



MAYOR
Geno Martini

CITY COUNCIL
Donald Abbott, Ward I
Ed Lawson, Ward II
Ron Smith, Ward III
Charlene Bybee, Ward IV
Kristopher Dahir, Ward V

CITY ATTORNEY
Chet Adams

CITY MANAGER
Steve Driscoll

REGULAR CITY COUNCIL MEETING MINUTES
2:00 P.M., Monday, February 27, 2017
City Council Chambers, Legislative Building, 745 Fourth Street, Sparks, Nevada

1. Call to Order (Time: 2:00 p.m.)

The regular meeting of the Sparks City Council was called to order by Mayor Geno Martini at 2:00 p.m.

2. Roll Call (Time: 2:00 p.m.)

Mayor Geno Martini, Council Members Donald Abbott, Ed Lawson, Ron Smith, Charlene Bybee, Kristopher Dahir, City Manager Steve Driscoll, City Attorney Chet Adams and City Clerk Teresa Gardner, PRESENT.

ABSENT: None

3. Opening Ceremonies

3.1 Invocation Speaker (Time: 2:00 p.m.)

The invocation was provided by Pastor Omar Palmer, Sparks Seventh Day Adventist Church.

3.2 Pledge of Allegiance (Time: 2:01 p.m.)

The Pledge of Allegiance was led by Council Member Bybee.

4. Public Comment (Time: 2:01 p.m.) – None.

5. Agenda (Time: 2:01 p.m.)

5.1 Approval of the Agenda (FOR POSSIBLE ACTION)

Consideration of taking items out of sequence, deleting items and adding items which require action upon a finding that an emergency exists.

A motion was made by Council Member Dahir, seconded by Council Member Smith, to approve the agenda as amended, moving items 9.6 and 9.7 to be heard after item 6.1. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

6. Minutes (Time: 2:02 p.m.)

6.1 Consideration and possible approval of the minutes of the regular Sparks City Council meeting of February 13, 2017. (FOR POSSIBLE ACTION)

A motion was made by Council Member Bybee, seconded by Council Member Dahir, to approve the minutes of the regular Sparks City Council meeting on February 13, 2017. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

AGENDA ITEMS 9.6 AND 9.7 WERE HEARD AT THIS TIME.

7. Announcements, Presentations, Recognition Items and Items of Special Interest
(Time: 2:34 p.m.)

7.1 Proclamation: "International Women's Day" (Time: 2:37 p.m.)

Mayor Geno Martini proclaimed March 8, 2017 as International Women's Day and recognized women for their achievements without regard to division, whether national, ethnic, linguistic, cultural, economic, or political. The proclamation was received by Daisy Rodriguez.

7.2 Proclamation: "Excel Christian School Day" (Time: 2:34 p.m.)

Mayor Geno Martini proclaimed March 11, 2017 as Excel Christian School Day and congratulated Excel Christian School for their goals of incorporating college classes into their curriculum to further equip this generation to grow in leadership and responsibility. The proclamation was received by Middle School Faculty member Shirley Carr.

7.3 Proclamation: "Rare Disease Day" (Time: 2:40 p.m.)

Mayor Geno Martini proclaimed February 28, 2017 as Rare Disease Day in participation with the National Organization for Rare Disorders (NORD) in a nationwide observation day. The proclamation was received by Ms. Tammie Hefty and her daughter, Eva

8. Consent Items (FOR POSSIBLE ACTION) (Time: 2:44 p.m.)

A motion was made by Council Member Lawson, seconded by Council Member Smith to approve the consent items 8.1 through 8.3. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

8.1 Report of Claims and Bills approved for payment and appropriation transfers for the period January 25, 2017 through February 8, 2017. (FOR POSSIBLE ACTION)

An agenda item from Financial Services Director Jeff Cronk recommending the City Council approve the report of claims and bills as presented in the staff report.

8.2 Consideration and possible approval of the destruction/disposal of original building plans and associated documents that have been microfilmed (City Clerk's Office). (FOR POSSIBLE ACTION)

An agenda item from Records Technician Carrie Brooks recommending Council approve the destruction/disposal of original building plans and associated documents that have been scanned and microfilmed in a manner that complies with the standards of quality approved by the American National Standards Institute, and a copy of the film is stored in a manner that protects it reasonably from loss. Once the standards have been met, a reproduction of the film is considered an original. A list of those items proposed for destruction/disposal was attached to the staff report. There is no impact to the general fund.

