



MAYOR
Geno Martini

CITY COUNCIL
Julia Ratti, Ward I
Ed Lawson, Ward II
Ron Smith, Ward III
Mike Carrigan, Ward IV
Ron Schmitt, Ward V

CITY ATTORNEY
Chet Adams

REGULAR CITY COUNCIL MEETING MINUTES

2:00 P.M., Monday, April 22, 2013

City Council Chambers, Legislative Building, 745 Fourth Street, Sparks, Nevada

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

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

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

Mayor Geno Martini, Council Members Julia Ratti, Ed Lawson, Ron Smith, Mike Carrigan, Ron Schmitt, City Manager Shaun Carey, City Attorney Chet Adams and City Clerk Teresa Gardner, PRESENT.

ABSENT: None

Staff Present: Jeff Cronk, John Martini, Armando Ornelas, Ron Korman, Neil Krutz, Perla Tavera, Debi Kinder, Andy Flock, Steve Keefer, Steve Driscoll, Adam Mayberry, Chris Syverson, Mike Drinkwater, Tracy Domingues, Tim Thompson, Trish Sebastian, Jennifer Parmenter, Stacie Hemmerling, Curtis Cho, Eric Millette, Doug Thornley, Jim Rundle, Andy Hummel, Chris Cobb, Donna DiCarlo

Invocation Speaker (Time: 2:01 p.m.)

The invocation was provided by Pastor Barb West, Sparks Church of the Nazarene

Pledge of Allegiance (Time: 2:02 p.m.)

The Pledge of Allegiance was led by Council Member Ron Schmitt.

Comments from the Public (Time: 2:07 p.m.)

Mr. Ronald McGee spoke about his personal history.

Mr. Don Young spoke about truck decompression breaks and yellow line street painting in citizen mail collection zones.

Approval of the Agenda (Time: 2:08 p.m.)

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 Smith, seconded by Council Member Ratti, to approve the agenda as submitted. Council Members Ratti, Lawson, Smith, Carrigan, Schmitt, YES. Passed unanimously.

3. Recommendation to Approve Minutes of April 8, 2013 (Time: 2:09 p.m.)

3.1 Consideration and possible approval of the minutes of the regular Sparks City Council Meeting for April 8, 2013.

Mr. Don Young noted item 6.4 of minutes does not clearly indicate Council Member Ratti's vote. Mayor Martini directed City Clerk Teresa Gardner to amend the minutes.

A motion was made by Council Member Schmitt, seconded by Council Member Carrigan, to approve the minutes of the Regular Meeting of April 8, 2013 as amended. Council Members Ratti, Lawson, Smith, Carrigan, Schmitt, YES. Passed unanimously.

4. Announcements, Presentations, Recognition Items and Items of Special Interest (Time: 2:10 p.m.)

4.1 Proclamation "Autism Awareness Month" (Time: 2:11 p.m.)

Mayor Geno Martini proclaimed the month of April 2013 as Autism Awareness Month and urged all employees and residents to learn more about autism and what they can do to support and accept individuals on the autism spectrum and their families. Ms. R.J. Larrieu of the Newton Learning Center accepted the proclamation.

4.2 Proclamation "National Bike Month & Bike to Work Week" (Time: 2:16 p.m.)

Mayor Geno Martini proclaimed the month of May 2013 as "National Bike Month and Bicycle Safety Month" and the week of April 29-May 3, 2013 as "National Air Quality Awareness Week", and May 11-17, 2013 as "Bike to Work, School and Fun Week" throughout Washoe County and encouraged all citizens to enjoy the benefits of bicycling, recognize the importance of bicycle safety and be more aware of the cyclists on our streets. Mr. Phil Ulibarri, Public Information Officer of the Washoe County School District and Ms. Julie Hunter of the Washoe County Health District accepted the proclamation.

4.3 Proclamation "Older Americans Month" (Time: 2:20 p.m.)

Mayor Geno Martini proclaimed the month of May 2013 as "Older Americans Month" and urged every citizen to take time this month to honor our older adults and the professionals, family members and volunteers who care for them. Recognition of older Americans and their involvement in our lives can help achieve stronger and more meaningful connections with each other and enrich our community's quality of life. Director of Washoe County's Department of Senior Services Grady Tarbutton accepted the proclamation.

