continuing to support the effort". Supervisor Plank explained that RTC will set the priorities based on a pay-as-you-go program with the current revenues. If the nickel is returned, there will be additional funding for projects. Mayor Masayko pointed out that refinancing of Graves Lane could also help. Supervisor Plank felt that either scenario would include this consideration. Mayor Masayko felt that Board should bless RTC's funding priorities and could modify it to meet the Board goals. The same is true with the Redevelopment goals which will occur after the economic development plan is presented. Supervisor Williamson moved to adopt the goals for 2002-2003 with the amendment to No. 3 to improve the health and stability of the regional economy by continuing to support the efforts and also to approve the not completed goals for the RTC, Redevelopment, and Senior Center. Supervisor Plank second the motion. Mayor Masayko indicated that as the goals are better defined or become firmer, the list will be updated. Motion carried 5-0.

B. NON-ACTION ITEMS - INTERNAL COMMUNICATIONS AND ADMINISTRATIVE

MATTERS (2-0722) - Supervisor Williamson's redevelopment activities were explained including a meeting with City Manager John Berkich, Mary Walker and Senator Raggio on the \$300,000 Legislative approved funding for parking improvements. The State funds were returned due to the lack of substantial progress on public-private parking improvements in the Nugget parking lot. She had suggested a parking structure be considered, however, no commitment was made by Senator Raggio due to the status of the State's budget. She had also attended the following meetings/activities: a discussion with Cal-Fed and its approval of the plan to construct a parking structure on a portion of its property and its plan to assist with the enhancement of the Downtown area; a Downtown Task Force session; the Subconservancy meeting; a Newlands Project meeting; One Region Steering Committee and its task forces; a meeting with Mr. Berkich, Mr. Joiner, and Deborah Parr from State Housing regarding the Western Nevada Home Consortium; and the Organizational Development Team efforts including its

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“Gain sharing” activities. She congratulated the torch runners, supporters and participants on the Torch Run activities and its success. She looked forward to tomorrow’s Olympics Opening Event. The Clear Creek Watershed Council meeting on February 11th at the Jacks Valley Elementary School from 6 to 8 p.m. was announced. Supervisor Plank complimented the Board on its attendance at the Torch Run. He thanked Supervisor Williamson for her report on the Consortium and expressed his feeling that Carson City should have separated from it two years ago as more could be done for the community without it. He then reported on the following meetings/activities: TRPA; with Street Operations Manager Flansberg regarding next week’s RTC agenda and projects including the budget for the connector road between Arrowhead and Graves; an interview with Dave Morgan; the Parks and Recreation Commission including its budget and the Department’s energy savings efforts that included cogeneration activities at the aquatic facility; School District Superintendent Pierczynski and Operations Director Mitchell’s explanation to the Sertoma Club on how the bond funds were being used and the toxic mold issue; and Economic Development-Redevelopment Manager Joiner and Parks and Recreation Director Kastens’ speeches at a Sertoma meeting on Fuji Park, the Fairgrounds, its economic development, and its status. He announced the Sertoma Game Feed at the Senior Center on February 22nd and that tickets are \$20 each. Mayor Masayko reported on JOIN’s annual meeting and its efforts. He thanked the Board for attending the Torch Run activities, the volunteers who worked on the Torch Run and its program, and the individuals who had attended the event. A Certificate of Appreciation for the City’s participation in the Torch Run was given to Mr. Berkich. He then reported on the Chamber of Commerce’s transportation forum; the Eagle Valley Children’s Home recognition celebration; Project Impact activities, his hope that the program will continue after the federal funds expire, and explained that homeland security will not be part of the floods and earthquake programs; St Teresa’s recognition of the Board as part of its Catholic Schools Week and thanked them for the recognition; and his participation in the Schools-to-Careers Groundhog Shadow Day activities and expressed his hope that the program is more than a one day activity. He explained Mr. Berkich and his plans to attend the National Association of Counties conference in March and to visit with the Congressional legislators regarding funding for highways, housing projects, and CDBG. He asked that the other Board members let them know if there are other issues which should also be considered in their discussions. He hoped to be home for the March 6th Board meeting. Justification for concerns about the grant programs and their funding were limned. His work on the V&T railroad issues was described. Supervisor Livermore reported on the 1/5 Mental Health symposium and thanked Rose Gardner, Mr. Berkich, Dr. Herd, MaryEllen Waltz, and the Mental Health Coalition’s staff for their work on the event. He also complimented Nevada Appeal Correspondent Amanda Hammond on her article on mental health. He continued his report with the torch relay; the YSO meeting; Hospital Board of Trustees meetings including its “A” Bond rating from Standard and Poor; the Subconservancy District’s strategic planning session which Mr Berkich, Utilities Manager Hoffert, City Engineer Werner, Subconservancy Executive Director Ed James and Supervisor Williamson had attended; a meeting with Hospital Chief Executive Officer Epperson and City Manager Berkich on the relocation of the Carson-Tahoe Hospital’s current resources/facility to the new facility as well as the establishment of a team to look at the issues related thereto and future uses of the current facility; an internal auditor committee meeting; a special Board of Trustees meeting and announced its newly elected officers; a meeting with Dr. Herd of the Sierra Family Mental Health on recruitment efforts and funding issues; and the Hospital’s recognition luncheon for its employees and physicians, its second annual “Circle of Excellence Recognition” dinner, announced the selection of Kelly Dawson as the “Ambassador” and explained the Ambassador’s duties. He announced Saturday’s Humane Society and CASA’s second annual Valentine’s dinner/fundraiser at the Pinion Plaza. Supervisor Staub reported on the Torch Run including his tour of the route and the public attendance at it; Little League signups and announced that additional signups will occur this Saturday and

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that tryouts will be on the 23rd and encouraged the residents to sign up their children; the internal auditor's meeting and the status of the internal auditor's job description which he felt should be to the Board in March; meetings with residents and phone calls he had received regarding the speedway; and a meeting with Supervisor Williamson and Mary Walker regarding recommendations to the Governor on taxing.

C. STAFF COMMENTS AND STATUS REPORTS (2-1428) - None.

BREAK: A recess was declared at 9:52 a.m. The entire Board was present when Mayor Masayko reconvened the meeting at 10 a.m., constituting a quorum.

7. BUREAU OF LAND MANAGEMENT - DISCUSSION ON THE PINENUT MOUNTAINS LAND USE PLAN AMENDMENT (2-1436) - Field Manager John Singlaub introduced Assistant Field Manager for Renewable Resources Dan Jacquet, Planning Coordinator Mike McQueen and Team Leader Tom Crawford and briefly explained the original concern with the plan regarding the Indian allotment access issues. Handouts were given to the Board and Clerk. (Copies are in the file.) The second page of his report included a map of the area. The 270,000 acres includes 81,000 acres of private land and 59,000 acres of Indian allotments, which he explained. The Pinenut Herd Management Area, which also known as the Wild Horse management area, and the Burbank Canyons Wildlands Study area were also designated on the map. The last plan was done in 1985. Increased usage of the area was created by growth in the surrounding area. This created concerns regarding offroad vehicle usage, fire management, recreational and scenic resource issues, land tender issues and related concerns about land ownership and disposal issues as well as wildlife and bird issues. Examples were provided illustrating these concerns. The Washoe Tribe and Yerington Paiutes coordination management efforts were noted. Comments were solicited concerning issues which had and had not been identified. The BLM team members and the hereto date identified list of planning partners were included in the pamphlet. Meetings have been held with some of these individuals/groups. He was willing to expand the list to include anyone/group desiring to participate. The BLM planning process is in the beginning phase. Board and public comments concerning the issues and concerns were welcomed. Their deadline is March 31st although additional comments/thoughts/concerns will be considered beyond that date. It was hoped that this process will build a quality product rather than create a product to which the public reacts. Supervisor Plank noted that Kevin Walsh's Pinenut Trails Association was included in the list of participants. Mayor Masayko noted the Gantt chart, its starting date of 2/12/01 and completion date of 8/14/04 and questioned the status of the preliminary efforts. Mr. Singlaub indicated that the effort is late. The issue identification and public scoping was due in mid-summer of last year. This is now occurring. The draft plan may be published in the middle of 2003. He felt certain that this was doable. Inventories are being taken including that of the sage grouse habitat. Mayor Masayko noted that the wilderness study area (WSA) had been on the books for 15 years and questioned whether the study will force a conclusion by Congress. Mr. Singlaub felt it would not influence Congress. It had been recommended for designation. He was willing to consider public comments concerning whether there should be more or less area designated as wilderness. Mayor Masayko indicated for the record his concern that the management of the WSA is as a de facto wilderness area and that multi-use permits are not being allowed. He acknowledged that this is not a Carson City interface item. Mr. Singlaub explained that there is an effort to get a wilderness bill for Southern Nevada but not one for Northern Nevada. Mayor Masayko noted the checkerboard around the closer urban interface lands bordering Carson City, i.e., the eastern gateway—the areas north and south of Highway 50 East. Mr. Singlaub explained that that area is not part of the Pinenut land use

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area. It had been a part of the 1996 interface plan. BLM is continuing to work with the City on their designations and is willing to reconsider their designations. Mayor Masayko complimented BLM on releasing 480 acres in northern Douglas County for private or other urban uses. Mr. Singlaub expressed his desire to work with Carson City and other Counties on such lands as part of their master plan update process. Mayor Masayko noted that the Pinenut study is part of the secondary plan with conjunctive uses. He complimented Mr. Singlaub for working with the City minus the Tribal land use, off road vehicular and public use issues. Their needs should be part of the discussions. Compromises should occur. Mr. Singlaub noted the establishment and work of the Pinenut Trails Association. He hoped to continue working with them throughout the process. Mayor Masayko noted that additional public/multi-uses may surface as a result of this effort and that these individuals should be included in the discussion. The telephone number for the BLM Field Office was given. Mayor Masayko thanked BLM for working with the City and its committees on the land use issues within its boundary.

