

**CITY OF NORTH LAS VEGAS  
SPECIAL CITY COUNCIL MEETING MINUTES**

January 12, 2009

**CALL TO ORDER**

4:35 P.M., Council Chambers, 2200 Civic Center Drive, North Las Vegas, Nevada

**ROLL CALL**

**COUNCIL PRESENT**

Mayor Michael L. Montandon  
Mayor Pro Tempore William E. Robinson  
Councilwoman Stephanie S. Smith  
Councilwoman Shari Buck  
Councilman Robert L. Eliason

**STAFF PRESENT**

City Manager Gregory E. Rose  
Assistant City Manager Sam Chambers  
Assistant City Manager Maryann Ustick  
City Attorney Carie Torrence  
City Clerk Karen L. Storms  
Finance Director Phil Stoeckinger  
Fire Chief Al Gillespie  
General Services and  
Communications Director Brenda Fischer  
Human Resources Director Joyce Lira  
Information Technology Director Steve Chapin  
Library Director Kathy Pennell  
Parks and Recreation Director Mike Henley  
Public Works Director Dr. Qiong Liu  
Utilities Director David Bereskin  
Assistant to the City Manager Michelle Bailey-Hedgepeth  
Assistant City Clerk Anita Sheldon

## VERIFICATION

Karen L. Storms, CMC  
City Clerk

## BUSINESS

1. **DISCUSSION AND/OR DIRECTION REGARDING THE CITY OF NORTH LAS VEGAS CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2009-10 THROUGH 2013-14.**

City Manager Gregory Rose explained that the Capital Improvement Program was a coordination between internal staff and the private sector informing them of the plans for the next five years. He explained that the program was a five-year forecast and impacted the bond rating. The first year would go into the budget and become the capital budget as a part of the annual operating budget. City Manager Rose explained the projects were prioritized based upon the vision established by the City Council and community. There were three general categories; essential, desirable and deferrable. The essential category consisted of items mandated by another government agency. City Manager Rose discussed the financial realities, which included a financial capacity analysis to determine how much was available for the Capital Improvement Program. Inflation was 15% each year, debt service cost between 4-5% and both factors affected the purchasing power. City Manager Rose explained that the revenues had taken a downward trend and some of the projects needed to be reprioritized. He explained that two projects, Fire Station 58 and the North Central Police Precinct were related to the Park Highlands Development and had to be removed from the Capital Improvement Program. Projects in the Utility Fund were also delayed based on the financial realities. City Manager Rose discussed the project categories and explained that a new category, Downtown Redevelopment, was added to reflect the changes that were being proposed for the downtown area. The intention was to bring forward a request to do a bond project for the downtown area.

City Manager Rose explained that some funding resources were restricted, such as the 268 Fund which could only be used for capital projects and was restricted to parks, Fire Department and Public Works Department. The General Fund was also identified for projects but he advised that those identified in the General Fund may need to be taken out. City Manager Rose discussed bond funds that allowed the City to be strategic in the issuance of debt or projects.

Finance Director Phil Stoeckinger explained that when debt was issued, the City had to be prepared to expend the funds on the bond proceeds within a three-year period. He explained that keeping the proceeds for the bond projects from the interest earnings over the first three years after the debt was issued provided a greater degree of

flexibility for the City in that it was a hedge against inflation, created flexibility to move the projects and gave a greater degree of flexibility from a strategic bonding capacity. After the three year period, if the money was not used, the interest earnings that exceeded the debt service payments had to be rebated back to the Internal Revenue Service which was called arbitrage. Director Stoeckinger explained that the City was able to issue debt at 4 ½% and said the market for debt was 6 – 6 ½ % which saved the City \$5 million in debt services payments last year.

Councilwoman Smith asked why the bond rates were increasing. Director Stoeckinger explained it was due to the uncertainty in the market. He also explained that the State of Nevada was high in foreclosures and had a deficit of 30% in cuts, which made the bond market leery.

