



The Minden Town Board meeting was held on Wednesday, January 6, 2010, at 1602 Esmeralda Avenue in Minden, Nevada beginning at 6:00 p.m.

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

Staff present: Greg Hill, Trish Koepnick, Bruce Scott.

#### I. Meeting called to order by Chairman Hadfield.

1. Pledge of allegiance was led by Bruce Scott.
2. Thaler/Stephans moved approval of agenda as published. Motion carried unanimously.
3. Sheets/Thaler moved approval of minutes of November 23, 2009. Motion carried unanimously.
4. Chichester/Stephans moved approval of minutes of December 2, 2009. Motion carried with Bob Hadfield abstaining.
5. Approval of vouchers
6. Public comment:
  - a. Beverly Giannopoulos questioned who the town manager candidates were and who was on the interviewing panel. The final three candidates are Dave Betley, Lisa Granahan and Roger Van Alyne, who will present themselves at the next board meeting. Cathy Colquhoun and Roger Harker were on the interviewing panel.
  - b. Mr. Hadfield reflected on Dave Sheets' efforts as chairman last year, which was a challenging year, economically and otherwise. This year the voters will have an opportunity to elect three new members. Dave was the first chairman in 23 years that had new board members on board. He did an outstanding job on behalf of this board in representing the interests of the Town of Minden.  
  
Mr. Sheets accepted his gift and referred to having an interesting year as chairman dealing with things that we never dealt with in the past. He is privileged to be a part of keeping Minden a very unique town.

#### II. Staff Reports

1. Public Works: Monthly report of activities by Greg Hill

a. Greg has arranged for a demonstration of cordless microphones. These microphones broadcast a signal and turn off when not talking; this causes less feedback.

b. Review of snow policy following December 7<sup>th</sup> storm: Initial effort to remove snow was in downtown according to our snow policy, then main arterial roads. In the afternoon the plows were not too effective, so we changed the direction and started sanding to provide traction for the following morning. The snow turned to ice, and it has been very cold; it is unusual to have the snow on the ground this long. In future we might want to continue plowing through the night and not have to deal with the ice.

Mr. Hadfield said that people must be encouraged to not put snow in the street; also the trees shading streets keep snow from melting. There is a county ordinance addressing not putting snow into the roadway. The county plows to the gutter, which can create a drainage problem on County Road, but they do not have adjustable plows and that is the only way they angle.

c. Well 3 has a 36 year old generator with serious problems. Greg would like to go out to bid for a new generator large enough to accommodate a larger pump. This well is capable of pumping over 2500 gpm. The unit would be in self enclosed residential enclosure; it would be very quiet and have a 24 hour fuel supply. The cost would be between \$75-85,000. Mr. Hill was told to move forward with replacing this unit; this is part of regular operations but also a part of the big picture of re-equipping the wells.

d. The CVIC floor was sanded and refinished in December. There were some concerns over the finished surface, possibly due to dust from the ceiling. The company will come back in March to blow dust off the ceiling, screen and refinish at no cost to town because there were some problems with the finish. The process was much easier to deal with than in prior years because of low odor this year.

e. Costs of holiday events: Town labor was just under \$1900.00. The tent grommets were torn out when the winds picked up and pulled tarp off of the framework. We need to determine whether to buy new grips to use in place of grommets or invest in new tarps. Costs for parade were about \$700.00, which included traffic control. Mr. Thaler said it was nice to see so many people come out and enjoy the event; the majority of the people were in downtown Minden. Roxanne estimated that we had between 2000 and 2100 people.

f. There is a new groundwater rule called triggered source monitoring. If the samples indicate total coli form (indicator bacteria) or fecal coli form (bad bacteria that causes illness), all of the sources that were in use at the time of sampling will need to be sampled. If any of the water systems that we pump water to have bad samples, we will have to take samples of our water.