4.4 Proclamation "National Nursing Home Week" (Time: 2:23 p.m.)

Mayor Geno Martini the proclaimed May 12-18, 2013 as "National Nursing Home Week" and urged everyone in the community to visit their loved one, friend or neighbor currently residing in a skilled nursing care center to show respect for all that they have given to society and to us. Let no elderly or disabled person sit alone during this time to wonder if they are valued, appreciated and loved. Visiting or volunteering your time at a local care facility is a testament to community spirit, brings honor to our fathers, mothers, grandparents and everyone in residence and lifts the spirits of caregivers who value your involvement.

4.5 Proclamation "Arbor Day" (Time: 2:25 p.m.)

Mayor Geno Martini proclaimed April 26, 2013 as “Arbor Day” and urged all citizens to celebrate Arbor Day and support efforts to protect our trees and woodlands. Mr. David Howlett of the Nevada Division of Forestry accepted the proclamation.

4.6 Proclamation "Nevada Moves Day" (Time: 2:28 p.m.)

Mayor Geno Martini proclaimed April 24, 2013 as “Nevada Moves Day” in the City of Sparks and encouraged citizens to walk or bicycle their children to school while celebrating the benefits of increased safety and health, this day and throughout the year. Mr. Tim Rowe of NDOT and Ms. M.J. Cloud of Washoe County School District accepted the proclamation.

4.7 Presentation by the Sparks Citizens Advisory Committee on Sparks Citizen’s Survey Results and introduction of new members (Time: 2:32 p.m.)

SCAC Vice Chairman Charles Johns and Council Members introduced the new members of the Sparks Citizens Advisory Committee:

- Council Member Lawson introduced Ms. Rashawn Johnson
- Council Member Ron Smith introduced Mr. Christopher Dare
- Council Member Ron Schmitt introduced Ms. Martha Green
- Council Member Mike Carrigan introduced Mr. Duke Burnelli

SCAC Vice Chairman Charles Johns presented results of the Sparks Citizens survey:

Survey presented online from February 21 to April 3, 2013;
Produced by the Sparks Citizens Advisory Committee

Public Information

- Two Press Releases, resulting in Media Coverage
- Two Advertorials in RGJ
- Chamber Support
- Website and Social Media
- SCAC Member Support

Participants “identified” themselves

Student – 6
Retired – 56
Business Owner – 23
Other – 146
Total Responses – 231

Participants responded about various City services, rating each category as:

- More Important
- Important
- Less Important

City Service Categories Included:

- Police Services
- Fire Services
- City Code Enforcement
- Increasing Events at Sparks Marina / GERP
- Maintain Larger Regional Parks
- Maintain Smaller Neighborhood Parks
- Victorian Square Development
- Special Events
- Maintained Roads

- Pools, Trails, Community and Senior Centers
- Public Transportation
- Flood Prevention
- Maintain City Infrastructure

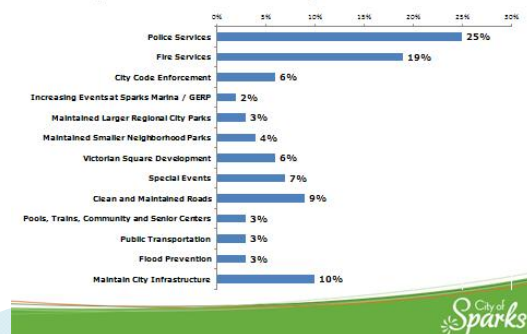
Respondents rated the importance of these City services



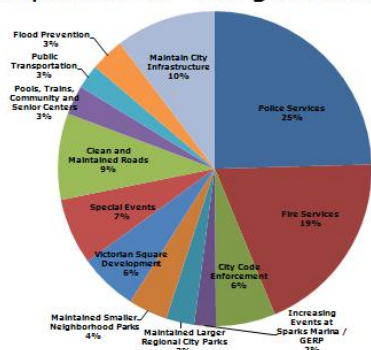
Question

Given a hypothetical \$100 budget, Participants were asked to allocate their funds across the areas they indicated as “Most Important.”

Respondents’ Budget Allocation



Respondents’ Budget Allocation



Question

Is there any additional feedback you would like to provide the City of Sparks? Residents’ remarks are included in Council packet.

Council Member Schmitt asked Mr. Johns about safeguards to deter multiple survey submissions by individuals. Mr. Johns said the survey prohibited an IP address from completing more than one survey. Council Member Smith thanked the SCAC for their work and recognized the first-time effort. Council Member Ratti thanked the SCAC and suggested future surveys include the courts as a central service to the City.