Supervisor Williamson expressed her hope that the Carson River Advisory Committee (CRAC) would be involved in the process. The next CRAC meeting is scheduled for the 27th. Mr. Singlaub expressed his intent to attend that meeting. Discussion indicated that both verbal and written comments on the plan were desired. The internet cannot be used at this time. Reasons for this were briefly noted. Supervisor Williamson noted the good working relationship Carson City has had with BLM and urged the public to contact him.

Public comments were solicited but none were given. Mayor Masayko thanked BLM for attending and discussing the plan. No formal action was required or taken.

8. TREASURER - Al Kramer

A. ACTION ON A MOTION FINDING THAT THE PROPOSED ORDINANCE AMENDING TITLE 4 OF THE CARSON CITY MUNICIPAL CODE (CCMC) LICENSES AND BUSINESS REGULATIONS, AMENDING CHAPTER 4.14 GAMING AND LICENSES AND REGULATIONS DOES IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN ON A BUSINESS AND/OR DIRECTLY RESTRICTS THE FORMATION, OPERATION OR EXPANSION OF A BUSINESS, THAT A BUSINESS IMPACT STATEMENT HAS BEEN PREPARED, ACCEPTED AND IS ON FILE WITH THE BOARD OF SUPERVISORS AND THAT THE REQUIREMENTS OF THE ACT HAVE BEEN MET (2-1805) - Don Langston, Joe Masini, Gene Lepire, Mark Amodei, Dan Leck, Charles Rafferty - Mr. Kramer explained the impact statement, the reasons for doing it, and the process used to develop it. Correspondence received since the Board packets were assembled was distributed to the Board and Clerk. (Copies are in the file.) Mayor Masayko noted for the record that the recommended action is that it will impose an impact. Mr. Kramer explained the reasons for wanting to proceed with the process. Mayor Masayko explained the two step process including the need to make a finding that it would pose an impact and asked that statements be restricted to the finding. The next item will consider the other issues. Public comments were solicited.

Mr. Langston felt that his property would be impacted and that the impact statement should indicate what parcels would be subject to or can have unlimited gaming or are large enough to support 100 rooms and unrestricted gaming. He urged the Board to reject the impact statement. Additional comments were solicited.

Mr. Masini felt that the requirements for the business impact study had not been complied with as the law requires

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notification and consultation with businesses “which would likely be affected”. In his personal opinion only those individuals who supported it had been contacted. Also the spirit of the law had been violated as the Board had been prepared to approve the ordinance on December 6th without considering the need for an impact statement. Therefore, the study was violated. The impact statement as presented was not a true analysis of the impacts as it only contains written letters of public opinion. Information should have been solicited solely from impacted individuals including those individuals with the correct zoning. Mayor Masayko asked that the record show that no action was taken on the item at the December 6th meeting and the process was continued for six weeks while individuals were asked to submit comments.

Mr. Lepire explained that he owns the Comstock RV Motor Park and questioned who would benefit from the proposal. He asked that his property be allowed to have unrestricted gaming and be grandfathered as he had planned to develop it in that fashion. This should be allowed for his lifetime and not restricted to only one year. He felt that RV parks had not been included in the program. As he pays hotel/motel taxes, he should also be considered.

Mr. Amodei pointed out that the language in NRS 237.080 indicates that the proposal is likely to impose a direct and significant economic impact on a business. The materials before the Board show that there are responses from two existing business with unlimited gaming licenses. Another subsection addresses if it will restrict the formation or operation which is where the impact is found. There had been changes made to the report since the December hearing regarding the impact as it now indicates there is an impact to both existing and future businesses. The ordinance exempts all existing businesses who currently hold a State issued unrestricted gaming license. Therefore, the statute was met. Mayor Masayko agreed that the first portion of the impact requirements may or may not impact existing businesses and that the second portion is the source of concern.

Mr. Leck explained that the record states that it directly restricts the formation, operation, or expansion of any business and his belief that only the gaming business was solicited. He had not been contacted and asked the Board if the impact statement had considered the feasibility or financial issues. He felt that they should be included as it will impact Carson City and its budget. Mayor Masayko indicated that the findings indicate that the ordinance will impact the formation, operation, and expansion of a business.

Mayor Masayko pointed out for the record that no one had been restricted from commenting on the business impact. Mr. Kramer noted the Legislative discussion regarding how to contact individuals who will be impacted. This discussion indicated that the Chamber of Commerce, manufacturers’ association, etc., are to be contacted. The burden was not placed on government to contact all individuals who may be impacted. His notification procedures were outlined. The requirement is not to go further but to make a finding that there will be an impact, which had been made. Mayor Masayko supported his position and indicated that this is an evolving portion of the law.

Mr. Langston felt that the impact statement did not include the elimination of his use of his property for unlimited gaming as his parcels will not support a 100 room hotel. This is not included in the explanation in the impact statement. He reminded the Board of the revisions which it had made to Title 18 addressing his Tourist Commercial property. He felt that this revision would eliminate his ability to have gaming. Mayor Masayko explained that the comments should be restricted to the impact statement and how it is developed. Mr. Langston’s comments should

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be included in the second item. He agreed that there would be an impact although the impact statement does not consider the land use items. Additional comments were solicited.

Mr. Masini reiterated Mr. Kramer's statements concerning how noticing had occurred. He felt that the second portion of the Statute had not been followed as mitigation measures had not been included in the business impact statement. The Statute encouraged developing different standards of compliance and reducing any fees or fines. Therefore, the business impact statement was not complete. If proper notice had been given more people may have attended the meeting. He urged the Board to reconsider the process and consider other items which could be done to minimize the impact.

Additional comments were solicited. Mr. Rafferty indicated that the business impact statement did not emphasize the amount of business which could be lost to the City through taxes by impacting smaller businesses with video poker machines and the income generated by them. He supported having a nice 100 room hotel in Carson City but was not sure that the economics were here to supporting forcing it to be done. Bankruptcy could be a result of such a program. A 100 room hotel should be built on its own merits and not due to the addition of five poker machines. Mayor Masayko explained that he was addressing issues related to the ordinance. The Board will make a finding that there will be an impact on the businesses. Additional comments were solicited but none given. Mayor Masayko closed the public testimony portion of the session.

Supervisor Plank indicated that he was comfortable with the finding. Supervisor Plank moved that the proposed ordinance amending Title 4 of the Carson City Municipal Code LICENSES AND BUSINESS REGULATIONS, amending Chapter 4.14 GAMING LICENSE AND REGULATIONS does impose a direct and significant economic burden on a business and/or directly restricts the formation, operation or expansion of a business, that a Business Impact Statement has been prepared, accepted, and is on file with the Board of Supervisors and that the requirements of the act have been met. Following a request for an amendment, Supervisor Plank amended his motion to include the 24 letters in response including the last two which were added this morning. Supervisor Staub seconded. The motion carried 5-0.

B. ORDINANCE - FIRST READING - ACTION TO APPROVE AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 4 LICENSES AND BUSINESS REGULATIONS AMENDING CHAPTER 4.14 GAMING LICENSES AND REGULATIONS TO REQUIRE THOSE WHO APPLY FOR A CARSON CITY GAMING LICENSE TO OPERATE A GAMING ESTABLISHMENT UNDER AN UNRESTRICTED GAMING LICENSE FROM THE STATE OF NEVADA TO HAVE A MINIMUM OF 100 HOTEL/MOTEL ROOMS AS A REQUIREMENT FOR OBTAINING A CITY GAMING LICENSE AND OTHER MATTERS PROPERLY RELATED THERETO (2-2325) - Carson City Gaming Association Representative Steve Bilyeu, Bob Cashill, Nugget Representative Alan Adams, Mark Amodei, Chief Deputy District Attorney Mark Forsberg, Gene Lepire, Don Langston, Richard Langston, Carson Hot Springs General Manager Keith Shelhammer, Gene Willis, Dan Leck, Joe Masini, Charles Rafferty - Mr. Kramer's introduction included the revisions which had been made since the Board first considered it. Mayor Masayko pointed out that the major change was the addition of Section 4.04.047 establishing appeal procedures, which Mr. Kramer read. Mr. Kramer corrected the typographic error in Paragraph 4, Line 4, to read "for good cause shown." Supervisor Williamson pointed out a typographic error in Section

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4.15.046 which should read “under the provisions of this Code” and not “fo”. Mr. Forsberg corrected a typographical error in Section 4.14.045 (1), in the third line, correcting “maintained” to “maintains” and the next line at the “as which rooms” which should be “and which rooms”. Mayor Masayko indicated that these changes do not change the context of the ordinance.

