MINUTES OF THE

FERNLEY CITY COUNCIL MEETING

FEBRUARY 16, 2022

1. INTRODUCTORY ITEMS

Mayor Roy Edgington called the meeting to order at 05:02 PM at Fernley City Hall, 595 Silver Lace Blvd., Fernley, NV 89408.

1.1. Roll Call

Present: Councilman Ward 3 Lau, Councilwoman Ward 2 Zoberski, Councilman Ward 1 Lacy, Councilwoman Ward 5 McKay, Councilman Ward 4 Torres, City Manager Daphne Hooper, Assistant to the City Manager Trisha Connor, City Attorney Brandi Jensen, Deputy City Attorney Aaron Mouritsen, City Clerk Kim Swanson, Administrative Specialist Tiffany Wood, Building Official Billy Staten, City Engineer Derek Starkey, Public Works Director Dave Whalen, Finance Director Denise Lewis, Deputy City Treasurer Thomas Lukas, Deputy Public Works Director Barry Williams, Water Attorney David Rigdon.

1.2. Public Forum

There was none.

1.3. (For Possible Action) Approval of Agenda

Daphne Hooper asked to pull Item 7.1 to be heard at the next meeting. She clarified item 7.2 is an action to put something on a future agenda item.

Motion: MOVE TO APPROVE THE AGENDA WITH THE REMOVAL OF 7.1 TO BE HEARD AT THE NEXT MEETING AND 7.2 TO BE HEARD AS THE NEXT ITEM. **Action:** Approve, **Moved by** Councilman Ward 3 Stan Lau, **Seconded by** Councilman Ward 1 Ray Lacy. **Vote:** Passed, **summary:** Yes 5, No 0, Abstained 0. **Yes:** Councilman Ward 1 Lacy, Councilwoman Ward 2 Zoberski, Councilman Ward 3 Lau, Councilman Ward 4 Torres, Councilwoman Ward 5 McKay,

Mayor Roy Edgington explained that the item will be brought back for discussion then reviewed by staff before council votes on item 7.1.

2. CONSENT AGENDA

2.1. (Possible Action) Approval of Voucher Report

2.2. (Possible Action) Approval of Minutes from January 19th and February 2nd.

2.3. (Possible Action) Approval of Business Licenses

2.4. (Possible Action) Approve a contract for the Owner's Representative/Construction Manager as Agent Services for the Fernley Community Response & Resource Center in the amount not-to-exceed $602,232 to Cumming Management Group Inc.

2.5. (Possible Action) Award a Contract for Construction for the FY 21/22 PMP Maintenance

Project (Project) to: Sierra Nevada Construction, Inc. (SNC), in an amount not to exceed $1,184,007.

2.6. (For Possible Action) Authorize the execution of the Water Right Banking and Dedication Agreement with Genica Shadow Hills, LLC, APN 021-121-19, TCID serial number 1017-B in the amount of 20.115 acre feet.

2.7. (For Possible Action) Authorize the execution of the Water Right Banking and Dedication Agreement with Russel Ferretto, APN 021-111-02, TCID serial number 1022 in the amount of 6.03 acre feet.

Brandi Jensen asked to clarify item 2.4. She said item 2.4 would allow city staff to conduct additional negotiations with Cumming. This item will not be brought back unless council specifically asks staff to do so.

Motion: MOVE TO APPROVE THE CONSENT AGENDA. **Action:** Approve, **Moved by** Councilman Ward 3 Stan Lau, **Seconded by** Councilman Ward 1 Ray Lacy. **Vote:** Passed, **summary:** Yes 5, No 0, Abstained 0. **Yes:** Councilman Ward 1 Lacy, Councilwoman Ward 2 Zoberski, Councilman Ward 3 Lau, Councilman Ward 4 Torres, Councilwoman Ward 5 McKay, **No:** None, **Abstain:** None.

3. REPORTS

3.1. Reports by City Staff, City Council and the Mayor, including but not limited to monthly statistical reports by city departments.

City Manager Hooper said that the city is in the 5th week of the Citizen Leadership Academy. On Thursday, Feb 17th, Public Works will present. Also, the Fernley Senior Citizen Advisory Committee will meet on Friday, Feb. 11th, at 9 am in the chambers or over Zoom. On March 11th from 5pm to 6pm in City Hall there will be property and business owner meetings to discuss the community economic development strategy. For more information, contact the City Manager's Office at (775) 784-9851. City Hall will be Closed Monday, February 21st for President's Day.

