



The Minden Town Board meeting was held on Wednesday, August 5, 2009, at 1602 Esmeralda Avenue in Minden, Nevada beginning at 6:00 p.m.

Board members present: Ross Chichester, Dave Sheets, John Stephans, and Steve Thaler

Staff present: Greg Hill, George Keele, Trish Koepnick, and Bruce Scott

### **I. Meeting called to order by Chairman Sheet**

1. Pledge of allegiance led by Ross Chichester
2. Chichester/Stephans moved to approve the agenda as published. Motion carried unanimously.
3. Thaler/Chichester moved to approve the minutes of June 29, 2009 as published. Motion carried unanimously
4. Stephans/Thaler moved to approve the minutes of July 1, 2009. Motion carried with Chichester abstaining.
5. Approval of vouchers.
6. Employee recognition award. Five year certificate for service was awarded to Rick Humphrey.
7. Public comment:
  - a. Robert Pohlman has concerns about Syncon's time being up for Heybourne Road to be built. Monterra Phase 2 is in foreclosure and Wells Fargo might shortly be the owner of the property. This impacts the rest of the development in the valley; it can be a problem if the collector road is not there. Mr. Scott said that the deadline is the end of August. Mr. Keele was directed to determine what should be done on behalf of the Town in regards to this agreement.

### **II. Staff Reports**

1. Public Works: Greg Hill
  - a. The highest maximum total water flow was 5300 gpm with a maximum capacity of 57% of capacity for all the wells.
  - b. Well 1 is not on line yet, water samples are still in the works.
  - c. Letters have been sent to Westwood property owners concerning vegetation growth in the ditch. The last pipe put in is too restrictive and not the right size; the

owner is on notice that they might have to redesign. Capacity in the upper part of the ditch could be quite a bit larger than what we have down lower.

d. One supplier for the Christmas gazebo lights has not delivered yet; we will probably go ahead with the test next month.

e. Maintenance Supervisor Association is being revived and they provide a lot of good training. Greg is hoping to send Andy to training for certification in Signs and Markings.

f. Included in the packet are revised street tree program and sidewalk share program. Mr. Hill requested the Board to review them and we will agendize them for approval next month. The tree program is an attempt to get rid of hazardous trees with a new tree planted at a fairly reasonable cost to the property owner. Mr. Chichester said that we always have \$10,000 in budget for sidewalk assistance program with the landowners paying 50%. We need to clarify if it is just for residential. Mr. Scott noted that this program makes sure the standard of the Town is met and homeowner gets the benefit.

g. There is new technology that allows use of digital music with the calliope; the cost is around \$2,000. Perhaps it could be something purchased with donations.

## 2. Engineering Report:

a. We are scheduled to have prison crew working at Jake's Meadow on Monday after being delayed due to fires.

b. Contracts for both Town projects are being dealt with through Mr. Keele; there is more money owed to supplier than in the contract. We are working well with the county but they have a problem paying the suppliers directly. McQueary Construction is doing all that is possible to avoid bankruptcy. Every supplier and sub for McQueary has been paid in full except for Wilson Construction. The Town is protected by lien release from supplier. Bruce is hopeful that suppliers for WES Construction can be paid and separated from proceedings. We might have to utilize the bonds for WES Construction; it is in the \$75,000-\$100,000 range upside down. Mr. Keele noted that at the request of the chairman he contacted Alan Smith of the Debtor's Council in respect to Gateway and WES Construction. WES has an underwriter willing to work with them. Each lien claimant has a right to file a lien claim. To achieve Chief Deputy DA Joe Ward's objective we have to wait for the complete list of creditors in the bank proceedings. Mr. Keele was directed to continue working with Mr. Ward and the comptroller's office and keep in contact with Mr. Sheets.

c. RCI is working on a site plan for Well 1 that we will not be retaining for a well site. If we move to new facility, Bently has first right of refusal on the property and we need to determine what we would have for disposal. The long-term plan is potentially re-drilling the well.

d. Mr. Scott will take a look at the slurry seal issues in the test area of Mackland.

3. Attorney Report: Mr. Keele was out of town for a great deal of the month; he is now available.

4. Board member reports:

- Board member comments

Mr. Chichester met today with Douglas County Lands Bill representatives and got an overview of what they are trying to do. Their goal is the creation of open space with perpetual agricultural easements purchased for conservation. They are asking where the Town sees future growth, as well as a buy-in to the concept by the Town. We as a town must have sustainable ability to grow; our scope of influence will be discussed at the joint meeting August 11 with the county commissioners.

