

**DEBT MANAGEMENT COMMISSION  
WASHOE COUNTY, NEVADA**

**SPECIAL MEETING**

FRIDAY

3:00 P.M.

SEPTEMBER 24, 2004

PRESENT:

**Jim Galloway, Chairman**  
**Geno Martini, Commissioner**  
**Richard Pugh, Vice-Chairman**  
**Robert Wolf, Commissioner**  
**Sharon Zadra, Commissioner\***

**Nancy Parent, Chief Deputy Clerk**  
**Melanie Foster, Legal Counsel**

ABSENT:

**Jonnie Pullman, Commissioner**  
**Robert Seach, Commissioner**

The Washoe County Debt Management Commission (DMC) 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 Galloway presiding. Following the Pledge of Allegiance to the flag of our Country, the Clerk called the roll and the Board conducted the following business:

**AGENDA**

In accordance with the Open Meeting Law, on motion by Commissioner Wolf, seconded by Commissioner Martini, which motion duly carried with Commissioners Pullman, Seach, and Zadra absent, Chairman Galloway ordered that the agenda for the September 24, 2004 meeting be approved.

**MINUTES**

On motion by Commissioner Martini, seconded by Commissioner Wolf, which motion duly carried with Commissioners Pullman, Seach, and Zadra absent, Chairman Galloway ordered that the minutes of the July 23, 2004 meeting be approved.

**PUBLIC COMMENTS**

There was no response to the call for public comments.

**04-16DMC LEGISLATIVE UPDATE – BILL DRAFT REQUEST**

Chairman Galloway discussed the Debt Management Commission (DMC) Bill Draft Request (BDR) that allows the DMC to defer decisions on proposals from local governments for up to 60 days to allow review of proposals from other local governments prior to making a decision. He said it also includes compensation for at-large members.

In response to Commissioner Wolf, Chairman Galloway said the compensation would probably be comparable to other Boards and Commissions; and he requested staff prepare some comparisons. Commissioner Wolf requested staff prepare an estimate of potential costs so he could meet with each General Improvement District to let them know what their share might be per year. Chairman Galloway said the amount is not anticipated to be very large, and the range being discussed is \$80-\$100 per meeting. He said the worst-case scenario is that one entity would have to pay the complete amount; and he has heard a proposal that the County pay the cost, but the decision is up to the Legislature.

**3:15 p.m.** The Board recessed.

**\*3:28 p.m.** The Board reconvened with Commissioner Zadra present.

**04-17DMC CITY OF SPARKS GENERAL OBLIGATION SEWER BONDS RESOLUTION**

Teri Thomas, City of Sparks Finance Director, said the City of Sparks was requesting a General Obligation Limited Tax Sewer Bond to be issued through the State Revolving Fund in an amount not to exceed \$5.2 million. The purpose of the bond is to construct one of four interceptors identified in a 2001 study. She described the Vista/Prater interceptor's location, and discussed the City of Sparks Rate Model. Ms. Thomas said the City has more than adequate debt coverage, and she discussed the estimated annual debt service payments.

Chairman Galloway requested a year-by-year comparison in one table of total revenue and debt service.

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

**RESOLUTION NO. 04-17DMC**

**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 \$5,200,000; 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 \$5,200,000 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 "2004 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 \$5,200,000 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.

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There being no further business to come before the Board, the meeting adjourned at 3:42 p.m.

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**JIM GALLOWAY**, Chairman  
Debt Management Commission

**ATTEST:**

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

*Minutes Prepared by  
Jan Frazzetta  
Deputy County Clerk*