4.8 Presentation by Load IQ, as part of the new business monthly information presentations coordinated by C4Cube Executive Director Lynne Keller (Time: 2:53 p.m.)

Load IQ

Energy Intelligence

Dr. Hampden Kuhns (CEO)

Load IQ makes an energy monitoring system that itemized energy bills by appliance so that people can make informed cost effective decisions.

Company Highlights

- \$1.5M grant funding from CEC, NIREC, DOE, & NSF
- **\$500K opportunity** with NSF SBIR Phase 2b (non diluting R&D funding upon raising 3rd party \$2M investment)
- Exclusive license to 5 Patents w/2006 priority date
- Paid trials with Siemens, GDF Suez, and global telecom company
- 2011 CA Cleantech Open "Energy Efficiency" Winner
- Starting 10 site trials with Tier 1 telecom served through channel partner (current \$50M opportunity)

Energy is invisible so it gets less attention

- Load IQ makes an energy monitoring system that itemized energy bills by appliance so that people can make informed cost effective decisions
- Company:
 - 9 Employees in 2013 (and growing)
 - Formed in 2007 as DRI Startup
 - 5 patents
 - Grants from NSF, DOE, California, and Nevada
 - 2011 Winner of California Energy Efficiency Clean Tech Open
 - Currently serving telephone company central offices

Faster & less expensive install to deliver energy management to underserved markets

Current Approach-Branch Circuit Metering:

- Up to 42 sensors packed in panel reporting on circuit level loads (2–4 hour install)

VS

Load IQ - Utility Accountant:

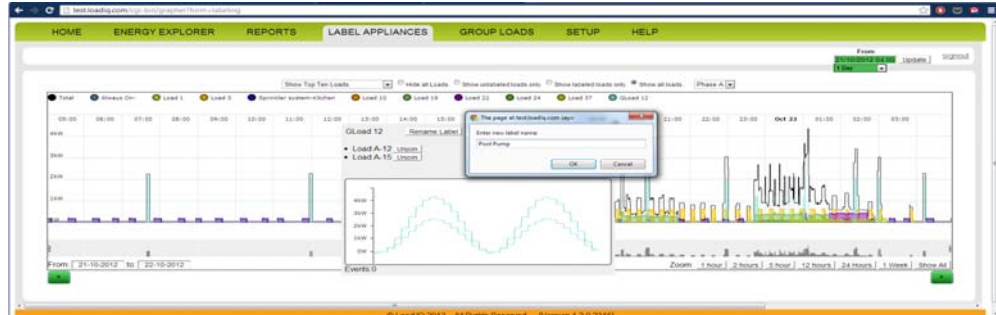
- Flexible sensors on mains isolating 20 loads through signal processing (15 minute install)

End-Use Energy Results



- With itemized energy usage, we know when appliances turn on and how much they cost to use.
- But don't yet know what they are...

Web Interface Allows Labeling of Loads

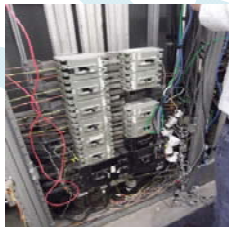


- With a network connected tablet/laptop, anyone (e.g students) can assign labels to loads

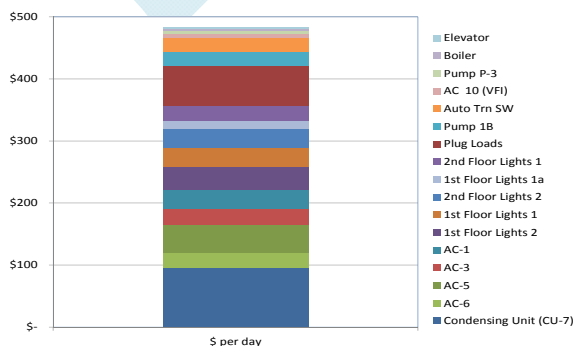
Will it help?

