

CARSON CITY BOARD OF SUPERVISORS

Minutes of the May 4, 2017 Meeting

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A regular meeting of the Carson City Board of Supervisors was scheduled for 8:30 a.m. on Thursday, May 4, 2017 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Mayor Robert Crowell
Supervisor Karen Abowd, Ward 1
Supervisor Brad Bonkowski, Ward 2
Supervisor Lori Bagwell, Ward 3
Supervisor John Barrette, Ward 4

STAFF: Nick Marano, City Manager
Sue Merriwether, Clerk - Recorder
Adriana Fralick, Chief Deputy District Attorney
Kathleen King, Chief Deputy Clerk

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

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

(8:30:00) - Mayor Crowell called the meeting to order at 8:30 a.m. Ms. Merriwether called the roll; a quorum was present. Salvation Army Lieutenant Mark Cyr provided the invocation. At Mayor Crowell's request, Andrea Engleman led the Pledge of Allegiance.

5. PUBLIC COMMENT (8:31:59) - Mayor Crowell entertained public comment. (8:32:19) Hope Tingle commended her nephew, Noah Jennings, on being elected to the position of Western Regional Vice President of the Children of the American Revolution. Mayor Crowell also commended Mr. Jennings. Ms. Tingle advised that Mr. Jennings had also recently completed 40 hours of Sheriff's Mounted Posse Training.

Ms. Tingle displayed her water bill, advising that it was \$68.96, and stated "that's without the storm water rate increase that is going to be voted on ..." She recalled the "period of time when you could look toward the winter time and the water bill was somewhat reasonable. ... And now we're getting into the irrigation period where everybody goes out and waters their lawns. And I understand the reason the rate increase was approved was because we were in a drought. People had reduced their water consumption and the utility company was suffering shortfalls in revenue because of the decrease in use."

Mayor Crowell clarified that "the rate increase was put in five years ago ... We didn't even touch this drought and it was in because ... our sewer system was failing. We had issues with the Safe Drinking Water Act in terms of complying with getting uranium and arsenic out of the water. So, it was a five-year plan and had nothing to do with conservation ..." Ms. Tingle expressed appreciation for the clarification. Mayor Crowell further stated, "We also made some changes [according to] a rate study which was done by an outside third-party about how to try to level these rates out between winter and summer months ..." Mayor Crowell suggested that Ms. Tingle review the rate study and, in response to a comment, Mayor Crowell explained the major reason for the rate increase was to "fund sewer upgrades and the water upgrades and also to put some money in to depreciation of the pay-as-you-go account so we didn't have to keep coming back. That's a five-year plan. July 1, we're starting the last year of that and that's it. And we have consistently said we will not be raising rates because of conservation. We've said that for the last two

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years.” In response to a question, Mayor Crowell advised that “the rates will probably stay in existence because you use those to bond the \$30 million-plus water transmission line which was not to get water but to bring clean water from sources we had in Minden to blend here so we avoided a \$40 million uranium and arsenic treatment plant ... and also to upgrade the sewer system. Those were bonding situations so I wouldn’t look for those rates to go down but they’re not going to go up either.”

Mayor Crowell pointed out that the property tax rate was decreased “by 14 cents ... so ... that’s one where it was decreased. Sometimes we don’t see these things happening but that was dropped by 14 cents.” In response to a question, Mayor Crowell explained the decrease relative to the property tax cap. Mayor Crowell thanked Ms. Tingle, and entertained additional public comment. None was forthcoming.

6. POSSIBLE ACTION ON APPROVAL OF MINUTES - April 6, 2017 (8:38:28) - Mayor Crowell introduced this item, and entertained a motion. Supervisor Bagwell moved to approve the minutes of April 6, 2017 with a correction under item #19. Supervisor Abowd seconded the motion. Motion carried 5-0.

7. POSSIBLE ACTION ON ADOPTION OF AGENDA (8:38:54) - Mayor Crowell entertained modifications to the agenda and, when none were forthcoming, advised that the Board members would be attending the 20th Annual Nevada Law Enforcement Officers Memorial Ceremony at 1:00 p.m.

8. SPECIAL PRESENTATIONS:

8(A) PRESENTATION OF A PROCLAMATION FOR BIKE MONTH, MAY 2017 (8:39:25) - At Mayor Crowell’s request, the Board members joined him on the meeting floor. Mayor Crowell invited Muscle Powered President Kelly Clark and Secretary Randy Gaa to join the Board members, and read the language of the Proclamation into the record. Mayor Crowell presented the original Proclamation to Ms. Clark, and thanked Muscle Powered for their contributions to the community. (8:42:14) Ms. Clark expressed appreciation for the Board’s support, commented on the recent Celebrity Bike Ride event, and thanked Mr. Gaa for starting Trash Mob.