City Manager Rose discussed the Downtown Redevelopment cost of \$19.9 million, projects funded from Redevelopment funds at a cost of \$3.5 million and projects funded by Redevelopment bonds at a cost of \$8.5 million. He discussed the General Fund highlights that included the New City Hall construction, the City Hall Campus maintenance and remodel, fleet replacement program, feasibility study for City Hall conversion and Justice Facility Courtroom. The Parks and Recreation highlights totaled \$123.2 million with a majority funded by Bureau of Land Management Act funds. Projects that would be funded by Medium Term Bonds included SkyView Multi-Generational Center, Seastrand Sports Lighting, Tropical Breeze Park and Cheyenne Ridge renovation. City Manager Rose explained that the City moved forward with the design of the Fire Station 50 & Apparatus project but would need to issue additional debt for construction. He said there would be a need for a Fire Station at the Kapex site and indicated that the developers would need to fund the Fire Station. City Manager Rose discussed the Public Safety highlights and explained the funding source would be from the Tax Override fund in the amount of \$7.9 million. He explained some of the projects funded by bond funds were the Detention Center Culinary remodel for \$1.3 million, South Area Command Precinct and Detention A, B, and F Dormitories renovation for \$4.7 million. City Manager Rose explained that the Business License web development transaction processing would cost \$63,000. Mayor Montandon asked if this was the project that would provide the ability to check whether people had an active business license on-line. City Manager Rose explained that was one of the functions the updated website would allow. He discussed the Public Works projects that would be funded by the Clark County Flood Control District in the amount of \$130.1 million and projects that would be funded by the Regional Transportation Commission in the amount of \$125.6 million. Mayor Montandon asked the status on phasing the funding from the Regional Transportation Commission for North 5<sup>th</sup> Street. Public Works Director Dr. Qiong Liu explained there was funding available for Phase I, which was from Carey Avenue to Lake Mead Boulevard. The funding for the next phase, which was from Lake Mead Boulevard to Owens Avenue would hopefully be available July 1, 2009 in the amount of \$20 million. Mayor Montandon asked what the projected date would be for the remainder of the funding. Director Liu explained it was for a five-

year period. City Manager Rose discussed Public Works projects that would be funded by the Tax Override Fund in the amount of \$12.9 million. Mayor Montandon questioned the Major Street Rehab Program and asked if there was a Minor Street Rehab Program. Director Liu explained it was not linked to the functional class of the roadway but rather terminology used when there was major rehabilitation with reconstruction and not just resurfacing. Mayor Montandon asked if minor repairs were under the Capital Improvement Program or regular operating costs. Director Liu said they were under regular operating costs. City Manager Rose discussed the Utility projects under Water in the amount of \$17.3 million over the next five years and included the Hansen Utility Billing System, reservoir repainting, water system bolstering and waterline oversizing. Under Wastewater the cost would be \$224 million with the majority for the Water Reclamation facility in the amount of \$217.7 million. City Manager Rose gave a summary by category and funding sources in the amount of \$926,048,800 which was a reduction compared to the current Capital Improvement document.

Councilwoman Smith asked if there were plans to cancel any projects planned for this year. City Manager Rose said he needed to review the Capital Improvement Program and compare this year's to next fiscal year. Councilwoman Smith asked which projects would not be completed this year. City Manager Rose said he would get a report that indicated the projects that would be moved and when they were scheduled.

Councilman Eliason asked about the bond that referred to the Multi-Generational Center and if another \$16 million was being projected in addition to the \$55 million included on the bond. City Manager Rose explained it identified the amount of money it would cost as the project moved forward which was a portion of the \$55 million.

Mayor Pro Tempore Robinson asked how many jobs the new City Hall project would create and if the project was delayed, what the cost factor was. City Manager Rose explained the City Hall was a project where debt was issued for \$105 million and said there would be no benefit since there were debt service payments that must be made regardless of whether the money was used. Mayor Montandon said that arbitrage would have to be paid in addition to the debt service payments. City Manager Rose explained there would also be an increase in the cost of construction. He said he would need to get the information regarding the number of jobs the project would create.

City Manager Rose explained the Capital Improvement Plan would be presented to the City Council on February 4, 2009 for approval.

## **PUBLIC FORUM**

There was no public participation.

**ADJOURNMENT**

**ACTION:** THE MEETING ADJOURNED AT 5:08 P.M.

**MOTION:** Councilman Eliason

**SECOND:** Mayor Pro Tempore Robinson

**AYES:** Mayor Montandon, Mayor Pro Tempore Robinson, Councilmembers  
Smith, Buck and Eliason

**NAYS:** None

**ABSTAIN:** None

**APPROVED: February 18, 2009**

/s/ Michael L. Montandon  
Mayor Michael L. Montandon

**ATTEST:**

/s/ Anita Sheldon  
Anita Sheldon  
Acting City Clerk