

**DEBT MANAGEMENT COMMISSION  
WASHOE COUNTY, NEVADA**

FRIDAY

3:00 P.M.

MAY 20, 2005

PRESENT:

**Richard Pugh, Member at Large, Chairman**  
**Robert Wolf, Member at Large, Vice Chairman**  
**Stephan Cohen, GID Representative, Commissioner**  
**Jim Galloway, Washoe County Commissioner, Commissioner\***  
**Geno Martini, Sparks City Council, Commissioner**  
**Jonnie Pullman, Washoe County School District, Commissioner**

**Nancy Parent, Chief Deputy Clerk**  
**Paul Lipparelli, Legal Counsel**

ABSENT:

**Dan Gustin, Reno City Council, Commissioner**

The Washoe County Debt Management Commission met in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, in full conformity with the law, with Chairman Pugh presiding. Following the Pledge of Allegiance to the flag of our Country, the Clerk called the roll and the Board conducted the following business:

**05-08DMC AGENDA**

On motion by Commissioner Pullman, seconded by Commissioner Martini, which motion duly carried with Commissioners Galloway and Gustin absent, it was ordered that the agenda of the May 20, 2005 meeting be approved.

**PUBLIC COMMENTS**

Kathy Brandhorst, local resident, addressed the Board about some of her concerns.

**05-09DMC MINUTES**

On motion by Commissioner Martini, seconded by Commissioner Pullman, which motion duly carried with Commissioners Galloway and Gustin absent, Chairman Pugh ordered that the minutes for the February 18, 2005 meeting be approved.

**05-10DMC    RESOLUTION – 2005 SEWER BONDS DMC APPROVAL - SPARKS**

Terri Thomas, Finance Director, City of Sparks, described the Sparks Boulevard / Sun Valley General Improvement District Interceptor Project. Ms. Thomas explained the coverage ratio was well within a comfort level, never dipping below 2.07 times coverage for the next 20 years. She felt comfortable that bonds and debt service could accommodate the existing rate structure.

\* **3:10 p.m.**    Commissioner Galloway arrived.

In response to Commissioner Galloway, Ms. Thomas said 1.25 was a reasonable coverage ratio.

On motion by Commissioner Martini, seconded by Commissioner Galloway, which motion duly carried with Commissioner Gustin absent, it was ordered that the following resolution be adopted and Chairman Pugh be authorized to execute the same:

**RESOLUTION**

**A RESOLUTION CONCERNING THE SUBMISSION TO THE WASHOE COUNTY DEBT MANAGEMENT COMMISSION OF A CITY OF SPARKS PROPOSAL TO ISSUE GENERAL OBLIGATION SEWER BONDS ADDITIONALLY SECURED BY PLEDGED REVENUES IN THE MAXIMUM PRINCIPAL AMOUNT OF \$8,500,000; CONCERNING ACTION TAKEN THEREON BY THE COMMISSION; AND APPROVING CERTAIN DETAILS IN CONNECTION THEREWITH.**

**WHEREAS**, pursuant to §§ 350.011 through 350.0165, Nevada Revised Statutes ("NRS"), the City Council (the "Council") of Sparks, Nevada (the "City"), notified the secretary of the Washoe County Debt Management Commission (the "Secretary" and the "Commission," respectively) of the City's proposal to issue general obligations and submitted a statement of the City's proposal in sufficient number of copies for each member of the Commission; and

**WHEREAS**, the Council anticipates making a determination that the pledged revenues will at least equal the amount required in each year for the payment of interest on and principal of such general obligation sewer bonds; and

**WHEREAS**, the Council proposes to incur such general obligations without an election unless a petition, signed by the requisite number of registered voters of the City, is presented to the Council requiring the Council, prior to incurring such general obligations, to submit to the qualified electors of the City for their approval or disapproval, the following proposal to incur such general obligations:

**GENERAL OBLIGATION SEWER BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES) PROPOSAL:**

Shall the City Council of the City of Sparks, Nevada, be authorized to incur a general obligation indebtedness (additionally secured by pledged revenues) on behalf of the City by the issuance at one time, or from time to time, of the City's general obligation sewer bonds, in one series or more, in the aggregate principal amount of not exceeding \$8,500,000 for the purpose of acquiring, improving and equipping a City sanitary sewer project such bonds to mature commencing not later than five (5) years from the date or respective dates of the bonds and ending not later than thirty (30) years therefrom payable from general (ad valorem) taxes (except to the extent pledged revenues and other monies are available therefor), and to be issued and sold at, above, or below par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate, if any, as shall be determined at the time of the sale thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such other detail as the Council may determine, including at its option but not necessarily limited to provisions for the redemption of bonds prior to maturity without or with the payment of a premium?