8(B) PRESENTATION OF A PROCLAMATION FOR NEVADA WILDFIRE AWARENESS MONTH, MAY 2017 (8:59:55) - Mayor Crowell invited Fire Chief Sean Slamon to join the Board members, and read into the record the language of the Proclamation. Mayor Crowell presented the original Proclamation to Chief Slamon, who introduced Jamie Royce-Gomes, of Living with Fire; Rod Rummel; and Fire Marshal Dave Ruben. Chief Slamon discussed the importance of wildfire preparedness. (9:02:41) Ms. Royce-Gomes discussed the threat of wildfire, and the importance of being prepared. She distributed bandanas to the Board members, with a printed evacuation checklist.

8(C) PRESENTATION OF A PROCLAMATION FOR HISTORIC PRESERVATION AND ARCHAEOLOGICAL AWARENESS MONTH, MAY 2017, AND PRESENTATION OF THE 2017 HISTORIC PRESERVATION AWARDS (8:44:22) - Mayor Crowell introduced this item, and invited Planning Manager Hope Sullivan and Historic Resources Commission Chair Mike Drews to join the Board members. Mayor Crowell read into the record the language of the Proclamation, and presented the original to Mr. Drews. (8:45:48) Mr. Drews thanked the Board for recognizing Archaeological Awareness Month, and reviewed the Historic Resources Commission’s process for selecting Historic Preservation Award recipients.

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Mr. Drews presented an Historic Preservation Award to Jim and Margaret de Arrieta for their 216 Mountain Street residence. Mr. Drews described the 1936 bungalow and commended the de Arrietas on their impeccable preservation of the residence. Mr. Drews advised that the de Arrietas were not present to accept the award. Mr. Drews presented an Historic Preservation Award to Jim and Coleman Warren for their 603 West Robinson Street residence, and described its rehabilitation. The Board members, City staff, and citizens present applauded the Messrs. Warren. Mayor Crowell read into the record the language of the award. (8:48:50) Jed Block commended the Messrs. Warren on rehabilitation of the property.

Mr. Drews reviewed historic information on the Central Pacific and Virginia & Truckee Railroads, and on the V&T Railway Reconstruction Project. Mr. Drews presented an Historic Preservation Award to Ken Dorr for his dedication and ongoing contribution to the Virginia and Truckee Railway Reconstruction Project. Mayor Crowell agreed that “this railroad wouldn’t be built without [Mr. Dorr],” and read the language of the award into the record. The Board members, City staff, and citizens presents applauded. (8:53:06) Mr. Dorr thanked the Mayor and Board members, and “accept[ed] the award on behalf of many, many other individuals that worked on this project ...” Mr. Dorr read into the record a list of names of those involved in the project. Mayor Crowell thanked Mr. Dorr.

8(D) PRESENTATION AND UPDATE OF ACCOMPLISHMENTS AND PROJECTS, BY LISA SCHUETTE OF CARSON ANIMAL SERVICES INITIATIVE (“CASI”) (9:06:18) - Mayor Crowell introduced this item, and CASI Founder Lisa Schuette introduced several CASI volunteers who were present in the meeting room. Ms. Schuette narrated a SlideShow presentation which was displayed in the meeting room, and thanked the Board for their support. Mayor Crowell commended Ms. Schuette and the CASI volunteers on all their accomplishments. Supervisor Abowd thanked Ms. Schuette and CASI for “spreading a positive voice for our furry friends. ... Our community definitely embraces their animals and you’re definitely a voice for that as is your board.” Mayor Crowell entertained additional comments and, when none were forthcoming, thanked Ms. Schuette for her presentation.

CONSENT AGENDA

(9:17:24) Mayor Crowell entertained requests to hear items separate from the consent agenda and, when none were forthcoming, entertained a motion. **Supervisor Bonkowski moved to approve the consent agenda, consisting of items 9 and 10. Supervisor Abowd seconded the motion.** Mayor Crowell entertained discussion on the motion and, when none was forthcoming, called for a vote.

RESULT:	Approved [5 - 0]
MOVER:	Supervisor Brad Bonkowski
SECOND:	Supervisor Karen Abowd
AYES:	Supervisors Bonkowski, Abowd, Bagwell, Barrette, and Mayor Crowell
NAYS:	None
ABSENT:	None
ABSTAIN:	None

9. FINANCE DEPARTMENT - POSSIBLE ACTION TO ACCEPT THE REPORT ON THE CONDITION OF EACH FUND IN THE TREASURY, AND THE STATEMENTS OF RECEIPTS AND EXPENDITURES, THROUGH APRIL 21, 2017, PURSUANT TO NRS 251.030 AND NRS 354.290

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10. TREASURER - THE CARSON CITY TREASURER WILL PRESENT AN AFFIDAVIT TO THE BOARD OF SUPERVISORS AFFIRMING THAT A NOTICE OF DELINQUENCY WAS MAILED TO EACH PARCEL HAVING FIRST YEAR DELINQUENT PROPERTY TAXES, PURSUANT TO NRS 361.5648(3)

ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

11. ANY ITEM(S) PULLED FROM THE CONSENT AGENDA WILL BE HEARD AT THIS TIME - None.

12. PURCHASING AND CONTRACTS - POSSIBLE ACTION TO APPROVE AMENDMENT NO. 2 TO CONTRACT NO. 1415-050 WITH CHARLES ABBOTT ASSOCIATES, INC., TITLED "BUILDING PERMIT SERVICES," TO REVISE THE COMPENSATION SCHEDULE RELATED TO THE PERCENTAGE OF BUILDING PERMIT FEES PAID TO CHARLES ABBOTT ASSOCIATES, INC. (9:17:49) - Mayor Crowell introduced this item. Community Development Director Lee Plemel provided background information, reviewed the agenda materials, and responded to questions of clarification. Mayor Crowell entertained additional Board member questions or comments and, when none were forthcoming, public comments. When no public comments were forthcoming, Mayor Crowell commended City staff and Mr. Marano for "being aggressive to talk with the private side of our public / private partnership, Charles Abbott Associates, Inc."