Public testimony from the advocates was solicited. Mr. Forsberg pointed out that the substance of the ordinance had not changed with the exception of the inclusion of the appeal process although the ordinance modification had been reformatted. The results are the same as the December proposal. Mr. Kramer explained his statement regarding the ordinance had been that it was written so that no license will be given unless certain requirements are met. Exemptions are now spelled out in the four sections. The City could restrict unrestricted gaming licenses and the modification is in the best interest of the City. Examples were cited supporting his contention that privileged licenses could be restricted. Clark and Washoe County and the Cities of Sparks, Henderson, Las Vegas, and Reno all have similar restrictions. An individual who is in the gaming business as established by State Gaming and the NRS will be impacted by the ordinance. It will help Carson City by providing quality hotel/motel facilities; assist with the creation of Carson City as a tourist designation; prepare for Carson City’s future needs when the freeway is created, otherwise, individuals will bypass Carson City; will require advertising outside Carson City to fill the rooms; and provide attractions to get major investors to come to the area. Slot operations detract from this ability. The concept will help restrict future investment but will provide a better quality of investments now. He questioned the benefits of not restricting gaming at this time. Closed casinos are not needed in the community. Mayor Masayko indicated for the record that the statements were Mr. Kramer’s opinion.

Advocates for the concept were solicited. Mr. Bilyeu advocated the ordinance for the same reasons which Mr. Kramer had indicated. They felt that it would enhance competition. They were looking to the future of Carson City and asked the Board to determine how the Board would like to see the gaming industry grow. Without this restriction, additional slot arcades will restrict future investment by new and current investors in the industry. They looked forward to having such a facility across the street from their current facilities. Slot arcades were felt to be unfair competition. They asked the Board to raise the bar and face the challenges like Indian gaming and the bypass. He indicated that other Association members were present to answer questions, if desired.

Supervisor Staub indicated he understood what the effort was and questioned how to reconcile the impact with the fact that the two major gaming properties in Carson City had either gone out of business or had eliminated some of its hotel/motel rooms. The one that went out of business had had 100 rooms. The referenced gaming properties were identified as the Nugget and the Ormsby House. Mr. Kramer referred the questions to their representatives. Mayor Masayko postponed the question/response.

Mr. Cashill noted his hotel/motel casino experience. Slot arcades have a place but do not bring tourists. His experience with the Ormsby House and his discussion with other casino operators indicated that investors would not purchase the Ormsby House due to the slot arcades who siphon tourists to their facilities. His personal experience as a slot arcade operator/owner was limited. Major hotels owned by major investors must know that there is a good local base on which to build as tourists cannot make it here when the snow is flying. Arcades kill the investment. The Ormsby House was a loss due to poor management. The new owners are spending millions on the facility. They do not want an arcade to draw away from them. Your tourist attractions to this area demand a major resort. A

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location for a major establishment across from Glen Eagle was suggested. Concerns with having a slot arcade across from this location had stopped his investment in that area. A resort is needed in this area to help diversify the economic base of the community. The Ormsby House improvements will make it a top flight facility but they cannot compete with a slot arcade. If it is not supported as a major resort, they can do a small slot arcade. He indicated that he did not have anything involved in the "fight" and that no one is paying him to make the statement. He loved his involvement with the City and urged them to proceed with the program. Mayor Masayko asked for clarification if other casino operators, who may invest in this area, had failed to do so due to the potential competition with slot arcades. Mr. Cashill agreed that this may not be the only reason. There could be other issues involved also. Mayor Masayko pointed out that there had been efforts in the past to find quality rooms in the community even after the Ormsby House opened. Mr. Cashill felt that the ordinance will help get those major investors to come to the area. Mayor Masayko asked the difference between a slot arcade and a pub with a restaurant or a brewery with 25 to 50 slot machines. Mr. Cashill felt that the State looks at a grocery store or pub as having only 15 machines. Slot arcades are when the number of slot machines pass 15. Mayor Masayko questioned the reasons the Legislature cut it at 15 and if there is difference in the uses, e.g., if Safeway would be a gaming establishment if they put in 16 machines and were still selling groceries. He was not questioning the gaming concerns. He was considering only the benefits to the community and the concerns restraining a business based on State restrictions could create. The functions of the business should be considered. Mr. Cashill indicated that the operation above the number 15 creates a difference license. Mayor Masayko felt that Carson City could say that businesses with more than 25, 50, 75 machines, pick a number, would not be a slot arcade regardless of the State Gaming decisions. Reasons for this feeling were explained.

Supervisor Staub questioned whether the threshold is appropriate or if the Board should be more flexible or have more than one threshold. Mr. Cashill felt that for the operation of a hotel/motel to be efficient there should be 75 or more rooms. To do otherwise, in his experience, is not as economical. Supervisor Staub pointed out that State law uses population figures of 100,000 for its threshold for various implementation periods and questioned if this is the right time for the restrictions. Mr. Cashill felt that the City needed more rooms as a State Capitol and that with the gaming it is time for the change. The slot arcades had purportedly stopped his funding potentials. Supervisor Staub complimented him on his tenure in Carson City and the Ormsby House's success under his operation.

Supervisor Staub reiterated his original questions. He acknowledged the poor management which may have impacted the Ormsby House and questioned the reasons for the Nugget's decision to get out of the hotel/motel operation when the requirement that rooms be provided is being mandated.

(2-3061) Mr. Adams explained that the only lodging facility the Nugget owns is the City Center Hotel. He welcomed Mr. Cashill's remarks regarding the investment in Carson City and why they do not happen from the outside. They have had plans for a 200 bed hotel for years but it must be economically feasible before they go beyond the 90 bed City Center. We need to feel that the tourists will come. There are a lot of slot machines in Carson City and we must justify the hotel before we do it. It must pull tourist and get more than just the local play. We hesitate doing it at this time due to the desire to know the impact the freeway will have and to insure our place in the community. This is the reason we have not done either the parking structure or the hotel. In response to Supervisor Staub's question, Mr. Adams indicated that the ordinance will be a step forward.

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Comments from additional advocates were solicited. Mr. Amodei expressed his feeling, for the record, that the bypass/freeway will not be completed in five years. Mayor Masayko responded that the freeway timetable does not meet Mr. Kramer's five year comment unless a lot of financing can be found. This gives the City more time to prepare for the impact.

Mr. Amodei felt that the ordinance is asking investors "what will you bring to the community in exchange for the City's granting of a privileged license". It does nothing for restricted operators. He explained that they were not trying to indicate that more slot machines are bad or impact Super Kmart and others with 15 machines. It is not closing the tap at 15 or more. Reasons for the State's restricting the number of slots to 15 relates to the amount of money and supervision required by the operation. The higher the level, the more supervision and regulation is required. This is a significant money issue to the people who are making the investment in the community. It is an attempt to get them to commit to these items. He agreed that people want the fewest restrictions possible. They must obtain a license from the State before they can come to the Board for consideration. The same requirements are made of developers who construct subdivisions. They must tell you what they are going to do in terms of school sites, streets, etc. These restrictions are appropriate. We are evolving and this is the proper time to begin considering these items. You also have an appeal process which will address anyone's concern about being closed out of the licensing. Turnaround time for applications was also noted. The Board can vote to find by a majority that the proposed investment is adequate to overturn the requirements. Growth is occurring in the area and evolvment is forcing the consideration of this issue at this time. Indian Gaming on Highways 50 and 80 also forces our consideration at this time. The appeal process is more reasonable than the zoning laws. Zoning revisions do not require having the business impact statement. He suggested that legislative history on Assembly Bill 486 regarding the business impact statement be obtained to illustrate his original support for the concept. David Goldwater from Clark County had sponsored the requirement. On page 5 of that history Mr. Goldwater's purpose outlines the criteria mandated to be done. He also cited Page 42 of the comments before the Senate Commerce and Labor Committee. The purpose is allegedly to cause you to give consideration to concerns regarding the impact but it does not restrict your ability to make any changes. He recommended that the Board consider the same issues when applying for these licenses as when considering subdivisions. The question is: What are you bringing to the community? What benefits are you providing? The Board can consider any items which are beneficial to the community including items other than 100 rooms. This is only sending a message which is appropriate--to bring something to the table when you come for such a license due to the desire to do something different from the past. The same question will be asked of all applicants seeking the same license in the future.

Mayor Masayko retorted that sometimes with the private property rights and zoning issues, the private property rights are what is being brought to the table. If you comply with the regulations, no additional requirements are imposed. If you have a variance or change of land use, etc., then additional conditions can be required. He could not accept the argument that something must be brought to the table if they comply. Mr. Amodei indicated that State Gaming must license the individual before he/she can seek a City permit. He also pointed out that a building permit would be required before he could construct a residence.