8.3 Consideration and possible approval of funding allocations recommended by the Tourism and Marketing Committee for 2017 special events. (FOR POSSIBLE ACTION)

An agenda item from Parks and Recreation Director Tracy Domingues recommending Council approve the 2017 special event funding requests as approved by the Tourism & Marketing Committee. The City of Sparks receives an annual allocation of room tax revenues from the Reno Sparks Convention & Visitors Authority which can only be used for the marketing and promotion of tourism in the City of Sparks and the operation and maintenance of capital improvements within redevelopment areas of the city. The Tourism and Marketing Committee solicits funding applications from the sponsors of the special events which take place in Sparks and recommends funding allocations to help pay for the cost of the events. The Sparks Tourism and Marketing Committee performs an advisory role and may only make recommendations to the Sparks City Council concerning how these revenues should be spent. There is no impact to the general fund.

The Committee met this year on January 24 and 25, AND reviewed the requests for the 2017 special event season, with the event producers, and approved funding requests as follows:

Hot August Nights	\$ 30,000
Best in the West Nugget Rib Cook-Off	\$ 30,000
Nugget Star Spangled Sparks	\$ 30,000
Rotary Club of Sparks Kids Free Fishing Day	\$ 2,000
PumpkinPalooza	\$ 20,000
US Open of Watercross	\$ 25,000
39 North Pole Village	\$ 10,000
39 North Marketplace	\$ 22,000
Nevada Veterans Memorial Flag Run	\$ 7,500
Sierra Nevada Lavender & Honey Festival	\$ 5,000
Jet Jam Racing	\$ 15,000
2017 Sparks Shamrock Shuffle	\$ 2,300
Sparks Museum Living History Project	\$ 5,000
Artown In Sparks Series	\$ 10,880
Northern Nevada International Dragon Boat Festival	\$ 15,000
	\$ 229,680

9. General Business

9.1 Consideration, discussion and possible approval of the ratification of Truckee Meadows Water Authority's recommendation for re-appointment of Council member Ron Smith to the Western Regional Water Commission (WRWC). The applicants in alphabetical order are: Donald Abbott, Charlene Bybee, Kristopher Dahir, Ed Lawson and Ron Smith. (FOR POSSIBLE ACTION) (Time: 2:44 p.m.)

An agenda item from City Manager Steve Driscoll recommending Council ratify Truckee Meadows Water Authority's re-appointment of Council Member Ron Smith to a 2-year term expiring March 31, 2019. There is no impact to the general fund.

A motion was made by Council Member Dahir, seconded by Council Member Bybee, to ratify Truckee Meadows Water Authority's re-appointment of Council Member Ron Smith to the

Western Regional Water Commission. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

9.2 Consideration, discussion and possible approval of the Mayor's recommendation of two appointments to the Western Nevada Development District (WNDD) Committee (from the following pool of applicants listed in alphabetical order: Jeff Bowling, Shaun Carey, Jennifer Martinez and Art Sperber). (FOR POSSIBLE ACTION) (Time: 2:45 p.m.)

An agenda item from City Manager Steve Driscoll recommending Council confirms the Mayor's appointments of Jeff Bowling and Art Sperber to the Western Nevada Development District for two-year terms that expire on January 31, 2019. There is no impact to the general fund.

A motion was made by Council Member Lawson, seconded by Council Member Smith, to confirm the Mayor's appointments of Jeff Bowling and Art Sperber to the Western Nevada Development District Committee. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

9.3 Consideration and possible approval on a contract (AC-5341) for the 2017 CDBG G Street Concrete and Street Improvement – Federally Funded, Bid No. 16/17-007, PWP# WA-2017-035 to Vega Asphalt Paving Inc., in the amount of \$423,281.47. (FOR POSSIBLE ACTION) (Time: 2:46 p.m.)

An agenda item from Housing Specialist George Graham recommending Council approve the contract. The project scope of work entails replacement of the existing curb, gutter, sidewalks, driveways, concrete and asphalt paving on G Street. The 2017 CDBG funded G Street Concrete and Street Improvement Project is based upon the City's approved U. S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Annual Action Plan (AAP FY 2017/18) and in accordance with the Five Year Consolidated Plan (CP) for 2015-2019. Funds are budgeted in the CDBG fund; there is no impact to the general fund.