- Research shows that appliance level feedback helps save energy (Armel et al., 2013)
- Pilot Test at Obrien
 - Load IQ installed sensors on:
 - Mains
 - AC Units 1, 3, 5
 - Kitchen
 - 2nd Floor West Wing (plugs and lights)
- Students will monitor how energy is used in their building
- Heating, Ventilation, Air Conditioning, and Lighting will be benchmarked with “typical” schools
- Cost-Effective recommendations will be made

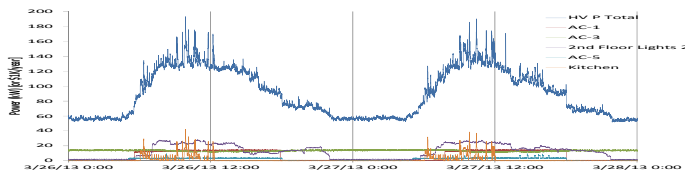
Installation of sensors



Now in Dollars



Wednesday and Thursday:
~60% of energy never turns off



Executive Team

- Dr. Hampden Kuhns (CEO & Co-Founder)
1997-2011 Research Professor at the Desert Research. BS Caltech. Ph.D. Carnegie Mellon.
2011 Winner of California Clean Tech Open Energy Efficiency Category.
- Bhuma Kandula (VP Business Development & Co-Founder)
2007-2012 – Owner and CEO of BIR Solutions LLC with 40 employees in Hyderabad.
Created >750 Business Intelligence Solutions for SAP Labs in 35 countries.
- New Recruit (VP of Sales): Q3 2013
- Dr. Babak Bastami, Director. of R&D
- Dr. Navid Fallah, NSF Post doc Researcher
- Dr. Sohei Okamoto, Software Engineer
- Scott Kimmich, Sr. Software Engineer
- John Bird, Director of Hardware Engineering
- Dave Weinerth (TBD)
2010-2012: EVP of Marketing at SClenergy (international energy management company)
2006-2010: PARC Director of Business Development
- Lawrence Udell (Advisor)
Executive Director of both the Center for New Venture Alliance and the California Invention Center, founder of over 20 corporations

What next?

- Launch in Q3 2013
- Market to:
 - Telephone central offices
 - Retail
 - Commercial
- Currently fundraising to close series B and match \$0.5M of NSF grants

5. Consent Items (Time: 3:01 p.m.)

Council Member Carrigan pulled Consent Item 5.4. A motion was made by Council Member Carrigan, seconded by Council Member Ratti, to approve consent items 5.1 through 5.3 and 5.5 and 5.6 as submitted. Council Members Ratti, Lawson, Smith, Carrigan, Schmitt, YES. Passed unanimously.

5.1 Report of Claims and Bills approved for payment and appropriation transfers for the period March 21, 2013 through April 3, 2013 (FOR POSSIBLE ACTION)

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

5.2 Consideration, review and acceptance of the receipt of grant and/or donation money which is individually under \$5,000. (FOR POSSIBLE ACTION)

An agenda item from Accountant Curtis Cho reporting grants and donations received per Resolution No. 3234 as follows: Deshaun Lipscomb donated \$7.11 to the Violence Against Women's Police Program. Elden Crews donated \$820.00 to the Canine Police Program. Sierra Chemical Co. donated \$1,000.00 to the Partners in Parks & Recreation. Staff recommends Council accept the grants and/or donations as submitted.

5.3 2013 State Emergency Response Commission Hazardous Materials Emergency Preparedness Grant acceptance for Continuing Challenge Hazardous Materials Conference. (FOR POSSIBLE ACTION)

An agenda item from Fire Chief Andreas Flock recommending Council accept the reimbursable grant award for members of the Sparks Fire Department to attend the Continuing Challenge – Hazardous Materials Emergency Response Workshop, Sacramento, CA., September 3-6, 2013. This proposal is requested by the Sparks Fire Department/TRIAD Regional HazMat Team for 20 members of Sparks, Reno, and Truckee Meadows Fire Departments to attend the conference. The grant reimburses the attendees for registration, transportation, food and lodging. The total amount requested is \$17029.00. Sparks Fire Department usually sends 10-12 technicians to this conference. There is no impact to the general fund.

5.4 Consideration and possible approval of a Third Amended Interlocal Agreement Regarding the Purchase of Water Rights Pursuant to Truckee River Water Quality Settlement Agreement between Washoe County, the City of Reno, and the City of Sparks (A-2311). (FOR POSSIBLE ACTION)
(Time: 3:03 p.m.)