Mayor Crowell entertained a motion. **Supervisor Abowd moved to approve Amendment No. 2 to Contract No. 1415-050 with Charles Abbott Associates, Inc., titled "Building Permit Services," to revise the compensation schedule related to the percentage of building permit fees paid to CAA. Supervisor Bonkowski seconded the motion.** Mayor Crowell entertained discussion on the motion and, when none was forthcoming, called for a vote.

RESULT:	Approved [5 - 0]
MOVER:	Supervisor Karen Abowd
SECOND:	Supervisor Brad Bonkowski
AYES:	Supervisors Abowd, Bonkowski, Bagwell, Barrette, and Mayor Crowell
NAYS:	None
ABSENT:	None
ABSTAIN:	None

13. FINANCE DEPARTMENT - POSSIBLE ACTION TO ADOPT BILL NO. 109, ON SECOND READING, AN ORDINANCE DESIGNATED AS THE "2017 HIGHWAY REVENUE BOND ORDINANCE"; AUTHORIZING THE ISSUANCE BY CARSON CITY OF ITS FULLY REGISTERED "CARSON CITY, NEVADA HIGHWAY REVENUE (MOTOR VEHICLE FUEL TAX) REFUNDING BONDS, SERIES 2017" FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING BONDS OF THE CITY; PROVIDING THE FORM, TERMS, AND CONDITIONS OF THE BONDS; AND PROVIDING THE EFFECTIVE DATE (9:24:56) - Mayor Crowell introduced this item, and Chief Financial Officer Nancy Paulson reviewed the agenda materials. Ms. Paulson noted a revision to page 4, which was submitted as late material and distributed to the Board members, the Clerk, and made available to the public. Mayor Crowell entertained public comment and, when none was forthcoming, a motion. Supervisor Bonkowski moved to adopt Bill No. 109, on second reading, Ordinance No. 2017-9, an ordinance designated as the "2017 Highway Revenue Bond

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Ordinance”; authorizing the issuance, by Carson City of its fully registered “Carson City, Nevada Highway Revenue (Motor Vehicle Fuel Tax) Refunding Bonds, Series 2017,” for the purpose of refunding certain outstanding bonds of the City; providing the form, terms, and conditions of the bonds; and providing the effective date. Supervisor Abowd seconded the motion. Mayor Crowell entertained discussion on the motion and, when none was forthcoming, called for a vote.

RESULT:	Approved [5 - 0]
MOVER:	Supervisor Brad Bonkowski
SECOND:	Supervisor Karen Abowd
AYES:	Supervisors Bonkowski, Abowd, Bagwell, Barrette, and Mayor Crowell
NAYS:	None
ABSENT:	None
ABSTAIN:	None

14. CITY MANAGER

14(A) POSSIBLE ACTION TO AUTHORIZE THE MAYOR TO SIGN A LETTER RECOMMENDING THE APPOINTMENT OF CHIEF STORMWATER ENGINEER ROBB FELLOWS TO THE CARSON VALLEY CONSERVATION DISTRICT, AS CARSON CITY’S REPRESENTATIVE (9:27:28) - Mayor Crowell introduced this item, and Open Space Administrator Ann Bollinger reviewed the agenda materials. Mayor Crowell entertained questions or comments of the Board members and, when none were forthcoming, advised of having taken a recent trip to Wellington and Smith Valley with representatives of the Walker Basin Conservation District. He commended the work of conservation districts. Mayor Crowell encouraged Mr. Fellows to be actively involved in the Carson Valley Conservation District. Supervisors Abowd and Bonkowski commended Mr. Fellows’ appointment, and thanked him for his willingness to represent the City. Mr. Fellows assured the Board that he will actively pursue grant funding for the City.

Mayor Crowell entertained public comment and, when none was forthcoming, a motion. **Supervisor Abowd moved to authorize the Mayor to sign a letter recommending the appointment of Chief Stormwater Engineer Robb Fellows to the Carson Valley Conservation District, as Carson City’s representative. Supervisor Bonkowski seconded the motion.** Mayor Crowell entertained discussion on the motion and, when none was forthcoming, called for a vote.