A motion was made by Council Member Abbott, seconded by Council Member Lawson, to approve the contract (AC-5341) for the 2017 CDBG G Street Concrete and Street Improvement to Vega Asphalt Paving Inc., in the amount of \$423,281.47. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

9.4 Consideration and possible approval of a contract (AC5342) for the 2017 Street Rehabilitation – Unit 2, Bid No. 16/17-008, PWP-WA-2017-054 to Sierra Nevada Construction in the amount of \$1,404,007. (FOR POSSIBLE ACTION) (Time: 2:49 p.m.)

An agenda item from Transportation Manager Amber Sosa recommending Council approve the contract. The 2017 Street Rehabilitation –Unit 2 Project is part of the city's Transportation System Pavement Management Program. The project was prioritized through the city's Pavement Management System and outlined in the 5-year Program of Projects. Two areas were identified for the project. The first area identified are roads generally located north of Baring Blvd. and south of Shadow Ln. The second area identified are roads generally located southwest of Howard Dr. and southeast of Sparks Blvd.

A motion was made by Council Member Dahir, seconded by Council Member Smith, to approve the contract (AC-5342) for the 2017 Street Rehabilitation – Unit 2 to Sierra Nevada Construction

in the amount of \$1,404,007. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

9.5 Consideration and possible approval of Resolution No. 3311 adopting the 2016 Sewer Model Update as the Standard for Evaluation of Sewer Line Capacity for the City of Sparks. (FOR POSSIBLE ACTION) (Time: 2:51 p.m.)

An agenda item from Utility Manager Andrew Hummel recommending Council approve the Resolution. The City Council approved a contract with Atkins to prepare an update to the 2004 Sparks Sewer Model in 2015. This update was needed due to significant improvements in GIS technology and sewer flow modeling capabilities. Atkins has completed the study; staff has reviewed the land-use assumptions and sewer generation rates used as inputs to the model and generally agrees with the model results. Adoption of the 2016 Sewer Model Update will provide the ability to establish the baseline capacity for the City's sewer conveyance system, identify necessary capital improvements, and analyze the effects of development. The model will be updated every two years. There is no impact to the general fund.

City Council expressed concerns that the model could limit further growth. Community Services Director John Martini stated the model is a tool for evaluation; the tool is flexible and adaptable.

A motion was made by Council Member Bybee, seconded by Council Member Dahir, to approve Resolution No. 3311 adopting the 2016 Sewer Model Update. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

9.6 Consideration, review and possible acceptance of advice and recommendations from the Sparks Tourism Facility and Revitalization Steering Committee regarding the expenditure of Lodging Tax proceeds for renovation of the Victorian Square cinema property (FOR POSSIBLE ACTION) (Time: 2:03 p.m.) (heard after agenda item 6.1)

An agenda item from Assistant Community Services Director Armando Ornelas recommending Council accept the advice and recommendations from the Sparks Tourism Facility and Revitalization Steering Committee as provided for in Resolution No. 3 of the Sparks Tourism Facility and Revitalization Steering Committee, which enables the city to expend, through separate action, up to \$1,500,000 of Lodging Tax proceeds to incentivize substantial upgrades to the Victorian Square cinema property.

In 2003, the Nevada Legislature enacted, and the Governor signed into law, Assembly Bill 205. This legislation, subsequently codified in Chapter 432, Statutes of Nevada, imposed an additional tax at the rate of two and half percent (2.5%) on the gross receipts from the rental of transient lodging in the City of Sparks ("Lodging Tax"). The City Council may expend these proceeds after obtaining the "advice and recommendations" of the Sparks Tourism Facility and Revitalization Steering Committee ("Committee"), which is created per Chapter 432. There is no impact to the general fund.