An agenda item from Utility Manager Andrew Hummel recommending Council approve the Third Amended Interlocal Agreement. On October 10, 1996, Reno, Sparks, and Washoe County entered into the Water Quality Settlement Agreement with the U.S. Department of Interior. To implement the local government's part of the WQSA, Reno, Sparks and Washoe County signed an interlocal agreement (July 28, 1998 Amended and Restated Interlocal Agreement Regarding the Purchase of Water Rights Pursuant to the Truckee River Water Quality Settlement Agreement, A-2311) creating the Local Government Oversight Committee (LGOC), which includes representatives of each jurisdiction. The Third amendment presented herein provides that accumulated investment earnings above the \$12,000,000 obligation may be used, if necessary, for the purpose of retaining outside legal counsel for representation pertaining to possible protests and hearings before the State Engineer along with any subsequent appeals in the court of law on the water right's transfer applications. Funds are budgeted in the TMWRF operating budget. There is no impact to the general fund.

Council Member Carrigan asked how much of the \$778k will be cut out for the attorney, if needed, and how much would come back to the city. Utility Manager Andy Hummel said one-third of the amount would remain if none of the funds were spent on outside legal. Mr. Hummel said any future contracts (if brought forth) would be presented to all three parties for approval. Duration will be until the transfer applications are finalized with the State Engineer.

A motion was made by Council Member Carrigan, seconded by Council Member Lawson to approve Item 5.4. Council Members Ratti, Lawson, Smith, Carrigan, Schmitt, YES. Passed unanimously.

5.5 Consideration and possible approval of a Reversion to Acreage Map for Jose and Melba Talancon. (FOR POSSIBLE ACTION)

An agenda item from Assistant Community Services Director John Martini recommending Council approve the reversion to acreage map as submitted. Jose and Melba Talancon have requested a reversion to acreage map for property located at 630 and 634 Pyramid Way. The reversion to acreage map has been reviewed by the Community Services Department and has been found to be acceptable. There is no impact to the general fund.

5.6 Consideration and possible approval to purchase six M7300 Mobile Radios from Dailey-Wells Communications in the amount of \$27,591.06. (FOR POSSIBLE ACTION)

An agenda item from Fleet and Facilities Manager Ron Korman recommending Council approve the purchase of six radios for six new police vehicles that will be going into service. Funds are budgeted in the CIP; there is no impact to the general fund.

6. General Business

6.1 Possible review and approval of amended Sparks Legislative Platform (FOR POSSIBLE ACTION) (Time: 3:05 p.m.)

An agenda item from Community Relations Manager Adam Mayberry recommending Council approve the amended Legislative Platform for the 77th Session of the Legislature. At the April 8, 2013 Sparks City Council Meeting, Councilman Carrigan requested the current legislative platform be amended to enable the legislative team to respond to the rapid pace of the state legislative session. There is no impact to the general fund.

A motion was made by Council Member Mike Carrigan, seconded by Council Member Ron Schmitt, to approve and adopt the amended Sparks Legislative Platform and Policies. Council Members Ratti, Lawson, Smith, Carrigan, Schmitt, YES. Passed unanimously.

6.2 Consideration and possible approval to submit for a Nevada Division of Emergency Management (NVDEM) Emergency Management Performance Grant (EMPG) for the Federal Fiscal Year 2012 in the amount of \$80,271.00 (Time: 3:07 p.m.)

An agenda item from Assistant City Manager Steve Driscoll recommending Council direct staff to submit for the EMPG grant. The City of Sparks, in conjunction with the Nevada State of Emergency Management (NVDEM), are eligible to apply for an Emergency Management Performance Grant (EMPG) from the Department of Homeland Security (DHS) and Federal Emergency Management Agency (FEMA) for the purpose of offsetting local government expenditures related to emergency management planning and training. The EMPG Grant award for FFY 2012 for the City of Sparks is \$80,271.00. Revenues of \$80,271.00 to offset expenditure related to Emergency Management planning and drill exercises.

A motion was made by Council Member Julia Ratti, seconded by Council Member Ron Schmitt, to direct staff to apply for the Emergency Management Performance Grant (EMPG) for the Federal Fiscal year 2012 in the amount of \$80,271.00. Council Members Ratti, Lawson, Smith, Carrigan, Schmitt, YES. Passed unanimously.

6.3 Consideration, discussion, and possible approval of fiscal year 2013-2014 budget recommendations and fiscal items including 1) the City Manager's recommendations for the City of Sparks final budget; 2) the City's property tax rate; and 3) the proposed five year Capital Improvement Plan. (FOR POSSIBLE ACTION) (Time: 3:09 p.m.)

