



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, December 9, 2013**

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 Julia Ratti (arrived at 2:03), Ed Lawson, Ron Smith, Mike Carrigan, City Manager Shaun Carey, City Attorney Chet Adams and City Clerk Teresa Gardner, PRESENT.

ABSENT: Council Member Ron Schmitt

Staff Present: Michael Drinkwater, John Martini, Andy Hummel, Brian Adams, Tom Garrison, Neil Krutz, Debi Kinder, Dan Marran, Adam Mayberry, Armando Ornelas, Jeff Cronk, Tracy Domingues, Donna DiCarlo, Perla Tavera, Curtis Cho

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

The invocation was to be provided by Pastor Kyle Bateson, Living Stones Church; however, he was not present. Mayor Geno Martini requested a moment of silence for those who stand in harms' way.

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

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

Comments from the Public (Time: 2:01 p.m.) - None

Approval of the Agenda (Time: 2:02 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 Lawson, to approve the agenda as submitted. Council Members Lawson, Smith, Carrigan, YES. Council Members Ratti, Schmitt, ABSENT. Passed unanimously with those present.

3. Recommendation to Approve Minutes of Sparks City Council Meeting for November 25, 2013 and the Sparks Workshop of November 18, 2013 (Time: 2:02 p.m.)

3.1 Consideration and possible approval of the minutes of the regular Sparks City Council Meeting for November 25, 2013 and the Sparks Utility Workshop of November 18, 2013.

A motion was made by Council Member Lawson, seconded by Council Member Smith, to approve the minutes of the Regular Meeting of November 25, 2013 and the minutes of the Sparks Utility Workshop of November 18, 2013 as outlined by staff. Council Members Lawson, Smith, Carrigan, YES. Council Members Ratti, Schmitt, ABSENT. Passed unanimously with those present.

4. Announcements, Presentations, Recognition Items and Items of Special Interest (Time: 2:03 p.m.) - None

5. Consent Items (Time: 2:03 p.m.)

A motion was made by Council Member Lawson, seconded by Council Member Smith, to approve the consent item as submitted. Council Members Ratti, Lawson, Smith, Carrigan, YES. Council Member Schmitt, ABSENT. Passed unanimously with those present.

5.1 Report of Claims and Bills approved for payment and appropriation transfers for the period November 7, 2013 through November 18, 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.

6. General Business

6.1 Consideration and possible approval of an initial eighteen-month contract with the possibility of four, one-year extensions to Waste Management, Inc. for the disposal of biosolids at the Lockwood Regional Landfill from the Truckee Meadows Water Reclamation Facility (TMWRF). (FOR POSSIBLE ACTION) (Time: 2:04 p.m.)

An agenda item from Treatment Plant Manager Michael Drinkwater recommending Council approve an initial eighteen-month contract with the possibility of four, one-year extensions to Waste Management, Inc., for the disposal of biosolids at the Lockwood Regional Landfill from the Truckee Meadows Water Reclamation Facility (TMWRF). These biosolids are currently being disposed of at the Lockwood Regional Landfill. The current agreement for this disposal expires December 31, 2013. TMWRF is seeking Council approval of a new contract that will allow for continued disposal of the biosolids at the landfill. There is no impact to the general fund.

In response to a question from Council Member Smith, Mr. Drinkwater said 37-yard side dumps must be disposed of on Saturdays and Waste Management's contract is the most reasonable option available for that service.

A motion was made by Council Member Smith, seconded by Council Member Lawson, to approve the contract with Waste Management, Inc. for disposal of biosolids from TMWRF at the

Lockwood Regional Landfill. Council Members Ratti, Lawson, Smith, Carrigan, YES. Council Member Schmitt, ABSENT. Passed unanimously with those present.

6.2 Discussion and possible action by the City Council to provide direction to City staff regarding the Master Plan amendment approved on September 24, 2013 by the Washoe County Board of County Commissioners. The County Commission amended the Spanish Springs Area Plan, a part of the Washoe County Master Plan, to potentially allow a proposed 360 unit multi-family development on a 39.8 acre parcel northeast of the intersection of Pyramid Highway and Calle de la Plata in unincorporated Washoe County. (FOR POSSIBLE ACTION) (Time: 2:06 p.m.)

