

CARSON CITY PARKS AND RECREATION COMMISSION

Minutes of the November 21, 2006 Meeting

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A regular meeting of the Carson City Parks and Recreation Commission was scheduled for Tuesday, November 21, 2006 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Donna Curtis

Sam Bauman
John Felesina
Leandra Jones
Tom Keeton
Pete Livermore
John McKenna
Glenn Tierney

STAFF: Roger Moellendorf, Parks and Recreation Department Director
Scott Fahrenbruch, Parks and Recreation Director of Operations
Barbara Singer, Recreation Superintendent
Joel Dunn, Recreation Program Manager
Mary-Margaret Madden, Senior Deputy District Attorney
Kathleen King, Recording Secretary

NOTE: A recording of these proceedings, the commission's agenda materials, and any written comments or documentation provided to the recording secretary during the meeting are public record, on file in the Clerk-Recorder's Office. These materials are available for review during regular business hours.

CALL TO ORDER AND DETERMINATION OF QUORUM (5:32:02) - Chairperson Curtis called the meeting to order at 5:32 p.m. Roll was called; a quorum was present. Chairperson Curtis introduced Commissioner Jones, who provided background information on her education and experience. [Commissioner McKenna arrived at 5:33 p.m.]

CITIZEN COMMENTS ON NON-AGENDIZED ITEMS (5:33:17) - None.

1. **ACTION ON APPROVAL OF MINUTES (5:33:22)** - None.

2. **MODIFICATIONS TO THE AGENDA (5:33:25)** - None.

3. **AGENDA ITEMS:**

3-A. ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS TO APPROVE AN AGREEMENT BETWEEN MICHAEL PEGRAM, CASINO DEVELOPER, AND THE CITY OF CARSON CITY WHERE MR. PEGRAM WILL GIVE ONE MILLION DOLLARS TOWARD IMPROVEMENTS TO THE CARSON CITY FAIRGROUNDS AT FUJI PARK IN EXCHANGE FOR EQUAL USE BY FAIRGROUNDS AND CASINO PATRONS OF A PROPOSED PARKING LOT TO BE LOCATED NEAR THE ARENA; 3-B. ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS A "JOINT USE PARKING AGREEMENT" BETWEEN MICHAEL PEGRAM, CASINO DEVELOPER, AND THE CITY OF CARSON CITY FOR A PROPOSED PARKING LOT TO BE CONSTRUCTED BY MR. PEGRAM AT THE CARSON CITY FAIRGROUNDS AT FUJI PARK AND USED EQUALLY BY FAIRGROUNDS AND CASINO

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PATRONS; and 3-C. ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS A TRANSFER OF ONE MILLION DOLLARS OF QUALITY OF LIFE INITIATIVE PARKS CAPITAL FUNDS FROM THE JOHN D WINTERS CENTENNIAL PARK PROJECT TO THE CARSON CITY FAIRGROUNDS PROJECT TO FUND FACILITY AND SITE IMPROVEMENTS IN CONCERT WITH THE PROPOSED IMPROVEMENTS IN THE AGREEMENTS WITH MICHAEL PEGRAM, CASINO DEVELOPER (5:33:32) - Mr. Moellendorf reviewed the staff report, and provided an overview of the draft Offer and Acceptance to Donate One Million Dollars to Carson City for Carson City Fairgrounds at Fuji Park, attached to the staff report as Exhibit A. He requested the commissioners to review the agreement from the standpoint of its intent as certain provisions in the language would be further refined. He suggested adding the words “nor renters of the facility” to the proposed new paragraph 10 of the Offer and Acceptance to Donate One Million Dollars. He responded to questions regarding the purpose for agendizing this item prior to ownership of the property being transferred to Mr. Pegram. In response to a question, he reviewed Mr. Pegram’s conditions for donating the \$1 million. He read into the record the proposed new paragraphs 11 and 12 and explained their provisions. He recommended not including paragraph 11.