An agenda item from Financial Services Director Jeff Cronk providing the City Council with the City Manager's recommendations for the fiscal year 2013-2014 budget and fiscal impacts for the City of Sparks and recommending Council approve 1) the City Manager's recommendations for the fiscal year 2013-2014 final budget; 2) an increase in the City's property tax rate equal to two pennies per \$100 of assessed valuation; and 3) the proposed five year Capital Improvement Plan.

Financial Services Director Jeff Cronk directed Council to the budget document book attached to the agenda [Proposed Budget Attachment], which included items discussed at the Council Workshop on March 18, as well as updated and new items items. Mr. Cronk said staff seeks final direction to build the 2014 budget.

Mr. Cronk provided an overview of the major categories in the Proposed Budget:

- City Manager budget recommendations, with a focus on jobs.
- General Fund revenues and expenditures as they tie in to strategic goals and core services
- In-depth views of other funds and a summarization of each
- Debt review
- Department Review
- Review of Redevelopment Agencies 1 and 2
- Appendix of the 5-year capital improvement plan

Mr. Cronk said city staff has filed the tentative budget for the fiscal year 2013/14 and City Council will receive public comment on the 2014 tentative budget on Tuesday, May 21st at 9:00 am. Immediately following that public hearing of the tentative budget, the City Manager and Financial Services Director will present the final budget document which is prepared based on the direction received today. The final budget must be filed with the NV Department of Taxation by June 1st annually. There is an allowance to file an extension if the Legislature takes action that affects our final budget.

The City Manager's Recommendation Book provides a synopsis of results and expectations of the budget recommendations for the various funds of the city and the Sparks Redevelopment Agency for fiscal year 2013/14.

Mr. Cronk requested:

1. Approval and direction of next year's fiscal budget as outlined in the City Manager's Budget Recommendation Book.
2. Final approval of the City's property tax rate increase as recommended on March 18, equal to 2 pennies per \$100 assessed value.
3. Approval of the proposed 5-year capital improvements plan, which indicates very little difference from that proposed on March 18.

Mr. Cronk's overview included the City Manager's budget recommendations:

- Staff followed the adopted fiscal policies of March 18, which include the City Manager's recommendation of General Fund ending fund balance of 7.3% of expenditures, which was dropped by one percent to fill the identified gap. The City Manager and city staff will try to achieve the 8.3% ending fund balance by utilizing the Project Innovation process to find approximately \$560k in the next fiscal year by cutting waste and maximizing things done well. FY 15 initial projections indicate the city will be short approximately \$1.2M.
- The City Manager's recommendations include new positions and reclassifications.
- City memberships and contributions, approved at the March 18 workshop, are included.
- A new development which occurred after the March 18 workshop was the extension of the Cops Grant for an additional year, which will fund six police officers until the third quarter of FY14. This action brought approximately \$350,000 in savings which was not discussed at the March 18 workshop.
- A \$352,000 transfer to the General Fund from the Development Services Fund to continue to repay the subsidizing Development Services \$1.116M during FY10 and FY11. At \$352k per year repayment, the General Fund subsidy to Development Services will be paid off in FY16.
- A health insurance reduction in contribution and premium rates by 8%, which should save about \$400k.
- A one percent salary decrease for managerial staff and department heads, operating engineers and supervisors, and confidential personnel. Salary decrease to be derived by splitting the 2% PERS increase.
- Use of unspent CTAX bond proceeds (about \$730k) as issued in 2007 which were not completely spent because a new City Hall was not built.
- Subsidize the Redevelopment Agency Area Two debt service for approximately \$750k.

Highlights of General Fund expectations:

- After six years of revenue declines, Mr. Cronk expects a 2.3% revenue increase, or \$1.2M.
- The city expects increased expenses of about 1.9%, just under \$1M.
- Overall expenses are expected to be greater than revenues, reducing the FY 14 ending fund balance to about 7.3% of total expenditures.