RESULT:	Approved [5 - 0]
MOVER:	Supervisor Karen Abowd
SECOND:	Supervisor Brad Bonkowski
AYES:	Supervisors Abowd, Bonkowski, Bagwell, Barrette, and Mayor Crowell
NAYS:	None
ABSENT:	None
ABSTAIN:	None

Mayor Crowell recessed the meeting at 9:30 a.m., and reconvened at 9:40 a.m.

14(B) POSSIBLE ACTION TO APPOINT ONE MEMBER TO THE HISTORIC RESOURCES COMMISSION FOR A TERM EXPIRING FEBRUARY 2021 (9:40:13) - Mayor Crowell introduced this item, and Mr. Marano introduced Michelle Schmitter. Mayor Crowell provided

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an overview of the interview process. (9:41:13) Ms. Schmitter introduced herself, provided background information on her education and experience, and discussed her interest in serving. Ms. Schmitter responded to questions regarding how to preserve and utilize the Nevada State Prison on Fifth Street and the Stewart Indian School as assets for the future; a specific area or building that is worthy of preservation or protection and what she would like to see happen; expanding the historic district to the east side; skills that will benefit the commission; and how to tell the story of the historic structures in Carson City. Mayor Crowell offered Ms. Schmitter the opportunity to comment further, and she thanked the Board for the opportunity to interview.

(9:54:04) Mayor Crowell welcomed Rebecca Phipps to the meeting table. Ms. Phipps responded to questions regarding her background, education, and experience; her interest in serving; her thoughts on the Nevada State Prison on Fifth Street and the Stewart Indian School; the method by which to reach a larger audience to draw people to the community's history; the skills she would utilize to benefit the commission; her thoughts on expanding the historic district to include the east side; and a specific building or area worthy of preservation or protection for aesthetic interests, value or significance to Carson City's past. Mayor Crowell offered Ms. Phipps the opportunity comment further, and she reiterated her interest in serving. "However, Michelle [Schmitter] is ideal and I would think that choosing Michelle would probably be very wise and that I would not be hurt and I will come back again." Mayor Crowell commended Ms. Phipps' statement.

The Board members discussed the excellent experience and qualifications of both applicants, and Mayor Crowell entertained a motion. **Supervisor Abowd moved to appoint Michelle Schmitter to the Historic Resources Commission in the Historic Preservation category for a term expiring February 2021. Supervisor Bagwell seconded the motion.** Mayor Crowell entertained discussion on the motion and, when none was forthcoming, called for a vote.

RESULT:	Approved [5 - 0]
MOVER:	Supervisor Karen Abowd
SECOND:	Supervisor Lori Bagwell
AYES:	Supervisors Abowd, Bagwell, Bonkowski, Barrette, and Mayor Crowell
NAYS:	None
ABSENT:	None
ABSTAIN:	None

Mayor Crowell commended Ms. Phipps' graciousness, and the Board members encouraged her to reapply.

14(C) POSSIBLE ACTION TO APPOINT ONE MEMBER TO THE CULTURAL COMMISSION'S "CITIZEN-AT-LARGE" POSITION TO FILL A PARTIAL TERM, EXPIRING JANUARY 2018 (10:15:10) - Mayor Crowell introduced this item, and Mr. Marano advised that Valerie Melendez had withdrawn her application. Mayor Crowell welcomed Guadalupe Ramirez. (10:16:04) At Mayor Crowell's request, Ms. Ramirez discussed her background and experience. In response to a question, she advised she had never reviewed the cultural master plan element. Ms. Ramirez responded to additional questions regarding her thoughts on fundraising; her opinion of the primary focus of the commission, i.e., to coordinate existing arts and culture organizations, funding public art exhibits, or something else; the types of Latino cultural events she would like to see promoted; and the two main personal and professional reasons for applying. Mayor Crowell offered Ms. Ramirez the opportunity to comment further, and she thanked the Board for the opportunity. She discussed her ties to the Latino

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community as a benefit to the commission. Mayor Crowell and Supervisor Abowd responded to questions regarding the term limit and the time commitment.

(10:27:20) Mayor Crowell welcomed Kurt Meyer to the meeting table, and thanked him for applying. At Mayor Crowell's request, Mr. Meyer reviewed his background and experience, and discussed his interest in serving. In response to a question, Mr. Meyer advised of having read through the cultural master plan element, and commended the same. He further commended the City for funding the Art and Culture Coordinator position. Mr. Meyer responded to additional questions regarding his opinion of the primary focus of the Cultural Commission, i.e., coordinating existing arts and culture organizations, funding public art exhibits, or something else; the Latino cultural events he would like to see promoted in the community; his top two reasons for applying, one personal and one professional; his opinion of the commission's role to raise funds, and recommendations for increasing art and culture funding. Mayor Crowell offered Mr. Meyer the opportunity to comment further, and he thanked the Board for the opportunity to interview.

The Board members discussed the qualifications of the applicants, and Mayor Crowell entertained a motion. **Supervisor Abowd moved to appoint Guadalupe Ramirez to the Cultural Commission citizen-at-large position for a term expiring January 2018. Supervisor Bagwell seconded the motion.** Mayor Crowell entertained discussion on the motion and, when none was forthcoming, called for a vote.

