



## STAFF REPORT

**Report To:** Board of Supervisors      **Meeting Date:** December 5, 2019

**Staff Contact:** Darren Schulz, Public Works Director

**Agenda Title:** For Possible Action: Discussion and possible action regarding a proposal to deposit proceeds from the sale of Carson City property, located off of Medical Parkway (APNs 007-531-13 and 007-531-14), which was appraised and authorized for sale at \$905,000, into the appropriate City fund for future use, including use for the construction of drainage improvements on the South Carson Complete Streets Project. (Darren Schulz, DSchulz@carson.org and Dan Stucky, DStucky@carson.org)

**Staff Summary:** On September 19, 2019, the Board of Supervisors adopted Resolution No. 2019-R-28 to sell the Medical Parkway properties under NRS 244.281(1)(e)(1)(l). These properties were originally purchased during the early formation of the Stormwater Utility Fund; the General Fund (Eagle Detention Basin account) was used to purchase the properties. Due to this history and the original intent of purchasing the properties for the construction of a regional stormwater facility, staff recommends transferring the sale proceeds from the General Fund into the Stormwater Utility Fund to be used for the construction of drainage improvements on the South Carson Complete Streets Project. Per the direction of the Board, staff will further discuss the recommendation to transfer the proceeds to the Stormwater Utility Fund and use these funds to construct critical drainage improvements along the South Carson Street corridor.

**Agenda Action:** Formal Action / Motion      **Time Requested:** 15 minutes

### Proposed Motion

I move to approve the transfer of the property sale proceeds into the Stormwater Utility Fund once the proceeds are received and to use those proceeds to construct drainage improvements as proposed.

### Board's Strategic Goal

Sustainable Infrastructure

### Previous Action

February 12, 2002 - Board of Supervisors approved an agreement between Silver Oak Development Company, by and through its General Partners, GTS Partners, Inc., whereby Silver Oak Development Company agreed to sell and convey APN 008-054-15 to Carson City for a storm drainage water detention basin.

February 6, 2003 - Board of Supervisors approved an Agreement between the Nevada Children's Foundation, Inc., a nonprofit Nevada corporation, and Carson City, whereby the Nevada Children's Foundation, Inc., agreed to sell and convey all APN 007-511-01 for a storm drainage water detention basin.

August 3, 2017 - Board of Supervisors approved a Stormwater Capital Improvement Plan for projects to be funded through a \$4,875,000 stormwater bond.

January 17, 2019 - Board of Supervisors directed staff to initiate due diligence in preparation of a proposed resolution declaring the intent to sell City property located off of Medical Parkway known as APNs 007-531-13 and 007-531-14 and to perform all preparatory tasks for compliance with the Nevada Revised Statutes.

September 19, 2019 - Board of Supervisors adopted Resolution No. 2019-R-28 to sell the Medical Parkway properties under NRS 244.281(1)(e)(1)(I) and directed staff to bring forward a future agenda item to discuss the transfer of the sale proceeds to the Stormwater Utility Fund.

### **Background/Issues & Analysis**

In 2002 and 2003 Carson City acquired lands necessary for the construction of a Regional Drainage Facility related to the Carson City Freeway. Carson Tahoe Hospital agreed to sell approximately 3.78 acres of land (which had been transferred to them from GTS Partners, Inc.) to the City for \$590,000 and the Nevada Children's Foundation, Inc., agreed to sell approximately 3.985 acres of land to Carson City for \$694,500.

Following the purchase of the property, portions of the parcels were dedicated as right-of-way for the construction of Medical Parkway. This resulted in a bisection of the parcels from the original parcels, resulting in new parcels sized as 0.74 acres (APN 007-531-14) and 0.86 acres (APN 007-531-13) located on the east side of Medical Parkway. This acreage totaling 1.6 acres was not needed when the Regional Drainage Facility was designed and constructed. The City does not have the need to retain these parcels for public use; therefore, it is in the best interest of the City to dispose of the surplus property.

On January 17, 2019, the Board of Supervisors directed staff to initiate due diligence in preparation of a proposed resolution declaring the intent to sell City property located off of Medical Parkway known as APNs 007-531-13 and 007-531-14 and to perform all preparatory tasks for compliance with NRS.

On September 19, 2019, the Board of Supervisors adopted Resolution No. 2019-R-28 to sell the Medical Parkway properties under NRS 244.281(1)(e)(1)(I), which allows the Board to sell the property to the owner of an adjacent parcel, without regard to market value. The Board directed staff to bring forward a future agenda item to discuss the transfer of the sale proceeds to the Stormwater Utility Fund and use of the transferred funds to construct critical drainage improvements along the South Carson Street corridor.

These Medical Parkway properties were purchased during the early formation of the Stormwater Utility Fund, and therefore the General Fund (Eagle Detention Basin account) was used to purchase the properties. Due to this history and the original intent of purchasing the properties for the construction of a regional stormwater facility, staff recommends transferring the sale proceeds from the General Fund into the Stormwater Utility Fund to be used for the construction of drainage improvements on the South Carson Street Project.