City Clerk Kim Swanson stated that the candidate filing period begins March 7th and ends March 18th. Filing information can be picked up at the Clerk's Office and turned in there as well. Ward 1, Ward 3 and the Mayor seats are open. The filing fee is $25.

The Mayor attended a meeting with Economic Development of Western Nevada. Stan Thomas spoke about businesses that were coming to Nevada.

Councilman Lau reported that last Tuesday he attended a Nevada Commission on Aging meeting. They talked about redetermination packages for eligibility for Medicare and Medicaid. They talked about the Covid vaccines. There was a presentation on the elderly population in Nevada, which is growing. For more information, you can email him or the City Clerk. He continued that there was volunteer training and a focus on Covid worries.

4. PROCLAMATIONS BY THE MAYOR

There were none.

5. PRESENTATIONS

5.1. Presentation by Lyon County Sheriff Frank Hunewill regarding Year End Review

Lyon County Sheriff Frank Hunewill presented an overview of last year. He said it has been a very busy year with 60-70% of the work is in the City of Fernley. The communities the department serves has a unique geography in that it is very spread out. Sheriff Hunewill stated Covid didn't stop the need for work and many staff members were affected. He lost one deputy due to Covid. He said sergeants were pulled off of watch command detail and put on shift rotation. There are 5 open positions department wide. The department may get an additional captain and a dispatch supervisor. Currently, there is 1 person dedicated to civil paperwork processing, which would average about 4500 documents a year and has many more steps attached. There is 1 financial analyst. 1 person for body camera management staff. He is pleased he is able to keep the 3 sub stations open. The record division has 1 supervisor and 3 clerks. 2,683 arrests were made last year. There is one person in charge of CCW's, which are trending up. Fernley has 1 Lt. 3 Sergeants and 16 deputies but we are down 5, with 3 in academies. A new metal detector and a full body scanner was added to the department. The video system was upgraded but more are needed for a new law. Now there must be direct supervision 24/7 so there needs to be cameras in each jail cell as an unfunded mandate. 61,992 meals were served. The court had 1,134 bail hearings and 295 appearances. 97 transports to drug court. 561 inmates were transported to court. There is 1 control room operator supervisor, and 9 operators. There were 1967 total bookings and releases. Major crime has 100% solvability right now. Dispatch handled 35,000 calls. 90% of the special assignments program is funded through donations. 10 swat guys available right now. 12,660 volunteer hours. Lyon county needs more detectives. Turnover rates are at 13.58 in 2021. Mounted units are an interest and would be funded mostly with donations. The Department has 120 paid people managed by Hunewill on a 17 million budget. We do not have a full-time training staff though we are working in that direction.

Councilman Lau told Hunewill that he is doing a great job and dealing well with the limited resources.

Break at 6:45 PM for 10 minutes

5.2. Presentation and discussion regarding the City's quarterly financials.

Deputy City Treasurer Thomas Lukas presented the quarterly financials.

6. STAFF REPORTS

6.1. (For possible Action) Adopt the Business Impact Statement regarding commercial rates & fees for the Water and Sewer Utilities.

Public Works Director presented the results of the Business Impact Statement. The Business Impact Statement revealed connection fees have not changed since 2007 and have not kept up with inflation. The proposal is to increase rates by 2.2% this year and increase rates by 3% annually. Staff concluded that it did not have a significant impact on businesses to change the rates.

Councilman Torres commented that some businesses and citizens expressed that they didn't participate in the meetings to discuss rates because they felt the rates would be raised no matter what. He said he didn't understand how, in Dave's experience working for the city, he came back with a ruling that any increase to water and sewer rates during this time of a 7.5% increase in inflation does not significantly impact businesses. He mentioned the need for ARPA money that was granted to struggling businesses. Councilman Torres addressed Councilman Lacy's idea to give discounts to seniors but suggested the city make cuts on projects rather than raising rates.

Councilwoman Zoberski asked if there are incentive programs for developers working with the city to lower the connection fees if they make improvements to the current system. Public Works Director Whalen stated there are not special breaks for developers at this time. Connection fees are charged per use. City Manager Hooper added there is not a program for developers for incentives, though the city can establish one.