Mr. Schmitt asked for the job reclassifications to become part of the public record. City Manager Shaun Carey said the reclassifications include:

- Eliminate the Assistant City Clerk position and combine with the existing Electronic Records Management Coordinator position; changing the title of that position to Assistant City Clerk / EIMS Coordinator; funded by removal of one position from the budget
- Reclassification of Assistant Community Services Director to Assistant Community Services Director / City Engineer; no adjustment to pay.
 - Public Works Division reclassification of Maintenance Worker III to Maintenance Worker IV, a facilities position; reclassification necessary due to the increased workload and wide variety of technical expertise required in the position
 - One Electrician II position to Electrician III

- Adding Electrician II
- GIS Technician II eliminated in exchange for System Developer I / II
- Add a Laboratory Supervisor in the Waste Water Treatment Plant
- Add a Process Control Coordinator in the Waste Water Treatment Plant
- Laboratory Quality Assurance Officer in the Waste Water Treatment Plant
- Add two Waste Water Operators I / II positions
- Change two Office Specialist positions to Administrative Secretary positions in the Police Department
- Four Legal Secretary positions to be reclassified to Secretary I / II in the Criminal Division and Secretary I / II in the Civil Division
- Senior City Attorney reclassification to Chief Assistant City Attorney

Council Member Schmitt said this was the first he learned about reclassifications or additions of employees. Mr. Carey said it is consistent with presentation of City Manager's budget recommendations to present reclassification and new employee issues at this juncture in the annual budget process and these issues are up for decisions today.

Mr. Cronk provided information on the Sparks property tax rate, which is currently set at \$3.6163 per \$100 of assessed valuation. The city is currently \$.0437 under the maximum of \$3.66 as allowed by NRS. Every penny of property tax increase will add approximately \$189k of property tax revenue. If taken to the maximum allowed by NRS, revenues would be about \$825k.

Mr. Cronk said the City Manager has included a property tax increase of two cents per \$100 of assessed value, which will generate approximately \$360k. If approved, this will be the first property tax increase since 2004. Mr. Cronk said the 5-year Capital Improvements Plan is nearly identical to that presented at the March workshop.

A motion was made by Council Member Ed Lawson, seconded by Council Member Julia Ratti, to approve the City Manager's budget recommendations for fiscal year 2013-2014. Council Members Ratti, Lawson, Smith, Carrigan, Schmitt, YES. Schmitt NO. Passed 4-1.

Mr. Carrigan said he will support the budget recommendation but is not happy about subsidizing Redevelopment District II with \$750k from the General Fund because of some bad decision-making.

A motion was made by Council Member Ratti to approve a 2 cent increase in the property tax rate, from \$3.6163 to \$3.6363 per \$100 of assessed value. Motion died for lack of a second.

Council Member Schmitt said he is not comfortable with any job reclassifications or hiring when the budget is \$2.5M in the red.

Council Member Carrigan asked about the \$350k Cops Grant and how receiving that money affects the budget. Mr. Cronk said several budget items changed since the March workshop because of end-of-quarter figures and additional items. Council Member Ratti said she believes this is one of the least volatile years she has seen in several years. Ms. Ratti said that while not ideal, she would support allowing the ending fund balance reduction because the city's financial

staff has been managing to better than expectations every year since the economic crisis began. She said she supports approving the recommended budget.

Council Member Smith said he is confused by the contingences and taking from the ending fund balance, which keeps declining. Mr. Cronk said if we do not take direction to reduce the budget elsewhere, that's where the ending fund balance would be. Mr. Cronk said the figures change because the budget changes regularly.

Mr. Carrigan said he agreed with Council Member Ratti that if property taxes are not raised, lowering the ending fund balance is the only option. Mr. Cronk explained each option for budget reduction. Council Member Schmitt said he is concerned with the direction we are going.

Council Member Carrigan said the inclination was presented at the March workshop that a 2 cent property tax increase would be sought and he understands since the property tax increase was voted down, it stands to reason the ending fund balance will likewise be affected.

A motion was made by Council Member Carrigan, seconded by Council Member Smith, to reduce the ending fund balance to 6.6% to offset the two cent property tax increase voted down. Council Members Ratti, Lawson, Smith, Carrigan, YES; Council Member Schmitt NO. Passed 4-1.

A motion was made by Council Member Mike Carrigan, seconded by Council Member Ron Smith, to approve the proposed five-year Capital Improvements Plan for fiscal year 2013-2014 through fiscal year 2017-2018. Council Members Ratti, Lawson, Smith, Carrigan, Schmitt, YES. Passed unanimously.