(3-0065) Mr. Forsberg explained that an appeal of the requirement could not consider waiving the requirement unless exemptions are contained within the ordinance. The ordinance requires 100 rooms. Business license appeals are normally made on the Treasurer's findings. An example was cited. The Board could order the issuance of the

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business license if findings are made to support it. Mr. Amodei pointed to the variance procedures in the Code which could be considered. The historic district, for example, could prohibit construction of 100 rooms in that area. Appeal proceedings could be considered. The records of the meetings will support the Board's decision and reasons for granting appeals.

Additional comments from the advocates were solicited. None were made. Comments from the opponents were then solicited. Mr. Lepire questioned how it would impact a RV lodging facility. No answer could be given. Mr. Lepire felt that he should be permanently grandfathered. Mayor Masayko felt that he would be grandfathered according to his reading of the ordinance. Mr. Lepire felt that he could put in an arcade. Mayor Masayko indicated that he could not put in more than 15 machines. Mr. Forsberg explained his discussion with Mr. Kramer regarding what are hotel/motel rooms. The ordinance contains a reference to the Nevada Revised Statutes' definition. It was left broad in order to eliminate the need to keep revising the ordinance as the Statutes change. The Statute indicates that a definition of a hotel room is a room held for nightly occupancy with daily changing of the towels, linens, etc. It is not a RV space or youth hostel or room without a toilet and sink. Therefore, RV spaces are not hotels. Mr. Lepire felt that, as he did not comply with the ordinance as written, the Board had devalued his property by 40 percent. Mayor Masayko indicated that he could not respond to his rhetorical question. Mr. Lepire then asked that these comments be in the record.

Additional comments were solicited. Mr. D. Langston opposed the ordinance as it provides unfair "protectionism". The Title 18 revisions should have addressed it due to his feeling that it rezoned his property. He explained his previous concerns with Tourist Commercial zoning and the ordinance modifications created in December. He claimed that the Board is now removing this ability. His proposed RV park could not have more than 16 slots. Mayor Masayko felt that the Board could consider his appeal as indicated by Mr. Amodei and that if he brings something to the table then he could have the business license which allows unrestricted gaming license. Mr. D. Langston felt that if the ordinance was needed, the void the Board was attempting to address would have already been filled by the investors. The population will bring them when the time is right. Hotel/motels would not be rented on a monthly/weekly basis if the need is there. There is no economic merit to justify the modification. Mr. Cashill's inability to get financing with his experience would preclude his (Mr. Langston's) ability to do the same thing. This restriction will further restrict his ability to develop his property. Growth should be allowed and, as demand indicates the need, it will occur. Las Vegas examples of its casino growth were cited to illustrate his feeling. The grace period should be extended until the completion of the freeway as that will be the only time that economic viability will be provided. The ordinance will restrict competition and is in violation of the law.

Supervisor Staub asked Mr. Langston, if he were a San Francisco resident recreating in the area, as an example, where he would stay. Mr. D. Langston felt that tourists would not stay in Carson City due to the other amenities at the Lake and Reno such as skiing, the Lake, or a show. He, himself, preferred to stay at the Lake. In responded to Supervisor Staub's question that if all the rooms at the Lake and Reno were taken by acknowledging that Carson City does receive benefits from tourist activities in the surrounding areas. His personal experience with his in-laws was cited to support his position. Supervisor Staub pointed to a recent survey to support having additional quality rooms. Mr. Langston felt that if the rooms were here, the people would come. The gaming industry should not be forced to do the construction. Indian gaming will syphon off the investment.

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Mr. R. Langston explained his contribution to Carson City for over 40 years. He opposed the ordinance as it will impact his property, its value, zoning, and development economics. He would be penalized by the ordinance. He indicated that he also spoke for his brother Bruce who brought a beautiful project to Carson City. They should not be penalized.

Mr. Shelhammer felt that their investment will be impacted by the proposal. They had invested in the Carson Hot Springs due to the lack of restrictions on the tourist commercial property. They opposed additional restriction to our use of that parcel and the surrounding parcels. They will expand their lodging abilities in the future. They could not fit 100 rooms on the property as they plan to expand their tourist attractions at the hot springs. Their clientele will not be gamblers but the neighbors should be able to do build a slot arcade to keep their clientele in the area. They do not currently have a restricted gaming license but have a tenant who provides gaming on the property. Supervisor Williamson explained that that individual could expand the current gaming uses within the next year without having to construct the 100 rooms. Mr. Shelhammer felt that the ordinance would create an urgency for that individual to make an economic decision. There is no need to force him to have to react to such an ordinance.

Mr. Willis indicated he held a restricted gaming license. He leases a building owned by Mr. Rafferty. His lease is for a long period and includes extra space to meet his future expansion needs. The one year restriction will economically impact his future plans for the facility. Economics at this time prohibit such an expansion. Mayor Masayko asked whether he would be able to obtain the State unrestricted gaming license in one year. Mr. Willis felt that the cost and timeframe for applying for a State unrestricted license would not be adequate. The Board should not restrict the expansion to one year.

Mr. Leck opposed the ordinance due to the impact the ordinance would create on the property values and stability of the Board's budget. Today's new economy is "what will the City provide to the new developers" and not vice versa. The Board is placing barriers in front of the developers. According to his market evidence, gaming establishments outside Reno and Las Vegas cannot support the construction of a major hotel/motel. A developer will begin with gaming and restaurant facilities and then go to the hotel/motel as indicated by the Pinion Plaza and the Carson Valley Inn. Reno is doing the same thing. The Tamerack, a Reno casino, does not have hotel/motel amenities. Carson City should not require more than Reno does. The ordinance will exclude major investors from coming here. They will go to Douglas County. He suggested that the Board allow free enterprise to decide what should happen here. If something needs to be done, it should be provided as an incentive rather than a barricade. He then summarized the hotel/motel occupancy over the last ten years and distributed a document to the Board and Clerk indicating these figures. (A copy was given to the Clerk.) This data purportedly indicated that between 1990 to 1998 the room occupancy and rates were stagnant. Over the last three years gross annual income had increased 15.42 percent and the average nightly room rate had increased 28.84 percent. A major four or five star hotel would have come to Carson City if major incentives are offered. The growth in tourism created by such a facility can only be imagined. The Board's decision will create far reaching impacts on the community beyond just gaming. Your recent decision to purchase 55 acres from the Eagle Valley Children's Home at \$4.14 a square foot will also impact the acquisition price, the completion date, and the overall costs for the freeway. The \$4.14 will be used as the lower limit for the acquisition costs of the Lompa property and other large tracts of property needed for the freeway. Mayor Masayko asked him to return to the topic. Mr. Leck continued by expressing his feeling that the Board's decision will have similar ramifications on properties beyond gaming sites. Mr. Kramer had not included the

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potential of litigation against the City in the business impact statement. He felt that properties in the retail commercial, general commercial, tourist commercial, general industrial, and industrial zones are allowed some gaming as either primary or secondary uses. Therefore, this ordinance should have been considered by the Planning Commission. Benefits of the ordinance are purportedly required by the Code under the Planning ordinances. This includes statistical data. NRS 278.260 addresses amendments to the zoning regulations. As the ordinance impacts all of the commercial property in the community the affected property owners need to be noticed. This has not been done. An example is in the general commercial zone where unlimited gaming is addressed. It does not state unlimited gaming with 100 rooms. Brothels, topless bars, etc., are not prohibited in general commercial zones. Gaming is allowed in almost all of the general commercial and industrial zones in the community. As the potential legal ramifications have not been discussed, he felt that the property owners and their property rights could be damaged. His testimony in court regarding the Langston property was cited to illustrate his concern about a taking of private property even though he had determined in that case that there had not been a taking. This ordinance will reduce property rights in commercial and industrial zones which reduces the property values and is viewed as a taking. He urged the Board to seek a legal opinion of his issues before making a decision. The ordinance will also deprive current property owners from developing vacant property or redeveloping other property as a gaming establishment, which is a taking. He urged the Board to deny the ordinance. He felt that the goal was honorable and far reaching for the future but the same results will be provided if incentives are given to the developers. He agreed that the time is ripe for a high quality hotel/casino but the current casinos want to wait for the freeway to see what the impact will be. He urged the Board to attract people with incentives. The Ormsby House will reduce its room numbers with the hope that it will be high quality rooms and urged the Board to provide incentives to do that.

AGENDA SCHEDULE (3-0709) Mayor Masayko indicated that the remainder of the morning items would be considered at 1:30 p.m. and that if the testimony on this item is not completed by 12:30 p.m., it will be halted and continued after 1:30 p.m..