RESULT:	Approved [5 - 0]
MOVER:	Supervisor Karen Abowd
SECOND:	Supervisor Lori Bagwell
AYES:	Supervisors Abowd, Bagwell, Bonkowski, Barrette, and Mayor Crowell
NAYS:	None
ABSENT:	None
ABSTAIN:	None

15. PUBLIC WORKS DEPARTMENT

15(A) POSSIBLE ACTION TO ADOPT BILL NO. 107, ON SECOND READING, AN ORDINANCE AMENDING THE CARSON CITY MUNICIPAL CODE, TITLE 11, IN ORDER TO ADD CHAPTER 11.35, REGARDING ENCROACHMENT PERMITS FOR OUTDOOR DINING AND MERCHANDISE DISPLAY IN THE CARSON CITY RIGHT-OF-WAY IN DOWNTOWN CARSON CITY (10:43:27) - Mayor Crowell introduced this item, and Real Property Manager Stephanie Hicks reviewed revisions since introduction, on first reading, which were distributed as late material to the Board members, the Clerk, and made available to the public. At Mayor Crowell's request, Ms. Hicks read into the record optional language at Section XII, Paragraph 11.35.110, Special Closures.

In response to a question, Ms. Fralick advised that sufficient notice was provided to the public in order for the Board to take action on the optional language. Supervisor Bonkowski advised of his request to have the optional language included, and expressed a preference for the ordinance to be reintroduced, on first reading, at the next meeting. Supervisor Barrette advised of discussion which took place at a recent Redevelopment Authority Citizens Committee meeting regarding "serving things that would then be taken off the premises." He agreed with Supervisor Bonkowski's suggestion to reintroduce the ordinance, in consideration of the possibility for additional language. Supervisor Abowd agreed, and expressed the opinion, "It's a gap that needs to be identified and, in our effort to get this right, ... it's important that we bring this back." Supervisor Abowd expressed support for the clarifying language at Section XII, as provided in the late material. Extensive discussion followed, and consensus of the Board was to reauthorize

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this item for introduction, on first reading. At Ms. Hicks' request, Mayor Crowell clarified the Board's direction. Mayor Crowell entertained public comment; however, none was forthcoming.

Ms. Hicks advised of having been requested by Deputy District Attorney Dan Yu to note for the record "that there was some direction from the Board regarding language providing that any person who issued an encroachment permit agrees to abide by any future changes in Code relating to encroachment permits. So if something changes further down the line when we review this, we were stating that the permittee agrees that they would have to meet those changes. That was left out of the ordinance but remained in the policy document, and the reason for that was, on the advice of the District Attorney's Office, it was felt that the provision should be removed because it could cause mischief by leading to an unintended problematic consequence. And, as Dan explained it, ... NRS currently says that if there ... are legal concerns in forcing a person who applies for any business license, even a privilege license, to agree to forfeiture of any right to challenge the validity of a future regulatory requirement, it essentially could create an inverse grandfather clause ... in that, by saying it in this case, it may open up the argument, whether it's valid or not, that other instances didn't say that and so, therefore, they don't have to meet the new requirements. So he just felt it was a loophole that we didn't want to open for ... potential future argument." Mayor Crowell entertained additional questions or comments; however, none were forthcoming.

15(B) PRESENTATION TO INFORM THE BOARD OF SUPERVISORS ON THE EPIC RIDES CARSON CITY OFF-ROAD 2017 MOUNTAIN BIKING EVENT (11:01:10) - Mayor Crowell introduced this item. Transportation Manager Patrick Pittenger reviewed the agenda materials in conjunction with a displayed slide. Mr. Pittenger responded to questions of clarification, and discussion followed. Mayor Crowell entertained public comment and, when none was forthcoming, thanked the Epic Rides representatives, the Visitors Bureau, and the RTC personnel. Mayor Crowell recessed the meeting at 11:11 a.m., and reconvened at 11:18 a.m.

15(C) POSSIBLE ACTION TO ADOPT THE REPORT FROM THE CHAIR OF THE UTILITY FINANCE OVERSIGHT COMMITTEE, REGARDING PROPOSED STORM WATER RATES, FROM THE MARCH 28, 2017 MEETING (11:18:44) - Mayor Crowell introduced and provided background information on this item. (11:19:04) Utility Finance Oversight Committee ("UFOC") Chair Andrea Engleman introduced herself for the record, and commended Mayor Crowell's clarification of Ms. Tingle's remarks earlier in the day. Ms. Engleman provided background information on the UFOC's formation.

In response to a question from a previous meeting, Ms. Engleman stated, "On March 13th, Dave Bruketta ... sent me a proposed agenda for our meeting on March 28th. At that time, I answered him that was the first I knew that we were going to be talking about a storm water rate hike. And, at that time, I asked him how could we vet a proposed rate hike in this meeting along with the budget. I was very much concerned about the time element and asked him whether or not there would be choices. I was not given any information as to what the rate hike would be. I did ask for choices. I asked if there was some way we could, perhaps, cut something somewhere. I was thinking if we could cut \$1 out of the sewer and then raise the storm water by \$1, balance it out that way. How much would it raise their proposed rate hike? How much would it raise the monthly water bill? And shouldn't there be a public hearing on this and that I would like to hear other suggestions, other than what I thought was coming from a consultant, because I knew nothing.