A motion was made by Council Member Smith, seconded by Council Member Bybee, to accept the Committee's advice and recommendations, as provided for in Resolution No. 3 of the Sparks Tourism Facility and Revitalization Steering Committee, regarding the expenditure of Lodging

Tax proceeds for renovation of the Victorian Square cinema property. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

9.7 Consideration, review and possible approval of a Financial Incentive Agreement (AC-5343) between the City of Sparks and Syufy Enterprises to provide up to \$1,500,000 in Lodging Tax proceeds for renovation and re-opening of the Victorian Square cinema property. (FOR POSSIBLE ACTION) (Time: 2:15 p.m.) (Heard after agenda item 9.6)

An agenda item from Assistant Community Services Director Armando Ornelas recommending Council approve the agreement. In late 2016 Syufy Enterprises, which owns the currently closed Victorian Square cinema property, requested the city provide Lodging Tax proceeds to fill a financial gap in the cost of renovating that property as a state-of-the-art 14 screen movie theater. Syufy intends to enter a lease with Galaxy Theatres, which operates the Galaxy Imax Luxury+ Theatre in the Legends shopping center, to renovate, re-open and operate the cinema property. Syufy estimated the costs of the upgrades at approximately \$7.6 million and has informed the city that, but for the provision of \$1.5 million of financial assistance by the city, Syufy and Galaxy do not find it financially feasible to undertake the project.

On January 31, 2017, the Committee considered and approved Resolution No. 3 of the Sparks Tourism Facility and Revitalization Steering Committee, which formally advises and recommends to the City Council that it expend up to \$1,500,000 of Lodging Tax proceeds, beginning in City fiscal year 2017, to incentivize substantial upgrades to the Victorian Square theater property. The City Council accepted Resolution No. 3 of the Sparks Tourism Facility and Revitalization Steering Committee prior to considering this agenda item.

Per the proposed terms of the Financial Incentive Agreement, Syufy and Galaxy would collectively invest at least \$6,100,000 while the City would contribute \$1,500,000 from lodging taxes, as follows: i) \$1,000,000 upon the opening of all 14 auditoriums of the cinema property to the general public; and, ii) provided the cinema property remains open to the public, \$100,000 per year for five years. The proposed agreement requires that the renovated cinema open to the public prior to December 31, 2017 or the agreement expires. Funds are from lodging tax proceeds; there is no impact to the general fund.

Public comment was received from Frank Rimkus of Galaxy Theatres and Andrew McCullough from Syufy Enterprises thanking Council for the opportunity to go forward with this project. They believe that the city will enjoy the Galaxy Theatre.

A motion was made by Council Member Bybee, seconded by Council Member Smith, to approve the Financial Incentive Agreement (AC-5343) between the City of Sparks and Syufy Enterprises to provide up to \$1,500,000 in Lodging Tax proceeds for renovation and re-opening of the Victorian Square cinema property. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

9.8 Consideration and possible ratification of Resolution No. 3309 declaring a state of emergency in the City of Sparks on February 9, 2017 due to a flood event which began on February 7, 2017. (FOR POSSIBLE ACTION) (Time: 3:01 p.m.)

An agenda item from City Manager Steve Driscoll recommending Council ratify Resolution No. 3309 declaring a state of emergency. On February 9, 2017, the City Manager found that a major

winter storm event began on February 7, 2017 that included an extended period of heavy rain ranging from the valley floor to extremely high elevations around the region coupled with warm atmospheric temperatures and a heavy and ripened snowpack and water saturated ground that would result in both urban and Truckee River flooding in the City of Sparks. City emergency teams opened the Emergency Operations Center (EOC) on February 9, 2017, and it was determined that a major event was imminent. City Manager Stephen Driscoll declared a state of emergency with Mayor Martini's concurrence, and the State DEM was notified. There is no impact to the general fund.

A motion was made by Council Member Smith, seconded by Council Member Abbott, to ratify Resolution No. 3309 declaring a state of emergency in the City of Sparks due to a flood event. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

9.9 Consideration and possible acceptance of a Business Impact Statement (AC5344) regarding Restricted Gaming Business Licenses. (FOR POSSIBLE ACTION) (Time: 3:08 p.m.)

An agenda item from Senior Assistant City Attorney Doug Thornley recommending Council accept the Business Impact Statement. On January 23, 2017, the Sparks City Council directed city staff to examine the city's licensing ordinances related to restricted gaming. On January 27, 2017, letters were sent out to businesses in Sparks with gaming licenses for their input on the proposed changes to SMC Chapter 5.24. A business impact statement was created regarding those opinions.

Council Member Bybee made the statement: "I will be abstaining from this item because my husband works for a non-restricted gaming licensee that is a member of the Nevada Resort Association. I am unsure whether this specifically rises to the level of a disqualifying conflict under the Ethics in Government Law, I believe it is prudent to be cautious with respect to this type of issue. Therefore, as required by state law, I will not vote or advocate for or against the passage of this measure. Thankyou."