8-B. (3-0710) Mr. Masini opposed the ordinance as written. He indicated that his comments would reiterate those already made. The ordinance does not promote the well-being, morals, health, or welfare of the community. No health or safety items are involved. It may force the migration of tax paying businesses to other counties. It will prevent small business and protect the large casinos. It restricts competition. It protects established businesses at the expense of future competitors. It denies small business equal protection of the law. As they have no idea of the impact of the freeway, why should we do it now. There was only one slot parlor in this City who stopped the investors referenced by Mr. Cashill. The minimum time required to get an unrestricted gaming license from the State is nine months and it costs between \$12,000 and \$15,000 per individual. Therefore, you will not be able to construct a 100 room hotel. A Douglas County project has purportedly committed over five years to planning the facility and millions and millions of dollars, but has yet to break ground. The timeframe needs to be reconsidered. The ordinance fails to show that it will advance the stated purpose of providing quality rooms. He questioned whether there is a shortage of rooms. The ordinance may harm the local economy. He liked the Ormsby House when it originally opened and would have stayed there. The casino had been opened first and the hotel rooms second. Businessmen must cultivate and keep their clientele. Ordinances should not restrict a businessman's abilities or dreams. The Board should not protect the businessmen who are here. The investors will come when the time is right. This is free enterprise and how it works. He urged the Board to reconsider the plan. The last study he saw showed that 99 percent of all business is small business operations. The Board should protect us as we made Carson

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City what it is. Current economic considerations require a level playing field. The ordinance does not provide it.

(3-0860) Additional comments were solicited. Mr. Rafferty hoped that people would see the ordinance as a step backwards. Large hotels will not come because you legislate it. When we are ready and can support 100 room hotels, they will come. He preferred to have local residents make this type of an investment. The ordinance will eliminate other business opportunities and cost tax money as local individuals will not expand. He urged the Board to protect the local people and allow them to expand. Our current location is surrounded by large communities which indicates that people will not stay here.

Additional comments were solicited but none given. Mayor Masayko then closed public testimony and solicited Board comments. Discussion between Supervisor Staub and Chief Deputy District Attorney Forsberg indicated that the appeal process needed to be clarified and included within the ordinance based on Supervisor Staub's concerns. Mayor Masayko felt that the right to appeal was unfettered. Otherwise, the process would be a policy rather than an ordinance. Mr. Forsberg agreed that that approach could be taken. He also felt that, to his knowledge, all of the special use permit cases referenced by Mr. Amodei have standards and criteria which is used to determine if an exception should be granted. Examples supporting his position were cited. This ordinance does not include similar findings/criteria. The courts will need it in order to support it. If you are denied based on the failure to provide the 100 rooms, you can appeal but how can you do that without including criteria. The ordinance as written does not allow you to waive the requirement. You can only make a finding of fact that there are 100 rooms. You need the standards in order for it to survive legal attacks. Your legislative history may provide stipulations which grant you unfettered discretion. Mayor Masayko questioned whether there are any policies which are not in an ordinance that require a hearing and establishes criteria for it. This standard is high and may even be arbitrarily high. He suggested commencing with a lower standard. Mr. Forsberg agreed that the Board had the discretion to draw the line at a point felt to be in the best interest of the community. His concern is that after you draw it, if you want to grant exceptions, you must spell it out. Mayor Masayko felt that they should lower the bar in the beginning to match the concern. The bar could then be raised as needed in the future. The ordinance should be enforced at the level established by the community.

Supervisor Williamson pointed to the BLM presentation as an illustration that change is inevitable and progress will occur. The community needs high quality and more hotel rooms and not more slot arcades. She agreed that the strength of the community is in small businesses. This not an effort to stop them but may restrict expansion from 15 slot machines. The expense of going from the restricted to unrestricted gaming license is controlled by the State Gaming Control Board. The City has no control over the State Gaming License. If the 12 month waiver is inadequate, an extension could be requested and may be granted based on the time required by the State Gaming process. There is not a lot of land available in the City for development. Its development standard should be set high as indicated by this ordinance. Gaming experts have indicated that 75 to 100 rooms is the breakeven point for financial reasons. This is the reason for using the 100 rooms as the standard. She indicated her intent to support the ordinance.

Supervisor Staub expressed his desire to follow Mr. Forsberg's advice and requested the appellant process be modified to allow the board the authority to make a sustainable decision. Justification for this direction was provided. He also indicated that he would abstain from any vote on this ordinance due to a potential conflict that he may be

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involved with in the future. His professional commitments force this abstention.

Supervisor Livermore noted that he had been a business person and long-term resident of the community. Mr. Leck had raised occupancy concerns. Carson City has created events or facilities that foster hotel/motel development which in Nevada comes attached to casinos. The number of hotel/motel rooms have not grown, with the exception of Mr. Russell's facilities and the Ormsby House, due to the small infusions of hotel/motel accommodations. How do we encourage investment, raise the bar, and get people to invest in the area. The concept is a change in the long-standing direction. There are five other cities/counties with gaming attached to their motel/hotel rooms. They all have larger populations than ours. As we grow we also want those amenities. He had attempted during the past several weeks to fit all of the needs into this ordinance including Rosemary Smith's efforts to bring a small convention here. They always wanted more investments. Some facilities have an unrestricted license and could develop their property. An appeal process may need to be added or removed. We need to send a clear message that an unrestricted license means 100 hotel/motel rooms. He supported the ordinance and will work to see it through.

Mayor Masayko pointed out that Carson City is between two tourist attractions—Truckee Meadows and Lake Tahoe. They have a head start on us. This proposal puts government into issues which investors and the private sectors should do. He acknowledged the commitment made by the business industry for the community. The concept on its face makes some sense but could be restrictive. Dotties is a restaurant with 30 machines. It is not a casino. We should discuss the number of machines and not stay with one size fits all. Supervisor Livermore indicated that Dotties has 60 machines. Mayor Masayko continued to express his feeling that the numbers should be viable otherwise you are closing the door to future investments. Mr. Russell had expanded one step at a time. That is the positive method. The ordinance should be modified. It is an inappropriate public policy as it stifles competition and stops small business from growing. Entrepreneurs will not come due to it. He could not make a finding that this furthers governments' objectives and role to protect health, safety, and welfare. More time should be taken in its writing. As written, he could not support it.

Supervisor Plank supported the ordinance as it set the standard for the future. He understood Supervisor Staub and Mr. Forsberg's concerns. He suggested that the appeal criteria include the parcel size and the parking requirements. He did not wish to delay the process as it is the correct way to go.

Mayor Masayko pointed out that problems occur when time is not taken to draft the language correctly. He urged the Board to do it right the first time. Send the correct message and make it a level playing field. The devil is in the details.

Supervisor Williamson acknowledged that this is the second time around and had included more involvement. The facts keep going back and forth without including Mr. Forsberg. It looks sloppy on our part. How do we know that other issues will not be raised and changes made again. Mr. Forsberg felt that the appeal language is satisfactory although it only allows for appeals of a lower individual's decision that the applicant did not meet the standards. The standards could be broadened to allow waiver of the requirement which could be added later. In response to Supervisor Williamson's question, he explained that the ordinance will set the clock restriction for grandfathering.

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It could be revised/amended in six months which will require reopening the ordinance.

Supervisor Plank pointed out that the time restriction is rather heavy as it will depend upon someone other than the applicant and is beyond the applicant's control. Mayor Masayko pointed out that the Board does control the clock portion of the ordinance and could reset it by amending the ordinance or changing the appeal criteria. Supervisor Livermore suggested that the ordinance be passed without the appeal process. It had been an amendment at the first reading. Mr. Forsberg opined that the Board should not strike a significant portion of the ordinance without giving notice. It had been agendized, published, and posted with the appeal process included. Mayor Masayko supported his opinion.

Mr. Amodei pointed out that the appeal process had been added by referencing the current procedure. It can be amended as needed in the future. Standards and criteria can be added as desired. Discussion ensued on the business license and its appeal criteria. Mr. Forsberg reiterated that it currently does not include any criteria for waiving the room requirement. Mr. Amodei reiterated that the waiver process could be amended in the future to include criteria/standards including the timing issues, other items the applicant brings to the table, the zoning district, etc. This criteria could be as a Section 4.04.180.2. The ordinance did not need to be held up for an amendment. He urged the Board to vote on the ordinance today. Mayor Masayko felt that this would be getting the cart before the horse. The standards for appeals should be here in the beginning. Based on counsel's advice, the Board should either defer action or approve the ordinance as written.

Supervisor Williamson moved to approve on first reading Bill 107, AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 4 LICENSES AND BUSINESS REGULATIONS AMENDING CHAPTER 4.14 GAMING LICENSES AND REGULATIONS TO REQUIRE THOSE WHO APPLY FOR A CARSON CITY GAMING LICENSE TO OPERATE A GAMING ESTABLISHMENT UNDER AN UNRESTRICTED GAMING LICENSE FROM THE STATE OF NEVADA TO HAVE A MINIMUM OF 100 HOTEL/MOTEL ROOMS AS A REQUIREMENT FOR OBTAINING A CITY GAMING LICENSE AND OTHER MATTERS PROPERLY RELATED THERETO with the condition that the typographical errors and mistakes be cleaned up in the ordinance. Supervisor Plank seconded the motion. Mayor Masayko urged the Board to be cautious as he felt that the Board would look back on this day and not be satisfied with the issues and outcome. We are not required to do something day. We can take our time and make sure everything is done correctly. Supervisor Plank felt that staff understands the direction to do work on regarding the appeal process relating to the last portion of the ordinance. Mayor Masayko felt that Mr. Kramer understood that and indicated his guarantee that it would be placed on a future agenda. Supervisor Livermore indicated his support for his comments and asked that the District Attorney's office be included in the process. The motion to introduce Bill 107 on first reading with the appropriate typographical errors/mistakes corrected was voted and carried 3-1-1 Mayor Masayko voting Naye and Supervisor Staub abstaining.