An agenda item from Senior Planner Jim Rundle recommending Council provide direction to city staff regarding the Master Plan amendment approved on September 24, 2013, by the Washoe County Board of County Commissioners. On September 24, 2013, the Washoe County Board of County Commissioners (BCC) voted 4-1 to overturn county staff and the Washoe County Planning Commission's recommendation to deny a Master Plan amendment to change approximately 40 acres from an Industrial, Commercial and Open Space land use designation to Suburban Residential. This vote was taken after receiving a report from the County Planning Commission. Pursuant to the Planning Commission staff report from December 2012, this amendment could permit a 360-unit multi-family residential project. There is no impact to the general fund.

Senior Planner Jim Rundle said this item would require approval through the Regional Planning Commission because it is a proposal for a Master Plan amendment. The Sparks Planning Commission will consider the item because they represent the City of Sparks on the Regional Planning Commission. Potentially the City of Sparks City Council and Mayor would consider the item at a Governing Board meeting. Mayor Martini requested staff bring this item forward so the council could discuss amongst them and so the Regional Planning Governing Board members would understand the Council's sentiments, in the event the item is considered at the Governing Board level.

Mr. Rundle said County staff's original report cited numerous reasons for denial, including that it would be a drastic change for the character statement for the Spanish Springs area and a significant departure from current and adopted policies; the proposal is incompatible with adjacent land uses; does not promote the desired pattern for orderly physical growth in the county; and does not guide development based on projected population growth. The Regional Planning Staff will be tasked with considering the merits of this proposal. It is anticipated the item will be heard at the January Regional Planning Commission meeting.

Mr. Rundle provided some highlights of the Regional Planning appeal process:

- When the item goes to Regional Planning, it will require a super majority to approve. If it does not receive a super majority approval from the nine-member panel it will be considered a denial or a technical denial.
- Washoe County, the applicant on this item, would then have the ability to appeal the decision and would be allowed 45 days to submit to the Regional Planning Commission with the reasons they believe the denial should be overturned.

- The Regional Planning Commission would then reconsider the item at a second meeting. If denied or approved, the item can be appealed to the Regional Planning Governing Board for a simple majority decision.

Council Member Carrigan asked what findings were involved with the original denial. Mr. Rundle said no findings were used to overturn the Planning Commission's decision. City Attorney Chet Adams said without findings and conclusions, the agency puts itself in a weakened position.

Mr. Rundle said the Planning Commission would not vote on this issue again.

Council Member Lawson asked what would be the direct impact(s) to the City of Sparks if this project goes through. Mr. Rundle said the inconsistency with the adopted regional plan in that three jurisdictions, plus RTC, are to be following a single plan, which includes multi-family development within the city, not the fringes of the city. He said Sparks would be impacted with traffic, and sewer capacity to the unincorporated county.

Council Member Smith supports Commissioner Hartung and the Planning Commission, who has declined this issue twice. Council Member Lawson agreed with Mr. Smith. Council Member Carrigan said he wants to know how this item meets the findings of the regional plan. Council Member Ratti said she does not feel this fits with the newly developed Smart Growth Workshop. Mayor Martini said he does not support this development.

The City of Sparks Planning Commissioners have not heard this issue in an official capacity.

A motion was made by Council Member Carrigan, seconded by Council Member Lawson, to oppose the proposed Master Plan amendment unless findings are presented which conform with the Regional Plan. Council Members Ratti, Lawson, Smith, Carrigan, YES. Council Member Schmitt, ABSENT. Passed unanimously with those present.

Council Member Ratti said although the City Council opposes the proposed Master Plan amendment, the Council does not have the authority to direct the Sparks Planning Commission or those who sit on the regional body. She said the Council can say how it stands on the issue, but cannot give direction.

City Attorney Chet Adams said Council should support issues that follow the Master Plan. Mr. Adams said it is appropriate to direct staff that as a council, we have serious concerns that this issue does not comply with the Master Plan.

Council Member Carrigan withdrew his motion.

6.3 Consideration and possible approval of Resolution No. 3250 in support for a private developer's acquisition and rehabilitation of the Marina Gardens Apartments located at 550 Howard Drive in Sparks, Nevada by utilizing State of Nevada tax-exempt bonds and 4% Low Income Housing Tax Credits. (FOR POSSIBLE ACTION) (Time: 2:29 p.m.)