Mayor Roy Edgington continued that running a utility company demands that the city keeps up with inflation to keep the system running. The council could kick this rise in rates down the road but the problem will remain and compound.

City Manager Hooper, reminded council that this item is agendized to approve the Business Impact Statement and the discussion about the rates will come back under the resolution for this item.

Attorney David Rigdon clarified that the Business Impact Statement does not say there will be no impact on business but that it will notave a significant impact given the economic climate.

Motion: MOVE TO RECOMMEND THAT CITY COUNCIL ADOPTS THE ATTACHED BUSINESS IMPACT STATEMENT REGARDING INCREASING RATES AND CONNECTION FEES FOR THE WATER AND SEWER UTILITIES. CITY COUNCIL FINDS THE RATE INCREASES AND FEE CHANGES DO NOT IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN ON A BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION, OR EXPANSION OF A BUSINESS. **Action:** Approve, **Moved by** Councilwoman Ward 5 Fran McKay, **Seconded by** Councilman Ward 3 Stan Lau. **Vote:** Passed, **summary:** Yes 3, No 2, Abstained 0. **Yes:** Councilwoman Ward 2 Zoberski, Councilman Ward 3 Lau, Councilwoman Ward 5 McKay, **No:** Councilman Ward 1 Lacy, Councilman Ward 4 Torres, **Abstain:** None.

Councilman Torres stated that he doesn't care about the impact on outside developers, but cares about the residents here now and the impact on them.

Councilman Lacy asked if this agenda had anything about senior discounts? City Manager Hooper responded that it would be on the next agenda.

6.2. (For possible action) Discussion to approve the City of Fernley's maximum allowed operating property tax rate to be levied for Fiscal Year 2023 and for submission to the Department of Taxation.

Director of Finance Denise Lewis discussed the annual approval of the max allowable property tax rate increase of .0002%. Mayor Edgington asked that current inflation is at 7.5% but the proposed increase is only for 0.0002%? Director of Finance Denise Lewis confirmed.

Motion: MOVE TO APPROVE THE CITY OF FERNLEY'S MAXIMUM ALLOWED OPERATING PROPERTY RATE TO BE LEVIED FOR FISCAL YEAR 2023 AND FOR SUBMISSION TO THE DEPARTMENT OF TAXATION. **Action:** Approve, **Moved by** Councilman Ward 3 Stan Lau, **Seconded by** Councilwoman Ward 5 Fran McKay. **Vote:** Passed, **summary:** Yes 5, No 0, Abstained 0. **Yes:** Councilman Ward 1 Lacy, Councilwoman Ward 2 Zoberski, Councilman Ward 3 Lau, Councilman Ward 4 Torres, Councilwoman Ward 5 McKay, **No:** None, **Abstain:** None.

6.3. (For possible action) Discussion regarding the long-term use goals and plans for the Fernley Depot.

Assistant to the City Manager Trisha Connor presented the history of the Depot and the long term use goals and plans for it. Projects funded by CDBG over the years for water and potable water hook-up. The total improvements were valued at $1.5 million. There is federal grant funding for this historical building. Plans include creating an ADA-compliant bathroom on site.

Councilwoman McKay asked for the estimate of the cost of leaving the Depot on the register as a historical building and then doing all repairs to the historical requirements.

Assistant to the City Manager Trisha Connor responded that the total value for all projects in queue is $25,000,895.00. Future plans include putting a new roof on the facility and testing the electrical system and removing lead paint on the building. Insulation and HVAC or an alternative heating and cooling system is also planned. There is Federal Grant funding available if specific requirements are met and reviews conducted. The City recommends a set Depot Use Plan to facilitate the projects planning for the Depot.

Councilwoman McKay added that she did a walk-through on the building found to be an extremely strong building. She felt the Depot would be a great location for small events the community center wouldn't need to be used for. Perhaps preserving the exterior of the historical building and fixing the inside outside of historical requirements would open up the building for more use.

Assistant to the City Manager Connor responded there are stipulations to keep the building historic and used as a cultural center if grant funding is used.