Mr. Thaler referred to the draft handout on the Town manager position that he, Ross Chichester and Darcy Worms have worked on. He requested the Board look at the draft handout and get comments back to staff as this will be on the September agenda. In going through the job description, Mr. Chichester did not feel that many changes needed to be made.

Mr. Stephans is waiting to hear back from Roxanne Stangle for further information on the price of the outdoor canopy.

III. Discussion and possible action: Recommend acceptance, rejection, or request for modification by Town Board of CVIC Hall Balcony Structural Evaluation prepared and submitted to the Town by Peak Consulting Engineers.

Keith Schaeffer of Peak Engineers gave report on the structural assessment of the balcony, saying it is in good condition. Rods are not connected in a way that we would do today but the connection is sound. Past load has not created any problems. Occupancy load with non fixed seating is 38 people outside of sound room and 7 people in sound room for a total of 45 assembly occupancy with fixed seating. Keith recommended the staff keep an eye on it for cracks in paint, etc.

Thaler/Chichester motioned to accept the report and create signage consistent with the consulting report. Motion carried unanimously.

IV. Discussion and possible action: Recommend approval, approval with conditions, or denial of modification of the Ranch at Gardnerville Planned Development East of Zerolene Road, APNs 1320-29-000-014, 1320-29-000-008, 1320-32-614-001 and 1320-33-210-003.

Mr. Scott clarified that this is a request to extend time frame for the submittal of the final map for the Ranch at Gardnerville.

Rob Anderson spoke representing the Ranch at Gardnerville. Phase 1 had until 2009 to record the next phase; project developer has done water, sewer, and grading improvements, but developer requires additional time due to the slow residential development market. The request is for Phase 2 to be recorded by Dec 31, 2011, which hopefully is enough time for the market to recover. Mr. Anderson appreciates Mr. Scott's and the Town's support.

Chichester/Thaler recommended approval of a minor modification of the Ranch at Gardnerville Planned Development East of Zerolene Road, APNs 1320-29-000-014, 1320-29-000-008, 1320-32-614-001 and 1320-33-210-003 as indicated in the packet Motion carried unanimously.

V. Discussion and possible action:

- a. Review of security concerns in relation to the renting of the CVIC Hall for special events
- b. Review of rate structure for the rental of CVIC Hall and Minden Park including but not limited to raising the deposit for non-Douglas County residents to not more than Three Thousand Dollars (\$3,000) and raising the liability insurance requirements for non-Douglas County residents to Two Million Dollars (\$2,000,000) per person and per incident.

John Stephans represented this issue and a general discussion ensued. We are trying to address the alcohol related problems created by private renters and protect the CVIC Hall from abuse. Proposal is that people outside Minden pay a larger deposit, and the use of alcohol for private events would double the required deposit. Time restriction could be addressed on a case by case basis, but the general idea would be to lock up the building by midnight for any private event involving alcohol. Staff has been instructed to carry a cell phone during the opening and closing of the events, and to call the sheriff if he/she feels threatened. We would also start cashing all deposit checks, with funds reimbursed if there are no issues. Any disputes on the bill would be resolved in small claims court.

Public Comment:

Rick Humphrey said that it would be better if there was no overflow of people drinking out in the streets.

Robb Hellwinkel said he believed there was more of an issue with what is happening on Wednesday night this summer with the kids. The sheriff's department has been called because of large numbers of kids and trespassing issues.

Stephans/Chichester motioned that the deposit required for private functions is a three tiered system for Minden, Douglas County and non Douglas county residents. Deposit for Minden residents is \$400, Douglas County residents \$1000, and non Douglas County residents \$2000, with those amounts doubling with the use of alcohol. Liability insurance requirement is \$1,000,000 for Minden and Douglas County residents and \$2,000,000 for non Douglas County residents. The time limit for private functions is out of the building by midnight. Ross reiterated the policy of requiring security if the need is so determined by staff. Motion carried unanimously.

VI. Discussion and possible action: Approve, approve with conditions or deny request for approval of recommendation for selection of Q&D Construction for Construction Management at Risk Services.