An agenda item from City Planner Armando Ornelas recommending Council approve Resolution No. 3250 in support for the acquisition and rehabilitation of the Marina Gardens Apartments

using tax exempt bond financing and Low Income Housing Tax Credits. Pacific Rim Development Company has requested a Resolution of Support from the City of Sparks for their application to the State of Nevada Housing Division for tax-exempt bond financing and 4% Low Income Housing Tax Credits. Pacific Rim is proposing to use these financing sources to acquire the Marina Gardens Apartments located at 550 Howard Drive and invest approximately \$23,500 in hard construction costs per unit. Use of tax-exempt bond financing and 4% Low Income Housing Tax Credits would require a 30 year commitment to rent the Marina Gardens Apartments to households with incomes at or below 60 percent of the U.S. Department of Housing and Urban Development's area median income. There is no impact to the general fund.

City Planner Armando Ornelas said Pacific Rim Development Company has submitted an application to the state of Nevada Housing Division for tax-exempt bond financing and a 4% low-income housing tax credit. They intend to make general improvements to the 40-year old property. The city would have no role in the financing; the state will underwrite. Property will stay on the property tax roles. From staff's perspective, the property will be substantially improved and rededicated as affordable housing. Mr. Ornelas requested Council support the project.

Council Member Carrigan asked for clarification that this item is for a letter of support of the project. Mr. Ornelas confirmed.

Council Member Lawson said he is concerned that 20% of Marina Gardens residents will be forced to relocate. Pacific Rim spokesperson Rex Massy said the project would take 18 months to complete. In that period of time natural attrition will occur; however, some residents will require relocation assistance. Mr. Massy said he would assure, in writing, the promise of relocation assistance by Pacific Rim Development Company.

A motion was made by Council Member Smith, seconded by Council Member Lawson, to approve Resolution No. 3250 in support for the acquisition and rehabilitation of the Marina Gardens Apartments using tax exempt bond financing and Low Income Housing Tax Credits. Council Members Ratti, Lawson, Smith, Carrigan, YES. Council Member Schmitt, ABSENT. Passed unanimously with those present.

6.4 Consideration and possible acceptance of the City's Comprehensive Annual Financial Report (CAFR) for fiscal year 2012-2013, and review and possible approval of the City's Plan of Corrective Actions relating to the city's auditors conclusion regarding the City of Sparks' compliance with Nevada Revised Statutes and Administrative Code as identified in the annual audit process. (FOR POSSIBLE ACTION) (Time: 2:37 p.m.)

An agenda item from Finance Services Director Jeff Cronk recommending Council accept the Comprehensive Annual Financial Report and approve the Plan of Corrective Action for fiscal year 2012-2013 as presented. There is no impact to the general fund.

Finance Services Director Jeff Cronk said the final budget audit is complete and staff is looking forward to the new fiscal year. He said the auditors provided an unqualified / highest audit opinion of the financial statements.

The auditors' finding with internal controls (page 154 of the report) and compliance as noted in item 2B on pages 32-33 of the CAFR regarding potential violations of statutes. The Plan of Corrective Action letter refers to the item notes in 2B, which are minor in nature. Mr. Cronk requested approval of the Plan of Corrective Action.

A motion was made by Council Member Ratti, seconded by Council Member Smith, to accept the Comprehensive Annual Financial Report and approve the Plan of Corrective Action for fiscal year 2012-2013 as presented and authorize the Financial Services Director to distribute to any interested parties as necessary. Council Members Ratti, Lawson, Smith, Carrigan, YES. Council Member Schmitt, ABSENT. Passed unanimously with those present.

Council Member Ratti thanked the Financial Services Department and the auditors for their hard work.

6.5 Consideration and possible approval of an Amended Interlocal Agreement with the City of Reno for 2013 Sewer Rehabilitation – Phase II, for an amount not to exceed \$546,512. (FOR POSSIBLE ACTION) (Time: 2:43 p.m.)

An agenda item from Assistant Community Services Director John Martini, presented by Utility Manager Andy Hummel, recommending Council approve the Amended Interlocal Agreement with the City of Reno for 2013 Sewer Rehabilitation – Phase II, for an amount not to exceed \$546,512. An Interlocal Agreement with City of Reno for 2013 Sewer Rehabilitation – Phase II was approved by City Council on February 25, 2013. Bid prices for certain items came in higher than anticipated, and the project was complicated by the ongoing TMWRF Headworks Emergency. Subsequently, actual costs exceeded the amount authorized in the Interlocal Agreement. Staff has worked with Reno to prepare an Amended Interlocal Agreement to increase the project budget. The funding comes from the Sewer Capital Fund. There is no impact to the general fund.