2. Engineering Report: Monthly report by Bruce Scott.

a. We have been working with Douglas County and Carson Valley Inn regarding their relatively small expansion. It is in a bad place because of existing utilities, so Greg will be working closely with the Inn.

b. Agreements for the North Valley waterline are in a position for consideration. As staff, we have heard what the board has said and we are working towards that. The goal is to have all agreements in place this month.

c. We have filed to expand our place of use to include Carson City. There will be a public hearing with Carson City and Douglas County.

d. The Carson Water Subconservancy District grant is ready; we will work with town office staff to submit for reimbursement on some items that have already been paid for.

3. Attorney Report: Monthly report by George Keele.

a. All the remaining issues with the leases have been worked out.

b. The Ganthner and Melby contract has been modified and is ready for signature.

c. The snow policy in place is working well.

d. Mr. Keele appreciates the work of the staff with respect to the Parade of Lights. He thinks the changes this year were well worth it.

e. There is no news on the Carson River litigation; we are awaiting the decision.

f. Mr. Keele thinks it will be useful for Greg to write down the process regarding the coli form notification as part of our policy and procedures. We will try to review more policies in April and May.

4. Board member reports:

- Chairman's report: Mr. Hadfield spent a week in Washington D.C.; he is continuing his effort lobbying for money for County Road. He is looking forward to a good and challenging year.
- Board member comments

Mr. Thaler reviewed the process for applicants for manager to be interviewed at the next meeting. Each applicant will have 30 minutes at the beginning of the meeting. This will be a public meeting; we need to determine how to keep it fair for all the applicants. Mr. Keele advised that we could invite the competing candidates to remain outside while each one was brought in. He does not believe there will need to be public comment; it is strictly a board matter. Mr. Thaler encouraged public to be back in February.

Mr. Sheets would like to pursue the county's offer of help with a project in the town and to continue this process with the LED lights.

Mr. Scott has been working with Mr. Bently's representatives about the new booster pump location, and also concerning the review and potential exercise of the first right of refusal of Mr. Bently for the current town yard site. We will keep the well site. Also, Mr. Scott gave a follow up to a discussion about the water masters list. We have had a policy that encourages people with water rights on their property but no use for them to donate them to the town. We pay the cost of transfer and delinquent payments but do not purchase the water right. If board feels it is appropriate, we could get addresses and send a letter of inquiry to people with water rights to let them know that they can donate to the town and have the value of the donation. It would need to be very clear that we would not be purchasing the water.

Mr. Hadfield noted that Lisa Granahan is interested in putting together a recycling program for Douglas County offices and wants to make sure that the town had no concerns. The board felt we would work with them, and it would be prudent to tell Ms. Granahan to give input respecting final program.

III. Discussion and possible action: Approve, approve with conditions, or deny request for Design Review, a Special Use Permit, a parking variance for an independent living facility, and a major variance for a 149,630 square foot independent congregate senior living facility and 6,200 square foot retail/office building. The building height variance request is to increase height from 35' to 45'. A special use permit is required for an independent congregate senior community in the NC (Neighborhood commercial) zoning district in the Town of Minden. Developer of the project is CTH Minden LLC dba "The Verandah" (APN 1320-30-613-001).

Audra Miller and Phil Shapiro represented the project for the applicant CTH Minden LLC. The client has no objections to proposed conditions in the letter from Mr. Scott dated December 31, 2007. This is one cohesive integrated project in conjunction with the existing Minden Medical center. The project will be comprised of 116 residential units with numerous amenities. It is marketed for active seniors age 75 and over. Each unit is compact in design to promote high quality life style and dignity for the residents. Interior is designed with higher ceilings for a nicer liver environment. The retail office portion of the project is 6200 square feet; it is designed for ancillary services for Minden Medical and the Verandah. The intent is to remodel the existing building to be more compatible with the Verandah, some modifications will be done in conjunction with the building of the Verandah. The county has amended its code and there is now a new category which is the independent congregate living center. This added additional requirements for parking and that is why they are asking for the parking variance. Based on Senior Traditions experience and parking consultant, studies show that the parking is ample. The variance for height is because of raising the ceilings and also raising the site because of FEMA. Architectural elements that are aesthetically pleasing also increase the height.