Motion: MOVE TO REMOVE THE DEPOT FROM THE NATIONAL HISTORIC REGISTRY AND MOVE FORWARD WITH MODERN AMENITIES AND STRUCTURE SO THAT THE CITY CAN GET SOME USE OUT OF THIS. **Action:** Approve, **Moved by** Councilman Ward 4 Albert Torres, **Seconded by** Councilwoman Ward 5 Fran McKay. **Vote:** Passed, **summary:** Yes 5, No 0, Abstained 0. **Yes:** Councilman Ward 1 Lacy, Councilwoman Ward 2 Zoberski, Councilman Ward 3 Lau, Councilman Ward 4 Torres, Councilwoman Ward 5 McKay, **No:** None, **Abstain:** None.

City Attorney Brandi Jensen confirmed for councilwoman Zoberski that cities can pass protections for historical buildings in the municipal code.

Assistant to the City Manager Trisha Connor asked what the Depot would be used for.

Mayor Edgington suggested a coffee shop after a while, a meeting room would be more feasible.

Councilman Torres responded that retail would be difficult. He suggested starting with events, then maybe branching out to retail.

Motion: MOVE TO USE THE DEPOT FOR MEETINGS AND EVENTS TO START OFF WITH AS THE CITY IS ABLE TO MAKE THE IMPROVEMENTS, POSSIBLY FOR OFFICES OR RETAIL DOWN THE ROAD. WE CAN ALWAYS EXPAND LATER AS THE INSIDE IS IMPROVED UPON. **Action:** Approve, **Moved by** Councilman Ward 4 Torres, **Seconded by** Councilman Ward 3 Lau. **Vote:** Passed, **summary:** Yes 5, No 0. **Yes:** Councilman Ward 1 Lacy, Councilwoman Ward 2 Zoberski, Councilman Ward 3 Lau, Councilman Ward 4 Torres, Councilwoman Ward 5 McKay, **No:** None, **Abstain:** None.

Councilwoman Zoberski stated she would love to see a museum but it would be good to have an information center. Events would be great to have there too.

Mayor Edgington brought up the old school house in the back of the property and suggested that the building be kept historical.

Motion: MOVE TO APPROVE MOVE TO CREATE AN ORDINANCE TO PROTECT THE DEPOT AS HISTORICAL LANDMARK AND ALSO INCLUDE THE SCHOOL HOUSE. **Action:** Approve, **Moved by** Councilwoman Felicity Zoberski, **Seconded by** Councilman Stan Lau. **Vote:** Passed, **summary:** Yes 5, No 0. **Yes:** Lacy, Zoberski, Lau, Torres, McKay, **No:** None, **Abstain:** None.

6.4. (For possible action) Approve the contract with Farr West Engineering to provide engineering and architectural design services and oversee construction for the Depot Re-Roofing project for an amount not to exceed $62,170.

Deputy Public Works Director Williams asked council to approve the contract for Farr West that includes options for a metal roof for the Depot, or cement or shingle.

Motion: MOVE TO APPROVE THE CONTRACT WITH FARR WEST ENGINEERING TO PROVIDE ENGINEERING AND ARCHITECTURAL DESIGN SERVICES AND OVERSEE CONSTRUCTION FOR THE DEPOT RE-ROOFING PROJECT FOR AN AMOUNT NOT TO EXCEED $62,170. **Action:** Approve, **Moved by** Councilwoman McKay, **Seconded by** Councilman Lacy. **Vote:** Passed, **summary:** Yes 5, No 0, Abstained 0. **Yes:** Councilman Lacy, Councilwoman Zoberski, Councilman Lau, Councilman Torres, Councilwoman McKay, **No:** None, **Abstain:** None.

5 minute Break at 8:27 pm

6.5. (For possible action) Discussion and possible termination of the March 16, 2020, Declaration of Emergency Concerning COVID-19 pursuant to Resolution 20-006.

City Manager Hooper presented the item to terminate the state of emergency declared in March 2020. It allowed the mayor or designee to make decisions pertaining to the emergency.

Mayor Edgington asked the county manager if the city would still be eligible for federal assistance if the declaration was taken down. He said yes because the state and the county still had an emergency declared. The city manager is restricted to $25,000 unless, in an emergency, she can bring it back to the council, but she would have to wait for the next meeting.