"I also asked if I could sit down and meet with them. That was denied and I was told that all of these things could be discussed at the committee meeting. So, consequently, when we got to the committee meeting, there were no choices. It was just staff's proposal. At that point, I raised the issue of a choice. I think their

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proposal was for \$2 and some odd cents and \$2 and some odd cents. My concern was that we're having a 6.5% rate hike July 1st on the water bill and, any additional rate hikes on top of that, I thought might be a little bit burdensome to the public. So, I suggested a \$1 rate hike and then a \$2 and a \$2. And while that brings them, in the long run, a little bit more money still, there's no doubt about the need. We've all seen that. We saw this this past year with all the flooding. Clearly, we need to do something.

"We did have a couple show up that was concerned about flooding in their area which I believe was the Empire area and, on the list of projects that we were given, actually that's at the bottom of the list of projects. But they're tired of the flooding. And I think if the public could hear some of these stories from some of the public that were damaged by the flooding, who've had to put up with it, and that's why I believe in a public hearing where everybody can get up and have their say. And then I think everybody buys in at that point and work together and so then there's not so much they're doing it to us as it is we have to work together to solve this problem.

"So we did discuss this for about an hour and fifteen minutes. The committee was overwhelmingly in favor of the rate hike. They were overwhelmingly opposed to a public hearing. I think it's because some of the members have been through public hearings on different projects in Carson City and they haven't always been very pleasant. So, ... for some of them, there's not a good feeling about having public hearing. But, in any event, after much discussion, we came up with a motion that I will read to you ... to recommend to the Board of Supervisors and to consider a storm water rate increase, in the amount of 25% the first year, 35% the second year, and 35% the third year to support an improved citywide storm water program and to further our goal of meeting the goals of the financial policies. And that passed unanimously. We then amended it ... to put an effective date of budget year 2018, which would be this July, starting this year."

In response to a question, Ms. Engleman advised that "for a single family, we're talking \$1, \$2, and \$2 would be the percentage. Then I think you have the other for commercial and the multi-family and the public and manufacturing are there in your packets ..." In response to a further question, Ms. Engleman advised that storm water was not included in the rate study. "... what staff told me is that they were going on the basis of a study that was done in 2003 which is, of course, fourteen years ago. While some people feel there haven't been many changes, I think fourteen years does bring changes in Carson City ... They didn't want to involve the consultants. They were hoping to save money ... but rate design does call for cost studies and what we were not given, by class, was the cost of service. And that's what your rates are usually based on is the cost of service."

Supervisor Bonkowski inquired as to the amount of time the committee spent discussing "the potential rate study, possible changes in the rate study from 2003 to now, different types of development that have changed, and the specifics of the rate study, in particular, the user classes." Supervisor Bonkowski suggested that the "user classes that we're currently working off of ... seem more like a political compromise than based in fact." Ms. Engleman advised that "very little time" was spent. "Essentially, one of the [committee] members said that he had been involved in the study back in 2003 and that not much had changed, and felt that it was the same and so the other members, more or less, accepted that. No information was forthcoming from staff. There was the study that ..., I guess, was done in 2003 or 2004, was not provided to us. So we never saw what the basis was at that time. And there was no discussion as to the various classes. ... because of our limitation of time, most of our time was spent on looking at the residential. One of the members said that the commercial rate was going to be high for him but ... he said he could afford it so ... that was good but there was no input."

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Supervisor Bonkowski agreed “that there’s no question about the need. So this is not a question of do we need increased revenue to come up with some solutions to our storm drain system. That’s a given in my mind. My questions have more to do with the equitability of our current system. ... there’s very good information in that rate study but what we ended up with does not reflect what was recommended in that rate study. So, my preference is that we spend the time to give storm drainage the same attention that we gave water and sewer and do it right. We need to have a consultant come in, we need to perform a rate study that starts with looking at the user classes and allocating properties correctly in the user classes. When you look at what we’re doing right now, approximately 90% of the parcels in Carson City are classified as a single-family residence. And then you have the commercial side which, I think, is paying too much because it doesn’t give you a definition of what a commercial property is. So, I’m looking at, say, one of our west side office properties ... which has basically the same impact as a single-family residence. Is that classified as commercial or is that classified as single-family residence? It appears it’s classified as single-family residence but I don’t have the information to show me that. Multi-family. Is that a duplex or is that a 200-unit apartment complex or somewhere in between? We don’t have that information so I think we need to start there. We need to determine what are appropriate user classes. We need to determine what the impact to the system is by each one of those user classes. And then we need to allocate the costs over those user classes so that we do this equitably. And we can do all of that. What it means is it’s going to take us a little longer to get to the solution. So, after some discussions and some suggestions, ... I think that we have the ability to have a win - win here.