On August 3, 2017, the Board of Supervisors approved a Stormwater Capital Improvement Plan for projects to be funded through a \$4,875,000 stormwater bond. There were six different line items ("projects") included in the approved project list. Projects 4 and 5 on the list included drainage improvements along the South Carson Street corridor, as well as drainage improvements associated with the Downtown Curry Streetscape Project. Overall, \$3,800,000 of the stormwater bond money was estimated for use on Projects 4 and 5. The following summarizes the expenditure and planned expenditure of funds for Projects 4 and 5:

Project 4 (\$900,000): Carson Street SD Improvements (Fairview to Clearview)

- \$900,000 of drainage improvements to be constructed with the South Carson Complete Streets Project in 2020

Project 5 (\$2,900,000): Carson Street SD Improvements (5th to Stewart and Curry Street)

- \$145,000 of drainage improvements constructed with the Downtown Curry Streetscape Project in 2018
- \$515,000 of drainage improvements constructed with the DMV Storm Drain Project in 2019. This project was initially planned as part of the South Carson Complete Streets Project, but was separated out and

expedited due to the opportunity to combine projects with the State Public Works project to reconstruct the DMV parking lot.

- \$700,000 of drainage improvements to be constructed with the NDOT Maintenance Yard Storm Drain Project in 2020. This project was initially planned as part of the South Carson Complete Streets Project, but was separated out due to the timing of construction and required coordination with NDOT.
- \$1,540,000 of drainage improvements between 5th and Stewart to be constructed with the South Carson Complete Streets Project in 2020.

Also presented at the August 3, 2017 Board of Supervisors meeting was a list of unfunded stormwater capital projects outside the approved project list. Project 16 on the unfunded list, estimated at \$950,000, included South Carson Street stormwater improvements between Stewart and Rhodes. This currently unfunded project will serve as a critical component of the overall stormwater improvements for the South Carson Street corridor by conveying stormwater flows from Rhodes Street to the Linear Ditch in a subsurface storm drain system. Additionally, the stormwater improvements between Rhodes and Stewart are located within the section of the South Carson Complete Streets Project that includes full depth pavement reconstruction. Therefore, including the construction of these stormwater improvements as part of the South Carson Complete Streets Project would result in a better overall functioning drainage system and avoid cutting into a newly paved street in the future.

Based on the background provided, staff recommends transferring the sale proceeds from the sale of the Medical Parkway properties for use to construct drainage improvements as part of the South Carson Complete Streets Project.

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS 244.281 and 244.282

**Financial Information**

**Is there a fiscal impact?** Yes

**If yes, account name/number:** Sale proceeds of \$905,000 will be deposited in the General Fund / Surplus Sales account 1010090-482080.

**Is it currently budgeted?** No

**Explanation of Fiscal Impact:** The original funding source for this purchase was through the General Fund (Eagle Detention Basin account). The property was acquired in February 2002 and February 2003 in preparation for drainage construction. The Stormwater Drainage Fund was not established until FY 2004. Staff recommends transferring the sale proceeds from the General Fund into the Stormwater Utility Fund to be used for the construction of drainage improvements on the South Carson Complete Streets Project.

**Alternatives**

Decline to make a motion or provide alternative direction to staff.

**Attachments:**

[10-yr Approved SW CIP.pdf](#)

[Stormwater Projects.pdf](#)

**Board Action Taken:**

Motion: _____	1) _____	Aye/Nay
	2) _____	_____
		_____

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(Vote Recorded By)