Councilman Torres said the state declaration expired last year. There is not a state of emergency at the state level. He said it would not hinder the city by dissolving it.

Motion: move to terminate the march 16th, 2020 declaration of emergency concerning covid 19 pursuant to resolution 20-006. **Action:** Approve, **Moved by** Councilman Ward 4 Albert Torres, **Seconded by** Councilman Ward 1 Ray Lacy. **Vote:** Passed, **summary:** Yes 5, No 0, Abstained 0. **Yes:** Councilman Ward 1 Lacy, Councilwoman Ward 2 Zoberski, Councilman Ward 3 Lau, Councilman Ward 4 Torres, Councilwoman Ward 5 McKay, **No:** None, **Abstain:** None.

6.6. (Possible Action) Approve staff to enter into negotiations and allow staff to enter into a contract with CORE construction for pre-construction services for the Community Response and Resource Center.

City Manager Hooper explained the item is to allow staff to enter negotiations to choose a construction company for the services needed at the Community Response Center.

Councilwoman Zoberski asked for the contract to come back to the council.

Motion: MOVE TO APPROVE STAFF TO ENTER INTO NEGOTIATIONS AND A CONTRACT WITH CORE CONSTRUCTION FOR PRE-CONSTRUCTION SERVICES FOR THE COMMUNITY RESPONSE AND RESOURCE CENTER. **Action:** Approve, **Moved by** Councilman Ward 3 Stan Lau, **Seconded by** Councilman Ward 1 Ray Lacy. **Vote:** Passed, **summary:** Yes 5, No 0, Abstained 0. **Yes:** Councilman Ward 1 Lacy, Councilwoman Ward 2 Zoberski, Councilman Ward 3 Lau, Councilman Ward 4 Torres, Councilwoman Ward 5 McKay, **No:** None, **Abstain:** None.

City Attorney Brandi Jensen clarified that there will be 3 contracts through this process which will come back to the council.

6.7. (For possible action) Update on City of Fernley COVID-19 response including City Hall reopening, funding for state and local governments, local business re-opening plans, and local events.

City Manager Hooper stated masks are gone and shields are down for the city. The Covid numbers are going down.

7. ITEMS REQUESTED BY MAYOR OR CITY COUNCIL MEMBERS:

7.1. Discussion and possible action requesting a future agenda item regarding the Master Plan and Land Uses. (Councilwoman Zoberski's request)

This item was pulled from the agenda.

7.2. Discussion and possible action requesting a future agenda item regarding the city taking over the motorcycle track. (Mayor Edgington's request)

Mayor Roy Edgington asked if council would consider having the city take ownership of the racetrack next to the Fernley Cemetery.

Councilwoman McKay said she thinks it is a good idea to discuss the racetrack because of its usage by the city residents and would like to bring it back for discussion on the next available agenda.

Motion: MOVE THAT THIS ITEM IS PUT IT ON THE NEXT AVAILABLE AGENDA. **Action:** Approve, **Moved by** Councilwoman Ward 5 Fran McKay, **Seconded by** Councilwoman Ward 2 Felicity Zoberski. **Vote:** Passed, **summary:** Yes 3, No 2, Abstained 0. **Yes:** Councilman Ward 1 Lacy, Councilwoman Ward 2 Zoberski, Councilwoman Ward 5 McKay, **No:** Councilman Ward 3 Lau, Councilman Ward 4 Torres, **Abstain:** None.

8. ADDRESS REQUEST(S) FOR FUTURE AGENDA ITEMS

Mayor Edgington would like to discuss as a future agenda item retention ponds and parks.

Councilwoman McKay would like to address ideas about the depot.

9. PUBLIC FORUM

Tammy Dittman, Fernley resident, asked about the Depot, resource center, racetrack, and infrastructure. She said she was confused about rates increasing with sewer and water.

Request from Roy O'Rally was forwarded to the mayor and the Mayor will reach out to him.

10. ADJOURNMENT

The next meeting will be March 2nd at 5pm.

There being no further business to come before it, the Fernley City Council meeting adjourned at 8:47 PM.

Approved by the Fernley City Council on March 16th, 2022, by a vote of:

AYES: 6 NAYS: 0 ABSTENTIONS: 0 ABSENT: 0

Roy Edgington, Mayor

Kim Swanson, City Clerk