In response to a question, Mr. Moellendorf advised that municipalities entering into joint use parking agreements with private property owners is rather common. He noted the uniqueness of the subject public/private partnership in light of the \$1 million donation. In response to a further question, he advised of approximately \$600,000 in City funding available for the Fuji Park / Fairgrounds project. He referred to the recommendation to transfer \$1 million in Question #18 capital improvements from the John D Winters Centennial Park project to the Fuji Park / Fairgrounds project. He advised that Fuji Park is within a redevelopment area, and of the possible availability of redevelopment funds. He advised that the subject funding would only be able to “take care of the arena side of it. It’s not going to be able to take care of the west end of the park ... but it’s a start at getting the park completed.” Mr. Moellendorf advised of another possibility to use funds associated with the federal lands bill. Commissioner McKenna suggested that item 3-C should be the only item discussed and, if that’s approved, to discuss the parking lot agreement and use of the parking lot in that order.

In response to a question, Mr. Moellendorf reviewed parking lot construction cost estimates. Commissioner Livermore pointed out the possibility for “\$3+ million to do some major improvements at the Fairgrounds.” He discussed the phased nature of the Fuji Park / Fairgrounds conceptual plan, and suggested the proposal represents an opportunity for a substantial donation without which the improvements will take longer to accomplish. He expressed the opinion that Mr. Pegram’s conditions are not unreasonable. He explained the redevelopment funding mechanism.

Commissioner McKenna expressed concern over the possibility of accepting Mr. Pegram’s donation and his project languishing over a number of years. He advised this would be unfair to Mr. Pegram, to the public, and to the proponents of retaining Fuji Park. Mr. Moellendorf referred to the project area boundary depicted on the Fairgrounds / Fuji Park Conceptual Plan included in the agenda materials. He expressed the belief that improvements within the project area boundary could be completed with the \$1 million donation from Mr. Pegram, the existing \$600,000, and the transfer of \$1 million in Question #18 funding from another project. He reiterated that the potential funding would not complete improvements at the west end of Fuji Park, and that additional funding will be needed in the future. He noted that the proposal represents a request for City government to “be a little more flexible, a little more nimble than we’re used to being.” He expressed the belief that the opportunity will benefit the community in beginning to address

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the needs at Fuji Park. Commissioner McKenna expressed the opinion that approval of the proposal should be done in one motion. Mr. Moellendorf provided an overview of the draft Joint Use Parking Agreement attached, as Exhibit A, to the staff report for item 3-B.

Commissioner Felesina inquired as to Mr. Pegram's project time line. He expressed a preference for a "viable arena that can be used" at the same time Mr. Pegram's casino opens. Mr. Moellendorf advised of concerns, on the part of staff, with regard to demolishing the arena without being able to replace it. He further advised that the developer has a vested interest in constructing the parking lot as soon as possible. Mr. Moellendorf advised that the project will be disruptive, in the short term, to scheduled events; that the logistics of scheduling construction of the casino, the parking lot, and the park improvements at the same time will be very "tricky." He reiterated a request for the commissioners to review the draft agreements based on their "spirit" and not on details which will have to be worked out between the City and the developer. Commissioner Felesina reiterated a preference for the arena to be usable at the time the casino opens. Mr. Moellendorf agreed, and reviewed construction efficiencies such as grading the project site all at once. He advised that the developer has a vested interest in the success of the Fairgrounds arena, and has discussed the possibility of sponsoring or hosting future events at the arena.

In response to a question, Mr. Moellendorf assured the commissioners that City staff will be meeting with the developer within the next week to start scheduling the project. He reiterated that getting the work done as soon as possible is in the best interests of both parties. He advised that the projects will be considered as one. He responded to questions regarding Mr. Pegram's company. Commissioner Livermore discussed in-kind services which will be donated by Mr. Pegram. He expressed the opinion that the projects will be completed in a timely manner.