BREAK: A recess was declared at 12:58 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 2 p.m., constituting a quorum.

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9. JUVENILE PROBATION DEPARTMENT - Chief Juvenile Probation Officer Sheila Banister

A. ACTION TO APPROVE EXPENDITURE OF \$68,000 FROM THE ADMINISTRATIVE ASSESSMENT FUNDS TO UPGRADE TO THE WINDOWS VERSION OF THE JCATS PROGRAM WITH ADDITIONAL PURCHASE OF NEW EQUIPMENT (3-1686) - Management Assistant Valerie Hill , City Manager John Berkich, Information Services Director William Naylor - Discussion explained that the data base is compatible with other systems. The current system is a stand alone but the cost includes upgrades to a web based environment which allows interfacing with other Departments/Agencies. The other Nevada Counties, with the exception of Las Vegas, are using the same system. SPAN has supported the request. Benefits and purpose of the administrative assessments funds were described. The software program has a \$5,000 maintenance fee which will be included in the budget. Mr. Berkich indicated that Mr. Naylor supported the program. Mayor Masayko felt that the funding source is a legitimate purpose for these funds. The District Court Judges also support the funding source. Discussion also explained that the price may change when the new models come out. The request is for last year's model. The issue date for the new models was unknown. Mr. Naylor explained the model numbers and described the proposed equipments' capabilities. The cost for the new models would be in the \$1200 to \$1400 range for each one. Mayor Masayko felt that the model should be able to run a lot of programs. Discussion pointed out that other Departments are seeking similar equipment. Mr. Naylor agreed that the acquisition is a substantial change from the previous acquisition policy. The proposed models may last five years. Supervisor Livermore moved that the Board of Supervisors approve Juvenile expending \$68,000 from the Administrative Assessment funds to upgrade to the Windows version of the JCATS program with additional purchase of new equipment, fiscal impact is \$68,000, and the funding source is the Administrative Assessment Reserved Fund Balance. Supervisor Plank seconded the motion. Motion was voted and carried 5-0.

B. ACTION TO APPROVE \$23,650 IN ADDITIONAL FUNDING FOR THE COMPLETION OF THE JUVENILE JUSTICE FACILITY EXPANSION PHASE II (3-1895) - City Engineer Larry Werner - Funding will be from the CIP account. Attempts to reduce the costs were limned. The City Manager and Finance have determined that the funding is available. Mayor Masayko expressed his reluctance to use the Contingency Fund. Mr. Werner explained that the construction manager process is not being used for this project. Metcalf Builders is charging for work which a City staff member would have performed if there had been an employee available. Mr. Werner agreed that they should have used the construction management program from the beginning. Tom Metcalf of Metcalf Builders was present but did not speak. Discussion indicated that the contract is the next item. Ms. Banister thanked the Board for its support. Mayor Masayko felt that the changes would maximize the personnel. Supervisor Livermore moved that the Board of Supervisors approve \$23,650 in additional funding for the completion of the Juvenile Justice Facility Expansion Phase II; and the funding source is the Juvenile Justice Facility Expansion 220-0000-423-6516 as previously approved in fiscal 2001-02 budget and the additional \$23,650 will be provided from fund balances. Supervisor Plank seconded the motion. Mayor Masayko corrected the funding source to be the CIP fund balance. Supervisor Livermore amended his motion accordingly. Supervisor Plank concurred with the amendment. The motion was voted and carried 5-0.

10. DEVELOPMENT SERVICES - CONTRACTS - ACTION ON THE AWARD OF THE CARSON

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CITY JUVENILE JUSTICE FACILITY EXPANSION PROJECT, CONTRACT #2001-062 TO (BIDDER #2) ERIC ROBINSON CONSTRUCTION, INC., AS THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PURSUANT TO THE REQUIREMENTS OF NRS CHAPTER 332, 338, 339, AND 624 FOR A CONTRACT AMOUNT OF \$255,000 AND A CONTINGENCY AMOUNT OF \$25,450 (3-2057) - City Engineer Larry Werner - Mayor Masayko noted for the record that there is a difference of more than 10 percent between the high and low bidders. He felt that this indicated the project is well scoped and well stated. The project should come in under budget even with the construction management costs. Mr. Werner described the grouping of bids and efforts to insure that the project would be under budget. Discussion indicated that this phase should complete the project. Supervisor Williamson moved to accept Development Services recommendation and award the Carson City Juvenile Justice Facility Expansion Project, Contract 2001-062 to Bidder No. 2, Eric Robinson Construction, Inc., as the lowest responsive and responsible bidder pursuant to the requirements of NRS Chapter 332, 338, 339, and 624 for a contract amount of \$255,000 and a contingency amount of \$25,450 and that the funding source is 220-0000 Capital Outlay/Juvenile Justice Center Phase 2 Building as provided for in fiscal year 2001-2002. Supervisor Livermore seconded the motion. Mayor Masayko noted that the Board had just approved supplementing the funding with the CIP funds which should be included. Motion was voted and carried 5-0.

11. BOARD OF SUPERVISORS - CONTINUATION OF NON-ACTION ITEMS - None.

12. PERSONNEL - ACTION TO APPOINT THREE MEMBERS TO THE CARSON CITY

UTILITIES ADVISORY COMMITTEE (3-2137) - City Manager John Berkich, John Degenkolb - Mayor Masayko explained the interview process and thanked Mr. Degenkolb for attending the meeting. Mr. Degenkolb was interviewed. Discussion pointed out the desire to have individuals who pay water bills serve on the Committee. Mr. Degenkolb's utility fees are included in his mobile home park rental fees. Mr. Degenkolb explained his desire and willingness to contact other mobile home occupants regarding the utility costs. He also explained that he would not be available to serve on the Committee until March 16. Mayor Masayko suggested that he contact mobile home residents who pay their own water and sewer fees. Mr. Degenkolb agreed. Discussion indicated he resides in Ward 2. Supervisor Plank explained his knowledge of Mr. Degenkolb. David Mork, the other mobile home applicant, was not present. Supervisor Plank moved to appoint John Degenkolb to the mobile home category, Jeffrey Smeath to the commercial category, also a Ward 2 resident, and Craig Mullet to the industrial category, a Ward 1 resident. Supervisor Williamson seconded the motion. Motion carried 5-0.

13. CARSON-TAHOE HOSPITAL - Chief Executive Officer Ed Epperson

A. ACTION ON A LEASE APPROVAL FOR THE EMPLOYEE ASSISTANCE PROGRAM AT 777 EAST WILLIAM STREET, CARSON CITY (3-2354) - Carson-Tahoe Hospital Property Manager Jennifer Willis - The Employees Assistance Program will be transferred to the 501c3 corporation. Supervisor Livermore explained the Trustees and its Finance Committee's approvals of the lease and reasons for coming to the Board of Supervisors. Supervisor Livermore moved that the Carson City Board of Supervisors accept the recommendation of the Hospital Board of Trustees to approve the one year lease for the Employees Assistance

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Program commencing on February 1, 2002, at 777 East William Street, Suite 111, Carson City, Nevada, for a rent of \$780 per month inclusive of utilities and janitorial services to the suite with funding to come from Operations as presented. Supervisor Plank seconded the motion. Motion carried 5-0.

B. ACTION ON AMENDMENT NO. 2 TO THE TRANSFER AND ASSUMPTION AGREEMENT BETWEEN THE CITY AND CARSON-TAHOE HOSPITAL, A NEVADA NONPROFIT CORPORATION, WHICH RELATE TO THE FOLLOWING: 1. FIXING A DATE FOR THE CLOSE OF ESCROW ON THE TRANSFER AND ASSUMPTION AGREEMENT FOR MONDAY, MARCH 4, 2002, EFFECTIVE AT 7 A.M. ON FRIDAY, MARCH 1, 2002; 2. PROVIDING FOR THE TRANSFER OF "INTERIM ACQUIRED ASSETS" (I.E., THOSE ASSETS, INCLUDING LAND AND EQUIPMENT PURCHASED SINCE THE DATE OF ORIGINAL AGREEMENT TO THE CLOSE OF ESCROW) FROM THE COUNTY HOSPITAL TO THE NONPROFIT CORPORATION; AND 3. PROVIDING THAT THE BOND PROCEEDS IN EXCESS OF THE AMOUNTS REQUIRED TO DEFEASE THE BOND DEBT WILL BE USED TO REPLENISH THE HOSPITAL'S "BOARD DESIGNATED FUNDS" (3-2426) - Hospital Legal Counsel Mike Pavlakis, Clerk-Recorder Alan Glover - Mr. Epperson distributed copies of the proposed/staff's recommended motions for Items B and C to the Board. (A copy was not given to the Clerk.) The purpose of the bonds was described. The final letter of approval from Standard and Poors should be received shortly acknowledging that the Hospital is "A" rated with a "stable outlook for the future". Mr. Epperson emphasized that the Hospital had not been tax supported at any time in its successful operation and the intent to transfer the operation to the nonprofit corporation as seamlessly as is possible. He asked that public comments be solicited on the bond issue.