(the "Proposal"); and

**WHEREAS**, pursuant to NRS § 350.0145, the Secretary, with the approval of the Chairman of the Commission, thereupon, within ten days from the receipt of the Proposal, gave notice of a meeting to be held not less than twenty days thereafter, and provided a copy of the Proposal to each member of the Commission with the notice of the meeting; and

**WHEREAS**, the Commission has heard anyone desiring to be heard and has taken other evidence relevant to its approving or disapproving the Proposal; and

**WHEREAS**, the Commission has received from the City complete statements of current and contemplated general obligation debt, a debt management policy, a capital improvement plan (which includes the capital improvements proposed to be financed as provided in the Proposal) and a statement of the chief financial officer, in full compliance with NRS 350.013; and

**WHEREAS**, the Commission has considered all matters in the premises.

**NOW, THEREFORE, BE IT RESOLVED BY THE WASHOE COUNTY DEBT MANAGEMENT COMMISSION OF WASHOE, NEVADA:**

Section 1. This resolution shall be known as the "2005 City of Sparks Sewer Bonds DMC Approval Resolution."

Section 2. The Commission hereby finds that the requirements of NRS §§ 350.013 to 350.015, inclusive have been met, and the Proposal for the issuance of general obligation sewer bonds (additionally secured by pledged revenues) in the maximum principal amount of \$8,500,000 by the City hereby is approved.

Section 3. The Commission and the officers thereof hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 4. All bylaws, orders, resolutions or parts thereof in conflict with this resolution are hereby repealed. This repealer shall not be construed to revive any bylaw, order, resolution or part thereof heretofore repealed.

Section 5. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity of unenforceability of the section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 6. This resolution shall become effective and be in force immediately upon its adoption.

**05-11DMC LEGISLATIVE UPDATE – REVIEW OF SB413**

Paul Lipparelli, Deputy District Attorney, stated that SB413 is on track for adoption and approval. He said SB413 would move the annual meeting of the Commission from July to August, which would aid in timeframes the Commission had to struggle with in the past. Mr. Lipparelli further explained that SB413 would authorize compensation for at-large members for their service on the Board and would change the period available to the Commission to delay action on a proposal, which flexibility the Commission lacked.

Commissioner Pullman mentioned the Bill would not provide compensation for the School Board member.

Chairman Pugh noted the population of Washoe County would likely exceed the 400,000 limit referred to in SB413 by the next census. At that point, the DMC would be required to have three members from the County Commission as well as additional changes.

Kathy Brandhorst, local resident, discussed the State government.

**05-12DMC    DATE CHANGE OF ANNUAL MEETING**

Commissioner Cohen questioned if changing the date of the annual meeting was premature since SB413 had not yet passed legislation. Commissioner Galloway suggested changing the date contingent on the Bill passing legislation. Nancy Parent, Chief Deputy Clerk, suggested dates for the annual meeting.

On motion by Commissioner Cohen, seconded by Commissioner Galloway, which motion duly carried with Commissioner Gustin absent, Chairman Pugh ordered that the date of the annual meeting be changed to August 19, 2005 contingent upon SB413 passing legislation.

**PUBLIC COMMENTS**

There was no response to the call for public comments.

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There being no further business to come before the Board, the meeting adjourned at 3:22 p.m.

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**RICHARD PUGH**, Chairman  
Debt Management Commission

**ATTEST:**

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**AMY HARVEY**, Washoe County Clerk  
and Ex Officio Secretary,  
Debt Management Commission

*Minutes Prepared by  
Karen Jones  
Deputy County Clerk*