Commissioner Keeton expressed concern over the timing of the proposal. He expressed the opinion that the developer is interested in 239 parking spaces for his casino in addition to his 151, and that "we're giving away part of Fuji Park again and the Fairgrounds." He noted that the City will have no control over use of the parking lot according to the provisions of the draft agreement. He reviewed the provisions of the oral agreement with Kevin Coleman. He advised of having visited casino parking lots in town and that they are full during the day and at night. He expressed the opinion that the Joint Use Parking Agreement provides for the parking lot to be dominated by Mr. Pegram's casino. He expressed concern over the construction cost estimates in light of the cost estimate provided by Lumos & Associates for the parking lot on the west side of the community center. He expressed the opinion there won't be funding left for Mr. Pegram to contribute by the time the parking spaces and the curbs are constructed. With regard to the funding opportunity, he noted that \$1.6 million is "coming right out of our pockets, ... out of the money we have left for Fuji Park and we're going to ... take money from Centennial which we don't have any time line to give back. In essence, we're robbing Peter to pay Paul, to take advantage of something that ... is basically giving part of the park away no matter how you cut it." Commissioner Keeton expressed a preference that Mr. Pegram had been present at the meeting. He reiterated opposition to the time line associated with the proposal in consideration of Mr. Pegram's unlimited gaming license. In response to a comment, Mr. Moellendorf advised that Mr. Pegram would walk away from the deal "if a \$6 million investment isn't going to be profitable." He further advised that the City would retain ownership of the parking lot for use by the public. He agreed with Commissioner Keeton's summation of the proposal with Mr. Coleman, but noted there is no other partner willing to donate \$1 million to the City. He expressed the opinion the proposal will benefit the community. Commissioner Keeton disagreed. Chairperson Curtis opened this item to public comment.

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(6:21:02) Jim Alexander, a member of the Northern Nevada Gated Horse Club, advised of having been involved with the Fuji Park Users Coalition and of a familiarity with the Fuji Park / Fairgrounds Conceptual Plan. He expressed the opinion that everyone has worked in good faith to develop the conceptual plan which was presented to and approved by the Board of Supervisors. He pointed out that the Fairgrounds has always been included in deliberations over the conceptual plan. He reviewed events scheduled for the Fairgrounds from April through September. He discussed the need to significantly revise the grades "or we should not tear down the existing arena." He requested the commission to consider the three items as one and recommend accordingly. He expressed the opinion that the user groups have a better opportunity for a donation of funding with Mr. Pegram. He discussed the possibility of raising funds for the project through the Foundation for the Betterment of Parks and Recreation.

In response to a question, Mr. Moellendorf advised he would need to check into the possibility of utilizing the casino parking lot for Fairgrounds events. He pointed out that the plan included in the agenda materials depicts a 30,000-square-foot casino, as envisioned by Mr. Coleman. He expressed the understanding that Mr. Pegram's development will be reduced in square footage. Commissioner McKenna expressed the opinion that no use of the casino parking lot is proposed in the language of the agreements. Mr. Moellendorf explained that the agenda items regard the parking lot at the Fairgrounds arena, not around the casino. Discussion took place with regard to the configuration of the proposed parking lot in conjunction with the Fairgrounds arena. In response to a comment, Mr. Moellendorf advised of having discussed parking along the east side of the arena with the developer. The agreement is conditional upon that parking area remaining.

(6:43:11) Sig Goepner, of the Bonanza Kennel Club, requested assurance that Bonanza Kennel Club events, which usually involve approximately 300 vehicles, would not be required to share parking with the casino. He pointed out the area, on the displayed plan, to which he was referring and responded to corresponding questions.

In response to a question, Mr. Moellendorf advised that the parking lot adjacent to the arena will be free, public parking. Mr. Goepner acknowledged that the majority of Bonanza Kennel Club events are held in the park, and responded to questions regarding use of the parking lot to the east of the Fairgrounds. He noted that sharing parking with the casino development was not part of the original conceptual plan. Mr. Moellendorf agreed. Mr. Goepner agreed with Commissioner Keeton's comments that "we are giving part of Fuji Park away." He responded to additional questions regarding parking requirements for Bonanza Kennel Club events. Commissioner Livermore suggested that Bonanza Kennel Club event coordinators work with the casino developer to maximize event parking. Mr. Goepner expressed the preference that Mr. Pegram had attended the meeting in order to discuss details. Mr. Moellendorf agreed with Mr. Goepner's assessment of the parking situation, and with Commissioner Livermore's comments that the casino developer will want to coordinate with event planners. Mr. Goepner acknowledged the benefit of having the casino in close proximity to the park, but reiterated the opinion that the proposal provides for "giving away 240 parking spaces." He expressed the opinion this is not fair and advised it was not the original agreement associated with the conceptual plan.