Mr. Pavlakis explained Amendment No. 2 and the Transfer Agreement including the closing date which has now been established as March 1 at 7 a.m. It is hoped that the State will have issued the necessary transfer documents allowing the current license to be transferred to the nonprofit corporation by that time. All of the current contracts will also be transferred to the nonprofit corporation. The final documents are to be signed/completed during the three day closing, which are February 28, March 1 and 4. The purpose of the amendment, the defeasance process, and fund allocations were described. The defeasance funds will be held in an escrow account and used to pay off the bond holders on the first call date. There is no risk to the City or the taxpayers. The bond will also repay the Hospital funds used to acquire the Silver Oaks property and the Children's Home property. There is \$1 million that has been set aside for planning the new regional medical facility and \$2 million in insurance. The actual bond amount will be in the \$46 million to \$47 million range. The resolution is for \$50 million. A copy of the bond purchase agreement was given to the Clerk. (A copy is with Bond Resolution 2002-R-10.) Any bond proceeds beyond the "per cash purchase price" will be "swept through to the nonprofit corporation". All of the bond proceeds will truly be used for the acquisition and improvement of the Hospital. Mayor Masayko indicated that Carson City will not receive any of the \$25 million. Those funds will stay in escrow and defeasance the debt that Carson City has issued on behalf of the Hospital. This is the process used to relieve the taxpayer of its payer of last resort obligation on the bonds as the funds are in place to repay those bonds regardless of the future earnings. It does not include significant funding for the proposed regional facility which is to be in the northwest portion of the City. It only provides funding for the land purchases and planning. The bonds are similar to those the City has issued for industrial development.

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This culminates the transfer.

Supervisor Livermore noted questions which several of the Hospital Trustees had been asking Mr. Glover regarding the process required to dissolve the Hospital Board of Trustees. Mr. Glover explained his need to have a record for the Election Division indicating that the Board ends on a specific date and the need for its Board Members to file their final disclosure statements with the Ethics Commission. Redistricting of the Hospital Board had not occurred. A list of offices open for election this year must be developed in May. A document showing that the Board had been dissolved also must be filed with the Secretary of State. The Hospital Minutes are to be sent to the State Archives. He asked that this process be discussed in depth later as State Archives has also indicated that those records will then be sent to the County Clerk. They must be originals and are to preserve the history.

Supervisor Williamson noted that there will be a gradual reduction of the bonds. Carson City has not yet reached its cap. The defeasance will free up some of the bonding capacity. Mayor Masayko pointed out that the voters will not have to consider the cap issue in view of the capacity that is available.

Supervisor Livermore moved that the Carson City Board of Supervisors approve Amendment No. 2 to the Transfer and Assumption Agreement between Carson-Tahoe Hospital, a Nevada nonprofit corporation, and Carson City, Nevada, dated July 19, 2001, as presented. Mayor Masayko indicated for the record that Amendment No. 2 is an attachment to documents which the Board had and will be part of the original documents which have been presented. Supervisor Plank seconded the motion. The agreement includes the transfer of employees. Employees wishing to remain in PERS are to be leased back from the Ely Hospital. Mr. Epperson indicated that only 50 employees will be involved with the lease back. The remaining 900 employees will be employed directly by the nonprofit corporation. A form has been given to the employees for them to select which option they wish. This paperwork has been returned and all 900 will be rehired. The motion to approve Amendment No. 2 was voted and carried 5-0.

C. ACTION ON A RESOLUTION SETTING FORTH CERTAIN DETERMINATIONS REQUIRED BY NRS 244A.711 FOR CARSON CITY, NEVADA TO ISSUE BONDS PURSUANT TO THE COUNTY ECONOMIC DEVELOPMENT REVENUE BOND LAW TO FINANCE A PROJECT FOR THE NONPROFIT CORPORATION CARSON-TAHOE HOSPITAL FOR ITS ACQUISITION AND IMPROVEMENT OF A HEALTH AND CARE FACILITY, SUBJECT TO APPROVAL BY THE STATE BOARD OF FINANCE; AND AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT IN CONNECTION THEREWITH (3-2815) - Bond Counsel Kendra Follett - Mayor Masayko opened the public hearing on the bonds and requested public comments three times. None were given. Public testimony was then closed. Ms. Follett explained the economic bond requirements mandating a five year operational history. As this is not possible, a request for the bonds must be submitted to State Finance Committee for its approval. The actual bond resolution will be considered by the Board on February 21. It will authorize the issuance of the bonds. The bonds will be special limited obligations for Carson City as the issuer. Carson City's only obligation will be to repay the bonds with the defeasance funds in accordance with the already approved loan agreement and the State law. The City is not liable for the repayment if the Hospital is insolvent.

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Mayor Masayko expressed his feeling that the Carson-Tahoe Health Systems would be successful. Carson City's name will still be attached to the bonds and to its present and future credit ratings. This gives the bond purchasers a level of comfort knowing that this enterprise is conservative in its bond issuance and will have the operating revenues to insure repayment of the bonds. Mayor Masayko then referenced Exhibit B, the list of projects which will be undertaken with the bonds for a sum not to exceed \$50 million.

Mr. Epperson explained that the State Finance Board will establish the bond issue amount. The Hospital had hoped that they would be issued in small amounts of \$5,000 so that local residents could acquire the bonds. The State Finance Board may wish to issue them in \$100,000 amounts. The Hospital objected to this issuance amount as it eliminates small investors and has a high issue cost. He asked that the Board of Supervisors and City Manager attend the State Finance Board meeting on Monday and communicate their thoughts. Mayor Masayko explained that only one individual had expressed to him a desire to acquire City bonds. He felt that personal finances are used to acquire Certificates of Deposit and that municipal bonds are obtained by pooling assets. The savings warrant having a City official attend that meeting. Public participation was also encouraged. Additional comments were solicited but none given.

Supervisor Livermore moved that the Carson City Board of Supervisors approve Resolution Number 2002-R-10, approving the issuance and sale of the Carson City, Nevada, Hospital Revenue Bonds for the Carson-Tahoe Hospital project in an aggregate amount not to exceed \$50 million in one or more series to finance a project for Carson-Tahoe Hospital, a Nevada nonprofit corporation, as presented for its acquisition and improvements of the health care facility subject to the approval by the State Board of Finance and authorizing the execution and delivery of a bond purchase contract in connection with that bond issuance and urged that the State Board of Finance approve the issuance of the bonds pursuant to NRS 244A.711 without further restrictions or conditions. Supervisor Williamson seconded the motion. Mayor Masayko reiterated the purpose of the resolution and that additional action will be taken at the next meeting. Additional comments/questions were solicited but none given. The motion was voted and carried 5-0.

Supervisor Livermore explained that the State Finance Board meeting would be held at 9:30 a.m. on Monday in the Old Supreme Court Building across from the Capital Building. Mayor Masayko wished the Carson-Tahoe Health Systems success.

14. COMMUNITY DEVELOPMENT - ACTION ON S-01/02-1 - APPROVAL OF A FINAL SUB-DIVISION MAP REQUEST FROM JACK RANDELL, REPRESENTING BERNHARD FAMILY TRUST, FOR HIDDEN MEADOWS ESTATES UNIT NO. 4, APPROXIMATELY 21.48 ACRES, ZONED SINGLE FAMILY 21,000 (sf21), LOCATED EAST OF CARSON RIVER ROAD, APN 010-641-03 (3-3100) - City Engineer Larry Werner - Mayor Masayko noted for the record that there are ten lots on a private road. The road(s) will be maintained by the homeowners association. The road will be constructed to meet City Code so that if it can be turned over to the City at a future date if the homeowners wish. Mr. Randell was present and his work was recognized. Supervisor Plank moved that the Board of Supervisors approve S-01/02-1, a final subdivision map request from Jack Randell, representing the Bernhard Family Trust, for Hidden Meadows Estates

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Unit #4, approximately 21.48 acres, zoned Single Family 21,000 (SF21) located east of Carson River Road, Assessor's Parcel Number 010-641-03, based on the original findings and subject to the 21 conditions of approval as contained in the staff report and there is no fiscal impact. Supervisor Williamson seconded the motion. Motion carried 5-0.

(3-3445) Community Development Director Walter Sullivan thanked Mr. Werner for his assistance and indicated that there were no problems with the project. He also remarked on the interesting meeting on the casino bill.

15. DEVELOPMENT SERVICES - ENGINEERING - ORDINANCE - SECOND READING - ACTION ON BILL NO. 106 - AN ORDINANCE APPROVING A SEWERLINE REIMBURSEMENT AGREEMENT BETWEEN CARSON CITY AND PINYON WEST CENTER PARTNERS REGARDING APN 08-152-18 LOCATED AT 2073 HIGHWAY 50 EAST AND APN 08-152-06 LOCATED ON HIGHWAY 50 EAST, CARSON CITY, NEVADA, FOR SEWER MAIN CONSTRUCTION (3-3194) - City Engineer Larry Werner - Supervisor Plank moved to adopt on second reading Bill No. 106, Ordinance No. 2000-6, AN ORDINANCE APPROVING A SEWERLINE REIMBURSEMENT AGREEMENT BETWEEN CARSON CITY AND PINYON WEST CENTER PARTNERS REGARDING ASSESSOR'S PARCEL NUMBER 08-152-18 LOCATED AT 2073 HIGHWAY 50 EAST AND ASSESSOR'S PARCEL NUMBER 08-152-06 LOCATED ON HIGHWAY 50 EAST, CARSON CITY, NEVADA, FOR SEWER MAIN CONSTRUCTION and the fiscal impact is none except a 15 percent administrative fee to the City upon any reimbursement to the applicant. Supervisor Livermore seconded the motion. Motion carried 5-0.