Mr. Scott said the committee's recommendation is to hire Q&D Construction for the preconstruction process related to the Buckeye maintenance facility. This does not commit to construction but we may proceed with them for the construction process subject to a contract. Q&D would get the bids and they commit to deliver the product at their peril. The Town will need to hire an architect and potentially a mechanical engineer.

Discussion included budget concerns and phasing of the building in relation to what we are paying Q&D. Howard Hadlock of Q&D said the \$23,000 fee was 4% of the proposed 2.5 million dollar construction cost. Phasing the building can be done by having a design capable of phasing. We will know what we will get for the dollar amount.

Chichester/Thaler moved to authorize the not-to-exceed amount of \$25,333.00 for the preconstruction services provided by Q&D Construction, with the chairman authorized to sign the contract. Motion carried unanimously.

The same committee will stay in tact and continue working with Greg on the design, with the intention of getting the process started to hire an architect.

VII. Discussion and possible action: Approve, approve with conditions or reject proposed service project by the Town of Minden at Minden Gateway Center site, located at the intersection of U.S. Highway 395 and Nevada State Route 88. The developer, who is in a pending bankruptcy reorganization proceeding, has approved the Town's request to invite youth and adult service organizations to participate in a weeding and clean-up project on the site.

This is being discussed tonight to consider our options to take care of an eyesore at the entrance to Minden that cannot be dealt with by the developer because of the bankruptcy process. This will be discussed in the August 11 joint meeting with the county. Trustees are covered by state insurance; volunteers from the community can be an insurance liability. There are many hazards within the project as well as the possibility of creating a dust bowl. We could put down soil sterilizer as well as sealing the dirt. Mr. Chichester questioned the chance of county involvement in the clean-up.

#### Public comment

a. Robert McMillan agreed that it is an eyesore but cautioned against a short term fix. He suggested a lien on the property, but Mr. Keele said that the bankruptcy court would need to approve.

Chichester/Thaler moved to either hire a Nevada Division of Forestry prison crew or Douglas County Jail trustees to do clean up work at the Minden Gateway site. Motion carried unanimously.

Michael Brown, Douglas County Manager, said the county would be happy to partner with the clean up and offer volunteers.

VIII. Discussion and possible action: Approve, approve with conditions or deny request for the conceptual approval of the Manhard Study, the North Douglas County Water System Analysis, and to move forward with recommendations from the Town of Minden.

Mr. Sheets noted that there has been a remarkable cooperative effort from all of the entities involved.

Mr. Scott said the Manhard report looks at the extension of water service from the east valley through the north valley into Carson City. The Town's input was provided to the consultant for the study. It is important to note that some of the basic premises may be misunderstood. The 24 inch water main goes up Heybourne and ties into the existing waterline that Douglas County had constructed, which goes from the south end of the airport to a point just past Johnson Lane. Originally, the Town was to be involved in the main extension, but the plan is now that the Town not spend any money on the pipeline. We would take on the responsibility to provide water into the pipeline and would be the water wholesaler through a master meter. Money that Minden invested would not come from the rate payers but from water rights and connection fees. We have continually been increasing capability to provide water. Mr. Scott recommended the Town Board to conceptually approve the report; it is important for the county to move ahead immediately because of water quality and water supply limitations in the north valley. Also, because Minden has a significant block of water we must actively demonstrate beneficial use of those water rights or they will be subject to challenge. We hold the water in trust and we must be active and good stewards of those water rights.

Mr. Scott addressed several questions from Mr. Chichester. Other benefits to the Town of Minden include allowing the town to stabilize its water rates on a long term basis, maximizing the use of our wells, and generating funds to set aside for operation replacement for all of our facilities and/ or the possibility of treatment of water in the future. Setting aside the money that comes from the sale of water rights goes to improve our infrastructure. Because Carson City owns water rights in Carson Valley and also Indian Hills, those water rights would be transferred into our wells, so we would be selling water rights but at the same time increasing the number of water rights that we own. Any agreement with Douglas County will make sure that our rate payers are protected. We will establish the value and number of years that assets will last, and our ratepayers will pay a proportionate amount to stabilize the rate. The most important gain is being able to retain the water rights we have today because we have a plan, and we are actively developing the facilities to show beneficial use of the water.

Mr. Sheets said this board and previous boards have been visionary and this is a continuation of that approach. We are protecting our water rights and providing this town with a revenue source so as not to be dependent on anybody.