(6:53:19) Joe Childs expressed the opinion the City should do everything possible to encourage development, and that agenda items 3-A and 3-B should be acted on separately from item 3-C. He suggested recommending to the Board of Supervisors that, in lieu of in-kind contributions, Mr. Pegram be required to pay cash for the difference between construction costs and the \$1 million donation.

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Commissioner McKenna expressed the opinion that without funding to finish Fuji Park, as recommended in item 3-C, “anything like this parking lot will destroy the use of Fuji Park.” Mr. Moellendorf advised that all three items would require a recommendation of approval by this commission in order for the project to move forward.

(6:59:24) Carson-Douglas High School Rodeo Team Director and Fuji Park Users Coalition Design Committee Member Cindy Wendell expressed concern over sufficient parking for high school rodeo events. She discussed the differences between the arrangement with Kevin Coleman and the subject arrangement. She advised that, in conjunction with development of the conceptual plan, the Carson-Douglas High School Rodeo Team had requested an announcer’s booth and a warm-up arena. She referred to the conceptual plan and noted that it “limits the area and eliminates the warm-up arena ... so that doesn’t seem to be part of this plan any more, this initial funding from this new developer.” She expressed concern over the project time line in that if funds are exhausted on the parking portion of the development, the rodeo team would be left without an arena and a fairgrounds. She inquired as to the feasibility of moving the horse barns closer to the creek. Mr. Moellendorf advised that the conceptual plan had not yet been engineered. Ms. Wendell advised that once the agreements are signed, “we will have crossed a bridge that we can’t go back.” Mr. Moellendorf acknowledged this, and advised that the agreement is specific to parking and arena lighting. He further acknowledged there is insufficient funding to complete the conceptual plan, and that additional funding sources may have to be identified or funding transferred from other projects. “It depends upon what kind of priority Fuji Park and the Fairgrounds become.” Ms. Wendell expressed concern over sufficient funding. Mr. Moellendorf reiterated that additional funding sources may need to be identified. “Once we start the project, ... we’d have to finish it. We can’t tear the arena down and not be able to afford to put it back up.” In response to a comment, Ms. Wendell advised that equestrian events require horses to stretch and warm up in preparation. Equestrian event participants are able to do that in the area proposed to be paved. The land adjacent to the proposed future location of the warm-up arena will be used for parking horse trailers and other rigs. Without a place to warm up the horses, the facility will become unusable for equestrian events. Chairperson Curtis suggested that Ms. Wendell meet with staff to further discuss details of the conceptual plan. She further suggested coordinating event scheduling with the casino owner. In response to a question, Ms. Wendell advised there are usually a couple hundred contestants, their parents, families, etc. at high school rodeo events. Commissioner Livermore commented that existing Fairgrounds / Fuji Park events are “very viable” and expressed doubt that the casino owner will be soliciting a different group of patrons during scheduled events. He suggested collaborating with the casino owner to coordinate Fairgrounds / Fuji Park events. Mr. Moellendorf agreed, and suggested Mr. Pegram may be interested in hosting his own events and / or willing to sponsor existing events. Chairperson Curtis thanked Ms. Wendell for her comments.

Chairperson Curtis called for additional public comment and, when none was forthcoming, entertained a motion. **Commissioner McKenna moved to recommend to the Board of Supervisors to allocate at least \$1 million of Question #18 funds from the JohnD Winters Centennial Park project and, if they do that, to then negotiate an agreement with the developer of the Bodine’s property for a joint use parking lot with the developer’s contribution of at least \$1 million and to negotiate a joint use parking agreement that will allow for City control of the use of the parking, on a mutually-agreed upon basis, in a manner that completes the Fuji Park improvements at the same time as the Bodine’s developer completes his project. Commissioner Felesina seconded the motion.** Commissioner McKenna commented that without funding to complete the Fuji Park project, “we should not give away the land. ... A deal only works when it’s beneficial to both sides and giving away Carson City land for

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parking does not work.” He noted, based upon the comments and input presented, that the proposed design does not meet the needs of the equestrian or dog show users. He suggested “renegotiating this whole thing and redesigning it.” He pointed out that parking is key to any event. “City property is City property and we must control it. If this guy can’t make his deal work without buying our land for \$1 million, then I think we ought to let him walk no matter what your vision is.” Commissioner Livermore discussed the potential benefit of Fairgrounds / Fuji Park events to the casino.