“We can discuss and maybe approve the initial rate recommendation, the 25% increase, now which allows us to start planning and implementing some improvements. At the same time, we can maybe take the next 12 months and do the rate study, through a consultant, and do this right. My concern is or my fear is that what we’re looking at proposed here today is exactly what we spent three years trying to correct in water and sewer, which is putting a band-aid on the system that doesn’t work to try to get along. And I don’t really have a lot of interest in doing that.”

Supervisor Abowd concurred and inquired as to whether low impact design was discussed. Ms. Engleman advised that low impact design was not discussed, and commented, “that’s common in other states ... They will give a credit, for instance, to a commercial place that has more grass than one that’s all hard surfaces where the water runs off.” Supervisor Abowd disagreed that “we don’t need another study done to identify the cost of impact on the system and rate ... establishments accordingly with regards to that because things like that aren’t considered. We have a low-impact design that we’ve given lip service to but no legs to so ... implementing this study would help do that.” Supervisor Abowd expressed the opinion that “streets and storm water should be combined. In reading the notes, reading your comments, they’re doing that already for efficiencies and ..., in terms of letting the public know that, it should be a combined scenario. Different line items for different things but ... they’re combining their efforts and their manpower ... already. So, ... that needs to be all part of this.”

Supervisor Barrette thanked Ms. Engleman for her service, and inquired as to whether discussion took place by the committee regarding “going five years instead of three which is what we did in sewer and water.” Ms. Engleman stated “that ... never came up.” In response to a further question, Ms. Engleman stated that “the feeling of the committee was that the sooner we did this, the better, because the public would remember the flooding that we had. And that the longer we wait to start doing these things, the memory would fade and people would complain about their storm water rate going up ... So there was a lot of feeling of we need to do this as soon as possible because the public will buy into it because they will recall it. And my concern was a rush to judgment.” In response to a further question, Ms. Engleman stated, “I too like choices and I like to see the benefits and I like to see also what the problems may be and so one

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plan may be better than another plan and staff may agree that this plan is better and, therefore, that's the only one they want to show you. But maybe I want to see what the other plans are and let me make the decision because I might see something they missed. And so that's why I like choices. Some people feel that choices might confuse the issue and just make it harder to make a decision."

Mayor Crowell inquired as to the weight the Board should give the committee's recommendation. Ms. Engleman stated, "As chairman of the committee, I'm here to more or less tell you that this is the recommendation of the committee. This was the unanimous decision of the committee for your consideration. The fact that it's for your consideration means that you can lend it as much weight as you like or as little weight as you like."

Supervisor Barrette inquired as Ms. Engleman's opinion of Supervisor Bonkowski's suggestion. Ms. Engleman stated, "Knowing the people on my committee, if you asked them, they would say, 'Let's just do it.' But, ... my personal point of view is that I think ... Supervisor Bonkowski and Supervisor Abowd in that, if we're going to do it, let's do it right. Let's be certain that we're not just putting a band-aid on it. And, as I say, I've been involved in rate design at the Public Utilities Commission. That was for electricity for small businesses and water rate design is a little bit different. ... what we did is not how you do rate design."

Supervisor Bagwell advised of having conducted research on rate structure, "and ... there's an organization that gets a report from all the different storm water utilities and ... 79% of those used the impervious area which directly relates to storm water so that the benefit and the cost and those that are paying for it is reflective of what actually happens with the storm water. ... I think we have to give the rates justice. We have to be able to explain to all the different rate classes how we got the answer for them and so ... I'm comfortable with accepting a report but not implementing the report. And then ... before we look at increasing the rates, it's imperative ... that we've done everything we can to look at other avenues. ... Supervisor Abowd suggested we move it to streets. The other option is to move it to sewer. Different entities put it in different places. Its about equal when I went out to look at where people put their funding and part of the objective that I'd like to see is an evaluation of our sewer rate on how it's hitting the targets. Is it exceeding the targets? And if it is exceeding the targets, could we lower that rate ... and move that into storm water? So that's the other issue I'd like to make sure that we've done our job before we just pass on rate increases to the public. But I think even the public recognizes we need to do something in storm water."

Following a brief discussion, Mayor Crowell cautioned, "Be careful what you ask for in this rate study. ... If you do a rate study, your rates are going to come back higher than what they've just proposed. And that puts everybody in even a more difficult position. ... the other thing is, there probably is a subsidy built into the existing rates. No doubt about it. You've got to be careful when somebody says, 'Let's do it based on costs' because that subsidy is going to go away and somebody's going to get hurt and hurt bad. ... Frankly, all other things being equal, I don't mind a rate study, ... but I would just caution: ... be careful what you ask for; ... don't tie their hands on what they can come up with; ... if you really want to say no subsidies, based on cost only, make it very clear that that's what you're going to do and then be ready to bite the bullet."

Following discussion, Mayor Crowell entertained public comment. When no public comment was forthcoming, Mayor Crowell entertained a motion to accept the report. **Supervisor Bagwell moved to adopt the report from the chair of the Utility Finance Oversight Committee regarding proposed storm water rates, from the March 28, 2017 meeting.** At Supervisor Bonkowski's request, **Supervisor**

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Bagwell amended her motion to accept the report. Supervisor Barrette seconded the motion. Mayor Crowell entertained discussion on the motion and, when none was forthcoming, called for a vote.