Mr. Thaler welcomes this chance to partner up and be good stewards; this is ultimate proof of beneficial use. Mr. Scott said that we have put aside connection fees for many years and this helped build the line to the airport; we will be continuing that pattern but now we will be getting further ahead more quickly. Mr. Thaler verified that if we needed to make these improvements and didn't do this we would possibly need to take out a bond. We want to get to a point that we will be bulletproof and be ahead of the game.

Mr. Stephans needs reassurance about the north valley and what growth might take place there; we will have a big responsibility. If we want to wholesale water, how do we support the north end of the valley, how will it be paid for with a customer base increasing two or three times?

Mr. Scott said that Phase 1 is the 24 inch line we just put in to the airport. It turns into 30 inch pipe and goes up to Indian Hills and the North Valley. Phase 2 loops up 395, joins the line at the termination of the county's 24 inch line. Ultimately the 24 inch line and the 30 inch line will come together at the point where the 30 inch line goes north from East Valley up into Carson. Phase 2 would only occur after a significant amount of growth, funded from the sale of water and connection fees from growth in Minden.

Public Comment:

a. Robb Hellwinkel said that it is evident that use it or lose it, but questioned whether this study identifies how much water is in valley. Mr. Scott said it only covers demands. Town is one of few entities that can provide water rights when you connect for service. Minden will be pumping water that came from original agreement with Douglas County for the delivery of water to East Valley that included a block of Minden water. The system is quite established; we have been putting the water into Douglas County's system and now it will be coming back to us on paper, so we will not be running out of water rights because of this. Douglas County is a wholesale customer of the Town. The water rate for Carson City might conceivably be sold at a rate determined on a year to year basis. Water rates will be structured according to replacement costs, operating needs and set aside accordingly. Minden will have biggest increments of cost because of higher cost for replacement.

b. Robert. Pohlman referred to Table 2 in report; we need to know all the pieces especially if water is piped south. The County Capital Improvement Plan shows the costs spread out over three years, and he questioned where the people will come from to be on the waterline and pay for this. Mr. Scott said he would like to make sure county knows timing is of the essence.

c. Robert McMillan said if we go north, other areas need help too; are we showing favoritism? He believes that everyone along the waterline should be assessed to pay for this waterline either on the tax bill or direct payment. That would be better than waiting for growth of valley and connection fees. He is strongly objecting to the way it is being paid for, and we must consider the possibility of lawsuits if we deplete wells in the valley.

d. Michael Brown, Douglas County Manager, echoed the chairman's comments about the cooperative effort of all entities involved, and thanked the Town for all the support. He views the regional water system as extremely exciting watching all the pieces coming together; basically the entities are buying capacities within the line, with each paying a proportional share. Each development will pay share and reimburse Douglas County in a series of agreements. There is also potential to do Phase 1 and 2 to take advantage of bidding climate. We would be interconnecting the systems instead of building lots of treatment facilities, and showing beneficial use of Minden's water rights.

e. Sandy Deyo said he has no problem selling water rights within the Carson Valley, but his issue is selling water rights outside of the Carson Valley.

Chichester/Thaler motioned to approve the conceptual Manhard Study with Douglas County Water System Analysis and to move forward with the recommendations from the Town of Minden. Motion carried unanimously.

Staff Reports Continued:

- Chairman's report: Dave Sheets

A celebration of life for Caitlyn Strauser, daughter of Town employee B.J. Strauser, will be Saturday August 15 as noted on the flyer. The Town is contributing food rather than sending flowers. Anyone who can make it is encouraged to attend.

Reminder of the joint meeting August 11 at 6:00 p.m.

We had an excellent meeting with the state engineer staff; they are very happy about what we are doing in conjunction with the county. This puts a backbone into what we said we are going to do and helps them protect us because of the long range plan.

Mr. Scott is anticipating water filings depending on the action tomorrow at the commission meeting. We will be moving water rights to test wells sites and getting the wells properly permitted.

The State might dismiss Paiute tribe lawsuit because the tribe won't put up bond. Planning to go ahead and start this process. If they fail to post bond they can no longer keep us from filing applications, even though the tribe continues with the lawsuit. The tribe has banked on the bond being minimal and they may abandon effort.

Chichester/Thaler motioned to adjourn the meeting at 9:30 p.m. Motion carried unanimously.