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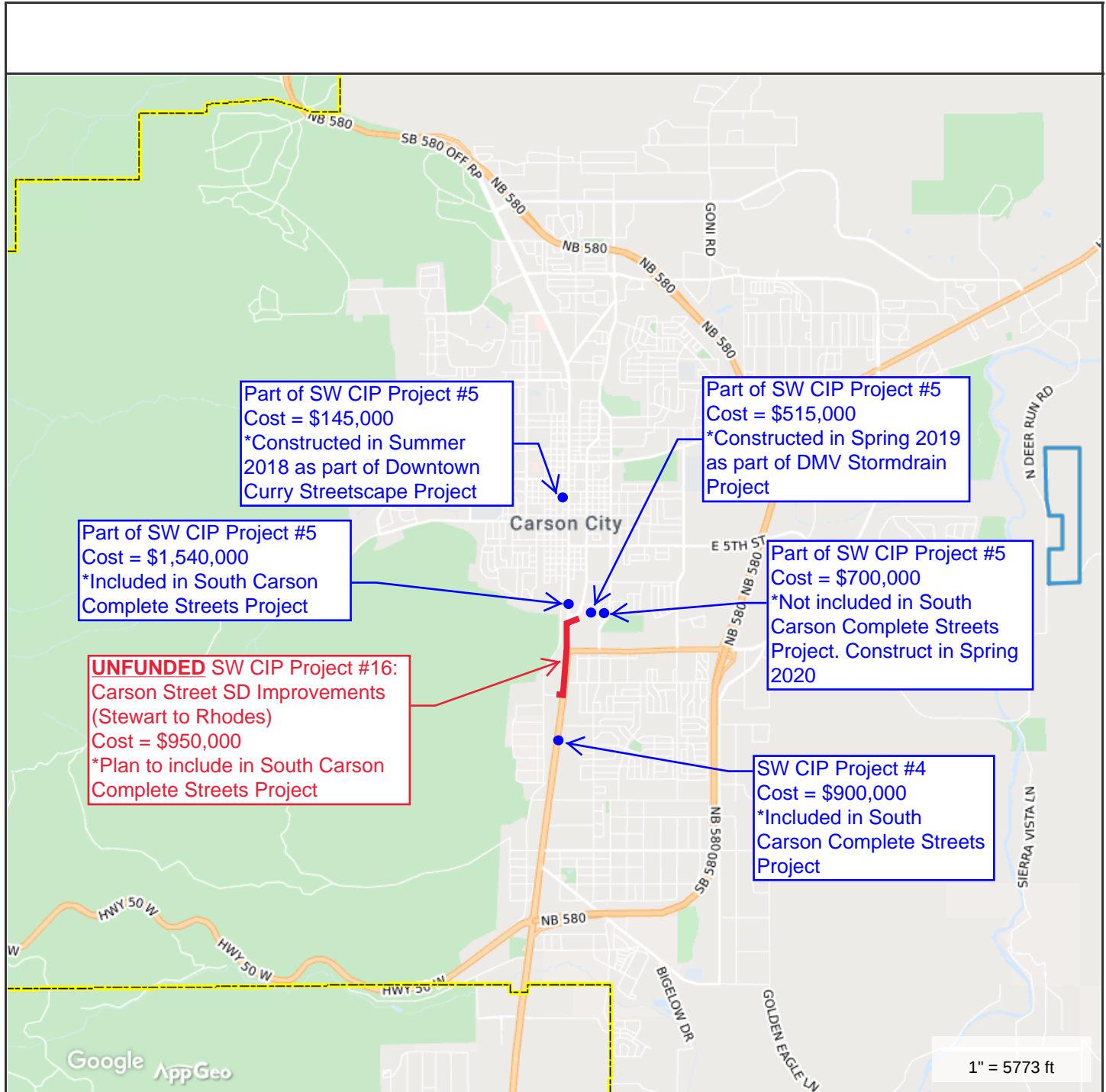
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# Exhibit 1 - Storm Water Capital Improvement Plan

SW CIP Projects 4 and 5 are either already completed, bidding in Spring 2020 or included as part of the South Carson Complete Streets Project

Currently **UNFUNDED** stormwater improvements for South Carson Complete Streets Project

Storm Water 10 Year CIP			
7/6/2017			
	Project Name	Estimated Expense	
1	Lakeview SD Improvements	\$ 250,000	
2	Kings Canyon Channel Maintenance Project (Roop to Saliman)	\$ 110,000	
3	Kings Canyon Road Culvert Upgrade (at Creek Crossing)	\$ 90,000	
4	Carson Street SD Improvements (Fairview to Clearview)	\$ 900,000	
5	Carson Street SD Improvements (5th to Stewart and Curry Street)	\$ 2,900,000	
6	Minor SD Improvements	\$ 625,000	
	Subtotal	4,875,000	
7	Nye/N. Carson Steet Channel Berms	\$ 85,000	
8	Flood Emergency Equipment	\$ 800,000	
9	Anderson Ranch Access and SD Improvements	\$ 100,000	
10	SD Fleet	\$ 1,089,000	
11	Lower Kings Canyon Channel Restoration Project	\$ 400,000	
12	Lower Goni Wash SD Improvements	\$ 115,000	
13	Airport Road SD Improvements (HWY 50 to Sherman)	\$ 350,000	
14	Rand Avenue SD Improvements (William to Rand Ct)	\$ 200,000	
15	Vicee Watershed Access Management	\$ 150,000	
16	Carson Street SD Improvements (Stewart to Rhodes)	\$ 950,000	
17	Carmine Street SD Improvements (N. Lompa to Bunch Way)	\$ 600,000	
18	Panamint & Merrimac SD Improvements	\$ 150,000	
19	Sean Drive SD Improvements (Baker to Gillis Way)	\$ 120,000	
20	Carson Street SD Improvements (N. Carson Street to Nye)	\$ 450,000	
21	Empire System SD Improvements (Gordon Street to Morgan Mill)	\$ 1,100,000	
22	Voltaire Canyon Channel and System Improvements - phase 1	\$ 1,000,000	
	Totals	\$ 4,875,000	\$ 7,659,000 = \$ 12,534,000



**Property Information**

Property ID 01002160  
 Location S DEER RUN RD  
 Owner B L M  
 Acres 135.75



CLICK LOGO FOR TUTORIAL

MAP FOR REFERENCE ONLY  
 NOT A LEGAL DOCUMENT

Carson City, NV makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Geometry updated 11/17/2018  
 Data updated 11/17/2018

South Carson Complete Streets Project Stormwater Utility Funds = \$2,440,000

South Carson Complete Streets Project Stormwater Cost Estimate = \$3,390,000