Mr. Scott recommended approval of this project; it is complimentary, gives us a second shot at features that we did not like on the existing facility, and he has no problem with any variances. At staff level we will look at more details as the project moves along.

Public Comment:

1. Mr. McMillan questioned the financial soundness of this project in the current economic climate. Mr. Shapiro, a co-developer of Merrill Gardens, said he is very cognizant of economic conditions; the plan is to open in late spring of 2011. They are working with HUD for financing of this planned community. Mr. McMillan noted that the present facility was poorly planned and that the variance should be only for the senior residence. Ms. Miller verified that the variances were only for the senior facility.

2. Beverly Giannopoulos noted that parking for independent seniors was needed, especially when there is no public transportation, and thought that each apartment should be assigned a parking space. She questioned employee and visitor parking, and also believed that the 10 foot ceiling is to sell an illusion of space that will cost more to heat. The residents will ask for more floor space and storage rather than illusion of space. Mr. Shapiro said the parking for the property has been supported by national and sample communities, and he believes that they are actually over parked because of the benefit of the commercial subdivision which causes sharing of parking for events. Employee parking is considered as well as visitor and handicapped. The average apartment size in this design is 30-40% larger than anything in Northern Nevada. Height accentuates dignity and a sense of space, and they are conscious of heating costs and that is how they develop their HVAC system gearing towards energy efficiency.

Thaler/Sheets motioned to approve, with conditions set out in Bruce Scott's letter of December 31, 2009, the parking variance for an independent living facility, and a major variance for a 149,630 square foot independent congregate senior living facility and 6,200 square foot retail/office building. The building height variance request is to increase height from 35' to 45'. A special use permit is required for an independent congregate senior community in the NC (Neighborhood commercial) zoning district in the Town of Minden. Developer of the project is CTH Minden LLC dba "The Verandah" (APN 1320-30-613-001). Conditions in the letter are as follows:

1. Detailed improvement plans should be provided and approved administratively at the staff level. This would include normal site plan checklist items such as adjacent ownership, vicinity maps, easements, setbacks, trash enclosure access and sizing, drainage, utilities, grading, hydrology, etc.
2. The design engineer will need to verify the location of existing waterlines on the parcels to ensure that they are not located in areas under or near building improvements on the existing medical facility. If the existing waterlines are not located in areas easily accessible to the Town, the Town will require that the waterlines be relocated to better fit with the ultimate built out of the new improvements so that the waterlines are located in parking and driveway areas to allow for ease of access and maintenance.
3. The design engineer and architect will need to verify the quantity of trash enclosures necessary to serve the proposed facilities and will need to ensure that access to the enclosures is acceptable to the Town.
4. The conceptual drainage study makes reference to utilizing the upstream

storage and the corresponding reduction in peak runoff associated with the existing Town ponds on the Martin Slough as reasoning for not installing detention to mitigation the pre vs. post drainage flows from the site. The Town will require a payment from the development for the use of the Town's ponds as their storage for peak runoff mitigation. The payment will be in the amount equivalent to the cost to install on site detention to mitigate the peak runoff to pre- developed levels. The engineer for the applicant will need to provide the Town a cost estimate for the construction of such detention for review and approval. No actual design of onsite detention is required.

5. A plan with existing and proposed easements will be required, as it appears that some easements may need to be abandoned.
6. The Town Board should review and comment on any proposed signage associated with the improvements requested.

Motion carried unanimously.

IV. Discussion and possible action: Approve, approve with conditions, or deny request for the following: a) a Zoning Map Amendment to change the zoning of two parcels totaling approximately 10,455 square feet from MFR(Multi Family Residential) to MFR/RO (Residential Office) Overlay; b) a Special Use Permit for the establishment of the RO Overlay; c) a Major Variance to reduce the number of required parking spaces from 13 to 6; and d) a Variance to Improvement Standards to waive the requirement to pave the alley. Locations: 1592 and 1594 Mono Avenue (APNs 1320-32-111-061 and 62). Applicants: Thomas Perkins; and Judy and Richard Sheldrew, respectively.