Staff has published a draft ordinance by mailing a copy of the draft to current gaming licensees and posting the draft to the city's website January 27th to February 17th. The City Attorney's office has received one phone call and one email commenting that the proposed amendment only effected restricted gaming license holders. They Attorney's Office received one letter of substance from Dottie's.

Under Nevada law, restricted gaming is required to be "incidental to the primary business of the establishment." NRS 463.0189. In Sparks, restricted gaming is an "accessory use," which means that the gaming element of any business so licensed may not occupy more than ten percent of the building footprint associated with the principle use to which the restricted gaming operation is attached. SMC 20.03.002. With respect to restricted gaming, concerns related to the relationship between primary and incidental or accessory uses have surfaced over the past several years, resulting in significant changes to state and local gaming regulations. The Business Impact Statement relates to the proposed amendment to SMC Chapter 5.24 which adopts definitions and regulations that will better ensure compliance with the "incidental business" requirement for restricted gaming licensees under both state and local laws. There is no impact to the general fund.

A motion was made by Council Member Smith to accept the Business Impact Statement related to the proposed amendment to SMC Chapter 5.24 concerning the operation of restricted gaming in the City of Sparks. Motion died for lack of a second. This agenda item has been resubmitted to be reheard at the May 8, 2017 City Council meeting.

9.10 FIRST READING, of Bill No. 2715 amending the Sparks Municipal Code Title 5 “Business Licenses, Taxes and Regulations,” Chapter 5.24 “Gambling Establishments” to add definitions and create the requirements of bars or bar-restaurants operating slot machines through a restricted gaming license, together with other matters properly related thereto. (Time: _____ p.m.)

This item was withdrawn. This agenda item has been resubmitted to be reheard at the May 8, 2017 City Council meeting.

10. Public Hearing and Action Items Unrelated to Planning and Zoning

10.1 Public Hearing, consideration and possible approval of a request from the City of Sparks Redevelopment Agency to the City of Sparks for the abandonment of a portion of Avenue of the Oaks public right-of-way. (FOR POSSIBLE ACTION) (Time: 3:35 p.m.)

An agenda item from City Engineer Jon Ericson on behalf of the Sparks Redevelopment Agency recommending Council approve the public right-of-way abandonment of a portion of Avenue of the Oaks public right-of-way. Staff has researched the request and believes the public will not be materially injured by the proposed abandonment. The right-of-way abandonment is located adjacent to the southerly property line of APN’s 32-341-22 and 32-341-23. The City of Sparks Redevelopment Agency is the owner of property adjacent to the right-of-way and intends to sell the assembled property to SWD-Quarry FVS, LLC for the development of the Fountainhouse Phase 2 project. Each owner of property abutting the proposed abandonments have been properly notified via certified mail as required by NRS 278.480 (4) (a). The extent of the proposed abandonment and the date of the public hearing were published in the Reno Gazette Journal as required by NRS 278.480 (4) (b). There is no impact to the general fund.

The Public Hearing was opened at 3:37 p.m. J Witt gave comment stating the abandonment that is necessary for the building project. The abandonment updates a 12-year old land plan. Public Hearing was closed at 3:40 p.m.

A motion was made by Council Member Bybee, seconded by Council Member Dahir, to approve the public right-of-way abandonment request as outlined by staff. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

11. Planning and Zoning Public Hearings and Action Items

11.1 None

12. Comments

12.1 Comments from the Public (Time: 3:40 p.m.)

None.

12.2 Comments from City Council and City Manager (Time: 3:40 p.m.)

City Manager Steve Driscoll announced one vacancy for the Truckee River Fund Advisory Committee. There is no term; members serve at the pleasure of the City Council. Applications will be accepted until the close of business on Friday, March 17th at 5:00 p.m.

Council Member Lawson requested City Manager Driscoll direct Community Services look at shipping containers as an alternate means of construction.

Council Member Dahir invited the community to the pancake breakfast being held for the Veterans Memorial on Saturday from 7-11 a.m. The pancake breakfast will be held at the American Legion hall across from City Hall.

13. Adjournment

Council was adjourned at 3:43 p.m.

GENO R. MARTINI, Mayor

ATTEST:

Teresa Gardner, City Clerk

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