16. DEVELOPMENT SERVICES - UTILITIES - City Engineer Larry Werner

A. ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN THE ASH CANYON CREEK USERS AGREEMENT (3-3245) - The document updates the current agreements and increases the price. The revenue generated by the increased price will be sent to the State. The guaranteed allocations remain the same. The extra water can be transferred to the City or traded at no cost. The parties involved in the agreement were listed. Supervisor Plank noted the admirable working relationship found between the parties. Mr. Werner explained the relationship and noted other issues which are being worked on. Supervisor Plank moved to approve and authorize the Mayor to sign the Ash Canyon Creek Users Agreement. Supervisor Livermore seconded the motion. Motion carried 5-0

B. ACTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN THE KINGS CANYON CREEK USERS AGREEMENT (3-3330) - Utilities Manager Tom Hoffert - Comments noted the parties involved in the agreement, the upgrade in the price and the admirable working relationship. Mr. Hoffert provided examples of the working relationship and the benefits of it. Mayor Masayko explained the irrigation which is occurring now as a result of a broken pipe. Mr. Hoffert delineated the City's policy regarding acquiring the water. Under this policy the City's rights are maximized first. The Quill Treatment facility was doubled a few years ago. The Marlette agreement with the State also allows the City to use 9.2 acre feet a day. Mayor Masayko pointed out

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that we may not be able to use all of the water during the winter time even if we could treat all of it. Supervisor Plank moved to approve and authorize the Mayor to sign the Kings Canyon Users Agreement. Supervisor Williamson seconded the motion. Motion carried 5-0.

REDEVELOPMENT AUTHORITY (3-3498) - Mayor Masayko then recessed the Board of Supervisors session and passed the gavel to Chairperson Williamson who convened the Redevelopment Authority. For Minutes of the Redevelopment Authority, see its folder.

BOARD OF SUPERVISORS (3-3580) - Following adjournment of the Redevelopment Authority, Chairperson Williamson returned the gavel to Mayor Masayko who reconvened the Board of Supervisors session. The entire Board was present constituting a quorum.

18. FINANCE - Director David Heath

A. ACTION TO APPROVE A RESOLUTION TO AUGMENT AND AMEND THE CARSON CITY REDEVELOPMENT AUTHORITY FISCAL YEAR 2001-02 BUDGET IN THE AMOUNT OF \$809,868 (3-3582) - Supervisor Williamson moved to adopt Resolution 2002-R-11, A RESOLUTION TO AUGMENT AND AMEND THE CARSON CITY REDEVELOPMENT AUTHORITY FISCAL YEAR 2001-02 BUDGET IN THE AMOUNT OF \$809,868. Supervisor Plank seconded the motion. Motion carried 5-0.

B. ACTION TO APPROVE A RESOLUTION TO AUGMENT AND AMEND THE CARSON CITY FISCAL YEAR 2001-02 BUDGET IN THE AMOUNT OF \$19,091,241 (3-3618) - Comments explained the purpose of having to augment the budget, the contingency funding and the use of CIP funds for the Juvenile Probation/Justice expansion project. Mayor Masayko felt that the contingency fund would evaporate without Board action. He asked that the Board be kept apprised of how these funds are used. Mr. Heath explained the increased costs in conflict counseling and anti-terrorism measures. Mayor Masayko requested a quarterly memo explaining those commitments. Mr. Heath agreed to add this to next month's financial report. Supervisor Plank moved to adopt Resolution 2002-R-12, A RESOLUTION TO AUGMENT AND AMEND THE CARSON CITY FISCAL YEAR 01-02 BUDGET IN THE AMOUNT OF \$19,091,241. Supervisor Williamson seconded the motion. Motion carried 5-0.

17. CARSON CITY COMMUNITY TRANSPORTATION (CCTC) - STATUS OF REPORT ON TRANSIT OPERATIONS (4-0110) - General Manager Marc Reynolds - Copies of his report were distributed to the Board and Clerk. (A copy is in the file.) Overhead slides were used to highlight the report. Mayor Masayko asked that the graph of ridership profiles be broken down so that the trips could be determined. Discussion indicated that the OARC riders from Lyon and Douglas Counties are using the PRIDE connector service. Areas not serviced by the fixed route must also use the OARC program. Public ridership has increased and taken up the vacancy

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created by the drop in the OARC rides. This increase had improved the fair box receipts. The Boys and Girls Club is also using the system. On-time performance was impacted by 9-11 as people had changed their patterns on what they do and when and where they do it. Recovery has been rapid as it is felt that the system is back to 99 percent of the ridership provided before 9-11. The average ridership per hour is now at 3.88. This holds the line on cost. The decrease since December was felt to be typical for the time of the year and the extreme cold weather. This also influences the on-time performance. The vehicle conditions were noted. Equipment is aging but is in overall fair condition with the exception of No. 18. Maintenance changes were described. Attempts are being made to keep the vehicles operating at top efficiency. NDOT funding was used for the engine and transmission replacement. The use of this program for major repairs will be continued. Supervisor Plank suggested that the gas vehicles be changed to diesel. The book value and condition of the older vehicles may not allow the conversion to diesel due to other mechanical problems, i.e., the chaise, etc. The marketing efforts included applying for the NDOT 5311 grant for operating capital. This grant is for the \$50,000. The PRIDE system hired an outside consultant to do its advertising. Its campaign will start in March. CCTC has joined the Carson City Chamber of Commerce. The Public Transit Advisory Committee will be conducting a satisfaction survey as required by NDOT during the next month. The Senior center plans to conduct a survey regarding its proposal to use the Fuji Park Exhibit Hall during construction of the Senior Center expansion project. Discussion explored potential impacts on the route, the service, and suggested changes which may be created by this location. Shuttles may be used between the Center and Fuji for individuals who normally walk to the Center. Concerns were also expressed about the impact this service may have on the fee box as the seniors are asked to make a donation for their rides. A fee/donation cannot be required due to the funding provided by the Aging Services programs. The customer service requirements should be considered so that the right vehicle is used for this purpose. Mr. Reynolds hoped that he would only be required to use one or two vehicles for this program. A memo on the ultimate plan will be provided to the Board. Discussion also pointed out that Fuji Park could be used to access the Douglas County retailers and the Douglas Center. Comments emphasized the need to clearly identify the loading and unloading areas at Fuji and the Center. Mr. Reynolds was encouraged to discuss this issue with Parks and Recreation Director Kastens.

Mayor Masayko noted that the budget report is the annual report and not the year-to-date actuals. Mr. Heath summarized the ticket sales, funding sources, and uses. Mayor Masayko asked that future reports include the annual budget and the year-to-date expenditures. Mr. Heath explained that Paratransit/CCTC is paid as a contractor on an annual basis and agreed to provide a more comprehensive report. The ticket sales is about \$80,000 a year.

Discussion noted the special funding provided by NDOT for special events which Mr. Reynolds felt had been safety oriented. Supervisor Livermore suggested research be conducted to determine if this funding source could be used for the transportation services to and from Fuji Park. Mr. Reynolds agreed. Mayor Masayko supported Supervisor Livermore's suggestion and expressed the hope that we/the community could cope with the four months at Fuji. No formal action was required or taken.

BREAK: A recess was declared at 3:47 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 4:02 p.m., constituting a quorum.

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19. DISTRICT ATTORNEY - ACTION TO RECESS INTO CLOSED SESSION PURSUANT TO NRS 241.030(b)(2) PURSUANT TO THE NEVADA OPEN MEETING LAW WITH ATTORNEYS REGARDING PENDING OR THREATENED LITIGATION (4-0485) - Supervisor Plank moved to recess into Closed Session to discuss litigation which needs to have client-attorney privileges. Supervisor Livermore seconded the motion. Supervisor Staub expressed his feeling that he may have to recluse himself. Mayor Masayko felt that if it becomes necessary, he would be excused. Motion carried 5-0.

OPEN SESSION RECONVENED (4-0508) - Mayor Masayko reconvened the Open Session at 4:48 p.m. The entire Board was present, constituting a quorum. There being no other matters for consideration, Supervisor Livermore moved to adjourn. Supervisor Williamson seconded the motion. Motion carried 5-0 Mayor Masayko adjourned the meeting at 4:49 p.m.

The Minutes of the February 7, 2002, Carson City Board of Supervisors meeting

ARE SO APPROVED ON__ MARCH_21__, 2002.

_____/s/_____
Ray Masayko, Mayor

ATTEST:

_____/s/_____
Alan Glover, Clerk-Recorder