Keith Rubin of R.O. Anderson Engineering represented the project. He noted that the existing zoning is MFR, they are asking for Residential Office zoning and parking variances. The small garage would be an office. The applicant agrees to the conditions in Tim Russell's letter of December 31, 2009.

Mr. Hadfield said that the impact of law practice would be substantially less than a family and there is already a law office across the street. Mr. Perkins said that this is a transitioning neighborhood and it is his desire to preserve a little part of Minden. He has spoken to both owner-occupied neighbors about the project. The exterior will stay the same and will maintain the essence of the neighborhood.

Mr. Sheets said that this is exactly what we are trying to do, and he has no problem with town requirements outlined in RCI's letter. Mr. Scott said that the town has a problem with paved alleys and prefers the gravel. Paved alleys do not drain well and garbage trucks on paved alleys are not good.

Public comment:

Bev Giannopoulos noted she is sorry to see the houses in old Minden becoming non residential. She had concerns about too many vehicles parked on the street.

Chichester/Stephans motioned to approve the Zoning Map Amendment from MFR(Multi Family Residential) to MFR/RO(Residential Office) Overlay with a

Special Use Permit for the establishment of the RO Overlay; and a Major Variance to reduce the number of required parking spaces from 13 to 6; and a Variance to Improvement Standards to waive the requirement to pave the alley, based on the requirements in the RCI letter of December 31, 2009 as follows: *The applicant has also requested two variances. The first is a variance from the off-street parking requirements of the County from 11 to 6. Per County code, the requirement for the off-street parking is 11 spaces. Based on the application, the two parcels combined have 10 on-street parking spaces. The County code allows for half of the on-street parking to be counted towards the off-street parking. With the creation of a shared handicap parking space off the alley and the counting of the on-street parking per County code, the combined parcels can accommodate 6 off-street parking spots. Based on the available parking on 3<sup>rd</sup> Street and the Douglas County Parking lot, along with the infeasibility of creating 5 additional off-street parking spaces, we would recommend that the board approve the parking variance. The second variance request is in regards to the paving of the alley access to the handicap parking space. The handicap space itself would be paved. Per County requirements, the alley access should be paved; however, the applicant has requested that the alley access not be paved to preserve the existing character of the alley. The majority of Minden alleys are unpaved for drainage consideration and the difficulty in matching existing garages, driveways, etc. We would recommend approving a variance to the paved access; however, we would recommend that the access from the street to the property line be re-graded with 6-inches of new gravel, and that the balance of the alley be graded and shaped as part of the project.*

Mr. Chichester noted that this is probably the best way to save these old houses as opposed to tearing them down, and does not see it becoming any parking or traffic problem. Motion carried unanimously.

V. Discussion and possible action: Approve, approve with conditions, or deny request by Roy Walker, successor in interest to W.E.S. Construction, for the reduction of liquidated damages associated with the 2009 Alley and County Road Waterline Project conducted by W.E.S. Construction.

Mr. Scott said that this is a proposal to release Douglas County and the Town of Minden from any further obligations including payment of all debts associated with the work that was done for the Town of Minden, and an agreement to pay for legal fees for the bankruptcy process. Mr. Walker is willing to indemnify the town and Douglas County for any claims for any subcontractors. This item will determine at what level liquidated damages will be assessed.

Gary Dayton, former employee of W.E.S. Construction, represented this item. He said that Mr. Walker was trying to pay off the people who may be able to place liens against the Town. Mr. Walker was the prior sole owner of the construction company and he has stepped up trying to solve this problem.

Mr. Sheets said that our primary concern was the payment of subcontractors. We have been done a favor by someone willing to step in.

Mr. Stephans questioned the point of a bond if we do not collect on liquidated damages, and is standing on principal of sending a message to the next contractor.

Mr. Hadfield noted that the unusual thing that happens here is the bankruptcy; we could be in a morass for years if Mr. Walker had not stepped in.

Mr. Keele said that the board can legally assess \$25,500.00 in liquidated damages, but we can apply some reasonable factor to do justice both to the town and the applicant. We have had other contracts that have gone over contract time and we have elected to forego the liquidated damages portion of the contract, and they were not bankrupt.