A motion was made by Council Member Ratti, seconded by Council Member Lawson, to approve the Amended Interlocal Agreement with the City of Reno for 2013 Sewer Rehabilitation – Phase II, for an amount not to exceed \$546,512. Council Members Ratti, Lawson, Smith, Carrigan, YES. Council Member Schmitt, ABSENT. Passed unanimously with those present.

6.6 Consideration and possible award of the North Truckee Drain Realignment Phase 1 Project, Bid Number 13/14-007, PWP WA-2014-011 to Q&D Construction, Inc., in the amount of \$9,165,013. (FOR POSSIBLE ACTION) (Time: 2:46 p.m.)

An agenda item from Assistant Community Services Director John Martini, presented by Utility Manager Andy Hummel, recommending Council award of the North Truckee Drain Realignment Phase 1 Project, Bid Number 13/14-007, PWP WA-2014-011, to Q&D Construction, Inc., in the amount of \$9,165,013. The North Truckee Drain Realignment Project is an integral component of the Truckee River Flood Project to the City of Sparks. The North Truckee Drain Realignment Phase 1 Project limits begin on the west side of Greg Street and end within Larkin Circle just east of Madison Avenue. There is no impact to the general fund. \$9,165,013 of River Flood fees collected in Storm Drains Capital Fund 1641. \$12,000,000 was approved for Project 14-6820 North Truckee Drain Relocation Phase 1 in the FY14 CIP and \$11,340,008 of budget authority remains.

Utility Manager Andy Hummel said three (3) bids with no anomalies were received. He recommended project award to the low bid, Q&D Construction, whose bid is less than the engineer's estimate of \$16.1M.

Council Member Lawson asked if this project includes additional build-out to the North Truckee Drain. Mr. Hummel said they are considering those options.

Assistant Community Services Director John Martini read a letter from Pick 'n Pull's Dick Mills, in support of the North Truckee Drain project and thanked city staff members and council for their support of the project.

A motion was made by Council Member Smith, seconded by Council Member Lawson, to award the North Truckee Drain Realignment Phase 1 Project, Bid Number 13/14-007, PWP WA-2014-011 to Q&D Construction, Inc., in the amount of \$9,165,013. Council Members Ratti, Lawson, Smith, Carrigan, YES. Council Member Schmitt, ABSENT. Passed unanimously with those present.

6.7 Consideration and possible approval of recommendation to refund building permit fees to Maverik for issued permits A1300315 & A1301041 in the amount of \$120,343.10 (FOR POSSIBLE ACTION) (Time: 2:51 p.m.)

An agenda item from Assistant Community Services Director John Martini recommending Council approve a refund on these permits. The Maverik convenience store has been issued building permits #A1300315 and #A1301041 to construct a new store at the intersection of Pyramid Hwy and Sparks Blvd. This project has since been canceled by Maverik. Impact fees and sewer connection fees are being refunded at 100%. Building, fire and engineering fees will be refunded at the rate of 70% per SMC 15.05.107.7.1. No work has begun on this project. The City received a request to withdraw these permits November 7, 2013. There is no impact to the general fund.

Assistant Community Services Director John Martini said this refund is legally required.

A motion was made by Council Member Lawson, seconded by Council Member Ratti, to approve a refund to Maverik in the amount of \$120,343.10. Council Members Ratti, Lawson, Smith, Carrigan, YES. Council Member Schmitt, ABSENT. Passed unanimously with those present.

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

8. Planning and Zoning Public Hearings and Action Items - None

9. Closed Door Sessions - None

10. Comments

10.1 Comments from the Public (Time: 2:53 p.m.) - None

10.2 Comments from City Council and City Manager (Time: 2:53 p.m.)

- Council Member Lawson said he and Assistant Community Services Director John Martini attended a meeting with entities including City of Reno and Washoe County regarding a

program to defer impact fees. The discussion to endorse the program will be brought to Sparks City Council at the January 27, 2014 meeting.

- Mayor Geno Martini commended everyone and acknowledged this was the last meeting of the year. He thanked all those who arranged, participated and came out for the Sparks Hometowne Christmas parade, the official Christmas parade for the state of Nevada. Mayor Martini said Sparks and the county are proud of this event and people come out, even in bad weather.
- Council Member Ratti said the final fundraising push is on for Sparks Middle School Compassion Fund and invited all to the gathering at the Nugget today from 5:00 to 7:00 pm.

11. Adjournment (Time: 2:56 p.m.)

Council was adjourned at 2:56 p.m.

GENO R. MARTINI, Mayor

ATTEST:

Teresa Gardner, City Clerk

>>>