Commissioner Keeton expressed the opinion that the regular, daily business of the casino will fill up most, if not all, of the parking lot. He noted that the high school rodeo events will not be accommodated in a public parking lot. He expressed the further opinion that the \$1 million donation will build the casino’s parking lot. Lights for the arena will be a benefit. Commissioner Keeton inquired as to when the \$1 million allocated from the Centennial Park project would be replaced. Mr. Moellendorf advised that a little over \$100,000 would be retained at Centennial Park to complete ongoing projects, which he described. He was uncertain as to when the \$1 million transfer would be repaid. Much will be dependent upon Question #18 revenues and expenditures. The intention would be to repay the amount in order to finish the Centennial Park improvements project. Mr. Moellendorf explained that Centennial Park, as an alternative site to the WNCC site, is in a “bit of a holding pattern” because the new recreation facility project is in a bit of a holding pattern. Commissioner Keeton expressed concern that Centennial Park will become “the step child.” He noted that the recreation center issue would be settled in June at the very latest. He further noted that plans at Centennial Park include multi-use fields which are very much in demand by the community. In response to a comment, Mr. Moellendorf advised of a commitment to return the \$1 million to Centennial Park. He noted limited funding to complete projects. “Our want and our need list exceeds our funding levels.” Mr. Moellendorf noted the opportunity for \$1 million to allocate toward improvements at the Fairgrounds / Fuji Park which are “badly needed.” Without the subject funding allocations, he advised of the likelihood that no improvements would be made to the Fairgrounds in the foreseeable future.

Commissioner McKenna expressed a preference for obtaining the \$1 million “if we can.” Commissioner Felesina expressed a preference for prioritizing improvements at Fuji Park and the Fairgrounds. He expressed confidence that staff would be able to work out a deal with the new developer. He agreed with the potential benefit to the casino owner represented by Fairgrounds events. Chairperson Curtis expressed support for the motion. Commissioner Livermore expressed appreciation for the commissioners’ comments. At Commissioner Felesina’s request, Commissioner McKenna restated the motion. He responded to questions in clarification of the “mutually-agreed upon basis” language. Chairperson Curtis called for a vote on the pending motion; **motion carried 7-1.**

4. NON-ACTION ITEMS:

STATUS REPORTS AND ANNOUNCEMENTS FROM STAFF (7:28:10) - Mr. Fahrenbruch provided a status report on Silver Oak Park and Oak Ridge Drive. He responded to questions regarding park equipment which is currently being stored adjacent to the Parks administration office, and the provisions of the Silver Oak Park Development Agreement. Mr. Moellendorf commended Mr. Fahrenbruch on his hard work and efforts in the development of Silver Oak Park. Ms. Singer reviewed the theater schedule for December 1st through December 19th. Mr. Moellendorf reviewed the “FYI” items included in the agenda materials.

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COMMISSIONERS' ANNOUNCEMENTS AND REQUESTS FOR INFORMATION

(7:39:29) - Commissioner Livermore advised that the Governor's Field paving project is nearly complete. He complimented Mr. Fahrenbruch and his staff on the project. He further advised that he is collaborating to develop an arts and culture commission. Commissioner Keeton advised of having attended the November 20th Open Space Advisory Committee meeting, and requested to agendize discussion of the rifle range. Mr. Moellendorf clarified comments made at the November 20th meeting that the shooting range will not be disposed of until another, suitable location is identified. Commissioner McKenna commended Mr. Fahrenbruch and his staff on the work done at Riverview Park. In response to a question, Chairperson Curtis advised she would discuss with Mr. Moellendorf a future parks tour as well as "orientation-type issues" in consideration of new commissioners.

5. FUTURE AGENDA ITEMS (7:43:31) - Chairperson Curtis discussed upcoming changes to the future agenda items table included in the agenda materials.

6. ACTION ON ADJOURNMENT (7:44:41) - Commissioner McKenna moved to adjourn the meeting at 7:44 p.m. Commissioner Keeton seconded the motion. Motion carried 8-0.

The Minutes of the November 21, 2006 Carson City Parks and Recreation Commission meeting are so approved this 2nd day of January, 2007.

DONNA J. CURTIS, Chair