Mr. Thaler expressed concern about setting a precedent if we do not assess some portion of liquidated damages. Mr. Chichester would like to cover the actual extra staff and engineering costs.

No public comment.

Stephans/Thaler moved to collect the full liquidated damages of \$25,500. Chichester, Sheets and Hadfield voted no and motion failed.

Chichester/Thaler moved to collect half of the \$25,500.00 to recover our engineering costs, recognizing that this gentleman did not have to step forward and do this, and we may never have collected any liquidated damages. Motion carried with Mr. Stephans voting nay.

VI. Discussion and possible action: Approve, approve with conditions or deny approval of interlocal agreements between:

1. Town of Minden and Douglas County for Wholesale Water Service.
2. Town of Minden and Carson City for the purchase of water rights from the Town of Minden by Carson City, and pumping of Carson City Water by Town of Minden.
3. Town of Minden and Indian Hills General Improvement for the transfer of IHGID water rights to Minden and pumping of IHGID water by the Town of Minden.

1. Town of Minden and Douglas County for Wholesale Water Service.

Mr. Hadfield said that we have had two workshops and discussions have been underway for quite a while concerning these agreements. It is important to note that all entities need to approve the agreements: Carson Water Subconservancy District, Carson City, Indian Hills, and Douglas County.

The agreements call for the Town of Minden to be a wholesale entity, and our water system will be the same system as we know it with improvements that insure that the

Town will be able to deliver the water we are agreeing to deliver. We will not be billing the new customers north of Minden; the water will be delivered by the new system that will be constructed. There will need to be some non substantial changes to the wording of the agreements so that all agreements will have same wording as well as intent.

Mr. Scott noted that at the last workshop Douglas County assisted in the revisions to create the current draft, which meets the concerns of the town board. Negotiation is final and the exhibit is a basis on which rates may be established.

Overview: All parties have approved the Manhard report for a regional water study concerning delivery of water going north to the airport in the existing 24 inch line now in use. This new agreement between the Town and County supercedes the original agreement. Water would be delivered to the North Valley, Indian Hills and Carson City. Indian Hills is facing severe water quality issues because of arsenic and it is in their best interest to become part of a regional water system. We deliver water to Douglas County at a point just north of Minden today. The county will purchase from Minden the water main we have installed. Reimbursement of the 1.7 million dollars for the existing line will be at \$100,000 a month up to \$ 500,000 with the balance to be paid in a manner agreeable to town and county. CWSD has approved \$100,000 that would be paid by submitting claims to them. Our agreements with Indian Hills and Carson City are different. Carson City is utilizing their water rights. The option to purchase additional water rights has been removed by mutual consent from the final agreement. We will be billing only Douglas County for the water usage. There are categories in rate structure that all agree to. One is setting aside money in the event that there is change in federal standards, etc. and this will be administered by Minden. Five cents per thousand gallons of water sold will be held in a dedicated fund, not subject for use for other purposes. The second element is putting money away for depreciation. The third element is for operations and maintenance; i.e. the cost of being in the water business. There will also be a small administrative fee to provide the town some offset because there is no depreciation set aside for older wells, etc., and for other unknown expenses that we don't even know yet. The rate exhibits are not absolute numbers, just templates. Good construction prices could take costs for construction lower. Every water line in Minden that is 16 inch or larger is part of the depreciation for this project. Minden residents will be responsible for all lines less than 16 inches, so the Minden residents will continue to carry their same share.

Mr. Keele noted that virtually every conversation with the state engineer involved operating a system that has more water rights than needed by a small water system. State engineers carefully monitor the beneficial use of water rights, and we are well on our way to protecting virtually all our water rights.

Greg Lynn, Douglas County Commissioner, noted this is a remarkable achievement, we have gotten through most obstacles but we must understand that these agreements are wholesale water agreements. His concern is that at some point soon he believes all parties need to come to a global decision about the use of the resource. Boards down the

road will not have the institutional legacy and he would like to have it as tight as possible. He hopes that nothing was forgotten that will come back and bite them.