RESULT:	Approved [5 - 0]
MOVER:	Supervisor Lori Bagwell
SECOND:	Supervisor John Barrette
AYES:	Supervisors Bagwell, Barrette, Abowd, Bonkowski, and Mayor Crowell
NAYS:	None
ABSENT:	None
ABSTAIN:	None

15(D) POSSIBLE ACTION TO DIRECT STAFF TO COMPLETE A BUSINESS IMPACT STATEMENT AND BRING FORTH THE CHANGES TO THE MUNICIPAL CODE TO FACILITATE THE UTILITY FINANCE OVERSIGHT COMMITTEE'S PROPOSED STORM WATER RATE PLAN (11:47:06) - Mayor Crowell introduced this item. Public Works Department Director Darren Schulz requested direction on how to proceed, based on discussion and action under the previous agenda item. Mayor Crowell entertained a motion. **Supervisor Bonkowski moved to direct staff to bring a presentation back to the Board, reflecting a 25% increase in the storm drain rates for FY2018, and implementing a rate study to examine all aspects of our current rates, user classes, and impacts of those user classes on the system so that we can make an informed decision about where to go after FY 2018. Supervisor Abowd seconded the motion.** Mayor Crowell entertained discussion on the motion, and discussion ensued. Mr. Marano advised of the significant cost associated with the rate study, "well in excess of \$100,000. We would largely eat up, even if you don't do that first year, ... we would eat up most of that revenue just doing this rate study." Mr. Schulz estimated the cost of a rate study at between \$200,000 and \$250,000. "So the current ... storm water fund ... cannot afford that." In response to a question, Mr. Schulz advised that the cost of the previous rate study was "between \$200,000 and \$300,000." Discussion followed.

In response to a question, Mr. Schulz advised that the last study was done in "2002 / 2004. That's what was referred to earlier. So, a committee was formed, a rate study was done. There was a plethora of options that were given in terms of exactly how you want to set this up and charge who what. ... five different options with eight different sub-options per five. That's how broad it was. That was brought forward and Mr. Bruketta went through all the meeting minutes of what's happened. That was brought forward to this body and the decision was made that we need to start the storm water program. That's the right direction to go but we don't know yet as to how we're going to fund it. So they adopted to do the program, to start with \$0.50 and that's basically where it left off. So, when we came forward this time around with recommendation from the Utility Finance Oversight Committee, we used those same assumptions, what they adopted in 2004, in terms of who pays for what. The only thing we did was we trued up the ... cost of money; what we need to make this a successful program. So that's how we backed into it. So that analogy that was done back then, we just moved that forward 15 years and used this same methodology in terms of who pays for what share."

Supervisor Bagwell expressed a desire to "just feel comfortable that the tiers are accurate and that we ... it's wasn't done for political reasons." Mr. Schulz stated, "It absolutely was and that's our discomfort with trying to bring that forward to you and explain it because ... it's so broad in how they came to the determinations of where we ended up. We don't know ... so we can't bring that forward and present it to you." Mr. Schulz acknowledged that the previous study could be presented, but reiterated "it's going to

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give you forty different options and we're not prepared, at this level, to ... that's where we feel like we would need a rate consultant to come and talk about the pros and cons of all of those different things ..."

At Supervisor Bonkowski's request, Ms. King read a portion of the motion back. **Supervisor Bonkowski withdrew his motion.** Supervisor Bagwell reiterated a suggestion to "table this item and let staff have an opportunity to rethink the process and give them time to think about it and present us with a different option." Mayor Crowell entertained a motion to accept the recommendation of the UFOC; however, none was forthcoming. Mayor Crowell tabled this item.

16. BOARD OF SUPERVISORS NON-ACTION ITEMS:

LEGISLATIVE MATTERS (11:59:15) - Mr. Marano advised that he would provide a comprehensive legislative update at the next Board meeting. In response to a question, he provided a brief update on proposed regulations associated with recreational marijuana.

FUTURE AGENDA ITEMS

STATUS REVIEW OF PROJECTS

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS

CORRESPONDENCE TO THE BOARD OF SUPERVISORS

STATUS REPORTS AND COMMENTS FROM BOARD MEMBERS (11:58:52) - Mayor Crowell announced that the Board members would be attending the Nevada Law Enforcement Officers Memorial Ceremony at 1:00 p.m.

STAFF COMMENTS AND STATUS REPORTS

17. PUBLIC COMMENT (12:02:28) - Mayor Crowell entertained public comment; however, none was forthcoming.

18. ACTION TO ADJOURN (12:02:38) - Mayor Crowell adjourned the meeting at 12:02 p.m.

The Minutes of the May 4, 2017 Carson City Board of Supervisors meeting are so approved this _____ day of June, 2017.

ROBERT L. CROWELL, Mayor

ATTEST:

SUSAN MERRIWETHER, Clerk - Recorder