7. Public Hearing and Action Items Unrelated to Planning and Zoning – None

8. Planning and Zoning Public Hearings and Action Items

8.1 Public Hearing, 2nd Reading, discussion and possible action of CA-5-12 Bill No. 2656 an ordinance by the City of Sparks amending Title 20 of the Sparks Municipal Code to permit more than five residents receiving adult care in a residential district when permitted by building and fire codes and other matters properly related thereto. (FOR POSSIBLE ACTION) (Time: 4:01 p.m.)

An agenda item from Senior Planner Jim Rundle recommending Council approve CA-5-12, Bill No. 2656. In late 2012 the City Council directed staff to work on a code amendment to allow for adult care facilities over 5 residents in single family residential zoning districts. Staff has coordinated this effort with the Building Division, Fire Prevention, and City Attorney's office and is proposing to allow adult care for over 5 residents when permitted by building and fire codes including but not limited to applicable residential fire sprinkler requirements. At the March Planning Commission meeting, staff recommended approval to the Sparks Planning Commission which has unanimously forwarded a recommendation of approval to the City Council. There is no impact to the general fund.

Public hearing opened; no comments were received.

A motion was made by Council Member Ron Smith, seconded by Council Member Ed Lawson, to adopt Bill No. 2656 amending Title 20 of the Sparks Municipal Code to permit more than five residents receiving adult care in a residential district when permitted by building and fire codes and other matters properly related thereto. Council Members Ratti, Lawson, Smith, Carrigan, Schmitt, YES. Passed unanimously.

8.2 Consideration and possible action regarding the Planning Commission's action to approve PCN12022, a Special Use Permit request to allow for a 201 room resort hotel/casino on a site approximately 12.6 acres in size in the NUD (New Urban District – The Legends at Sparks Marina Planned Development) zoning district generally located at 100 Legends Bay Drive, Sparks, NV. (CONTINUED FROM THE APRIL 8, 2013 COUNCIL MEETING) (FOR POSSIBLE ACTION) (Time: 4:04 p.m.)

An agenda item from Senior Planner Tim Thompson upon request from Council Member Ed Lawson. On March 7, 2013, the Sparks Planning Commission approved a Special Use Permit a Special Use Permit request to allow for a 201 room resort hotel/casino on a site approximately 12.6 acres in size in the NUD (New Urban District – The Legends Planned Development) zoning district generally located at 100 Legends Bay Drive, Sparks, NV. On March 12, 2013, Council member Lawson requested the Planning Commission's action be reviewed by the City Council. Staff is recommending Council uphold the Planning Commission's approval of the Special Use Permit associated with PCN12022 to allow for a 201 room resort hotel/casino, adopting Findings S1 through S6 and the facts supporting these Findings as set forth in the Planning Commission staff report, subject to the Conditions of Approval 1 through 31 as listed in the Planning Commission staff report. There is no impact to the general fund.

Council Member Ed Lawson withdrew his appeal on the item.

9. Closed Door Sessions

9.1 Possible motion to conduct labor relations proceeding. (Closed per NRS 288.220) (FOR POSSIBLE ACTION) (Time 4:05 p.m.) - None

10. Comments

10.1 Comments from City Council and City Manager (Time: 4:05 p.m.)

City Manager Shaun Carey announced upcoming vacancies on various boards and commission with terms scheduled to expire on June 30, 2013:

- Civil Service Commission
 - 1 member – 3 year term
- Reno Tahoe Airport Authority Board of Directors
 - 1 member – 4 year term
- Parks & Recreation Commission
 - 2 members – 3 year terms
 - 1 member – to fill a term ending 06/30/14

Persons interested in serving on any of these committees should complete an application available at the Sparks City Clerk's office or on the city's web site. Applications will be accepted until close of business on Friday, May 31, 2013.

10.2 Comments from the Public (Time: 4:06 p.m.)

Mr. Don Young commented that the Marina Dog Park is deteriorating, including fallen fence sections and the condition of the restrooms are deplorable. In addition, the “No Outlet” sign at the bridge on Harbor Cove Drive has not been completed.

Mr. Steve Polikalas, on behalf of the Peppermill, John Ascuaga’s Nugget and Atlantis Casino, thanked the Council for consideration of his letter being entered into public record regarding the 201 room requirement for unrestricted gaming.

11. Adjournment (Time: 4:09 p.m.)

Council was adjourned at 4:09 p.m.

GENO R. MARTINI, Mayor

ATTEST:

Teresa Gardner, City Clerk

>>>