Public comment:

a. Robert Pohlman questioned why the county needs to buy the waterline from the pump station to the airport. The town built the line and he has concerns about future boards having to deal with Mr. Bently and whether Mr. Bently will trust the town of Minden.

b. Beverly Giannopoulos appreciates the effort put into this over the years and for protecting Minden.

c. Ray Wilson: His questions centered on money. He expressed hope that within a few months any citizen can get a copy of the rate structure from the Town office. Mr. Scott responded to Ray's questions saying that reimbursement for costs such as legal fees and engineering fees are part of rate structure. The estimated engineering costs of 1.7 million are associated with the 10 million dollars of improvements within the town. We are not participating in the Douglas County distribution system.

Mr. Wilson questioned Ross' issue with cash flow; he understands not gouging anyone but wonders how costs are covered. Ross' concerns over this question have been addressed because the exhibit costs are not in concrete; it is a place to start. The concept is that Minden rates will probably not go down but will be stabilized. The other benefit is water coming back to Minden.

d. Andy Concannon questioned if there is ever a problem, how is the town protected, especially if the water runs short. Mr. Hadfield said that we are holding on to our water rights, and we rely on the state water engineer to manage the Carson Valley water resources, and the water master for recharge. The increment that we are selling is only what we need to build the improvements necessary to protect this town as well as meet our commitments.

Chichester/Thaler moved for approval of the interlocal agreement for wholesale water service with the exhibit A attached understanding that there will be some changes based on actual costs for rates and that the agreement itself may have some tweaking for consistency. Motion carried unanimously.

## 2. Town of Minden and Carson City agreement

Larry Werner, Carson City manager and Andy Burnham, Carson City engineer, were present.

Mr. Scott noted that this agreement allows Carson City to pay for water in the amount of 1250 acre fee at the appraised value of \$8,000 an acre foot for a total of 10 million dollars. The option to purchase further water was removed. Also, there is the ability of

Carson City to take water rights it owns in the Carson Valley and move them to Minden for delivery back to Carson City. Minden will control the water right and in effect hold in trust for them. Carson City has water quality issues, but they have a significant amount of water resources available to them.

Larry Werner said that this is a monumental decision and they are proud to be a partner in this; we have been talking about regional system for a long time. Carson City agrees with rates and nobody will be taken advantage of. They understand the priority of water delivery, and know that there might be times they will not get the delivery.

No public comment

Thaler/ Sheets moved to approve the interlocal agreement with the changes that have been agreed to with Town of Minden and Carson City for the purchase of water rights from the Town of Minden by Carson City and pumping of Carson City Water by Town of Minden subject to mutually agreeable tweaking. Motion carried unanimously.

Town of Minden and Indian Hills General Improvement for the transfer of IHGID water rights to Minden and pumping of IHGID water by the Town of Minden.

This agreement basically agrees that Indian Hills can move some water to Minden wells so that Minden can pump it back to them. Indian Hills is paying for the portion of the pipeline that is going to them.

Jim Taylor, Indian Hills Manager, said that they need to move forward; loaning institutes will talk to them after the agreements. They were looking at filtration but this is good answer for future of the county.

Mr. Keele covered some details of verbiage that were subject to tweaking in the agreement, asking to change the word “liability” to “responsibility,” also in paragraph 5 subparagraph c, to exclude the wording “including connection to pipeline” so that is will be clear that their distribution issues do not relate to Minden.

No public comment.

Chichester/Thaler moved to approve the agreement with Indian Hills General Improvement for the transfer of IHGID water rights to Minden and pumping of IHGID water by the Town of Minden. Motion to include George’s two issues and subject to tweaking recognizing that the rates structure is a guideline. Motion carried unanimously.

Mr. Hadfield thanked everyone on behalf of the town board. Mr. James said this is a good example of how locally we can work together, Mr. Scott said that time is of the essence to get agreements tweaked.

Thaler/Stephans motioned to adjourn the meeting at 9:15 p.m. Motion carried unanimously.