

**CITY COUNCIL MINUTES
REGULAR MEETING
May 4, 2010**

The Winnemucca City Council met in regular session on Tuesday, May 4, 2010 at 2:00 p.m. in the City Hall meeting room. Present: Mayor Di An Putnam, Councilmen Richard Stone, Doug Cain, Joyce Sheen, Jim Billingsley and Paige Brooks. Staff present: City Manager Steve West, City Attorney Kent Maher and City Clerk Eddy Davis.

CALL TO ORDER

Mayor Putnam called the meeting to order at 2:00 p.m.

APPROVAL OF MINUTES:

The April 19, 2010 joint City/County meeting minutes were presented for review and Councilman Cain moved for approval as submitted. Motion carried unanimously with Councilman Sheen abstaining as she was not in attendance at that meeting.

The April 20, 2010 regular City Council meeting minutes were presented for review and Councilman Sheen moved for approval as submitted. Motion carried unanimously.

APPROVAL OF WARRANTS:

The warrants were presented for review and Councilman Cain moved for approval as submitted. Motion carried unanimously.

PROCLAMATIONS / EMPLOYEE AWARDS:

Police Chief Bob Davidson and Captain Rick Waldie accepted a proclamation read by Mayor Putnam recognizing May 9-15, 2010 as National Police Week. Saturday, May 15, 2010 was also recognized as Peace Officer's Memorial Day. A ceremony will be held in the Winnemucca Cemetery at 10:00 a.m.

PUBLIC / PERSONAL COMMUNICATION / CORRESPONDENCE

Holly Rudy James, General Manager of Winnemucca Publishing, said it was brought to her attention that the KWNA Radio Station does not possess a current City business license. James asked what exception was granted to KWNA that would eliminate the requirement to hold a business license. Mayor Putnam responded there are no exceptions. Legal counsel is addressing the issue. City Attorney Maher said that, to the City's knowledge, there are no exceptions to the requirement of a business to have a City license. The issue should be resolved. James said it was only fair that everyone pay their dues in order to conduct business in Winnemucca. Councilman Sheen added KWNA held a City business license for 30 years under prior ownership (the Sheens). The lapse occurred after the business was sold. Mayor Putnam said she appreciated James bringing this matter to the Council's attention.

DICUSSION / ACTION ON ITEMS OF BUSINESS & OTHER REPORTS:

BUSINESS IMPACT DETERMINATION

City Attorney Maher and the Council reviewed and discussed briefly the agenda items and the effect each item could potentially have on a "business" as the term is defined by statute. The Council agreed that no item on this agenda appears to impose a direct and significant economic

burden on a business or appears to directly restrict the formation, operation or expansion of a business. Councilman Sheen moved to make a finding that no item on this agenda appears to impose a direct and significant economic burden on a business or appears to directly restrict the formation, operation or expansion of a business. Motion carried unanimously.

TEMPORARY STREET CLOSURE / BASQUE PARADE

Councilman Brooks abstained from the discussion and action of the item because she is a member of the Winnemucca Basque Club and is personally involved in the parade planning. Councilman Cain moved to approve the temporary street closure of Winnemucca Blvd. for the annual Basque Parade beginning at the Model T Hotel & Casino and ending at Hurst Street between 10:00 a.m. and 11:00 a.m. on Saturday June 12, 2010. Motion carried unanimously with Councilman Brooks abstaining.

REQUEST FOR FUNDING / WINNEMUCCA FUTURES VISIONING PROJECT

Bill Sims, Business and Economic Development Specialist with the Humboldt Development Authority (HDA), reviewed the information previously presented at the April 19 joint City-County meeting. Sims said he is officially requesting a commitment of \$3,500 from the City toward the project. Councilman Billingsley asked, after the consulting fees are spent (estimated to be \$40,000), what are the expected planning costs for the project. Sims replied he did not know at this time, as the planning phase depends on the outcome of the first phase of the project developed with the consultant. Councilman Stone asked if it was the goal of the HDA to head up this project, as he didn't want to see another study commissioned and then shelved. Sims said the HDA established a "steering committee" comprised of various professionals and interested citizens from the community. It is hopeful that more community members will become engaged in the process and further educate themselves about the future of the community. Scenario planning is an innovative idea and is not typically approached in this fashion. Mayor Putnam said assessment studies have been done in the past, but this project presents a new approach to economic development planning into the future. Councilman Cain moved to approve City funding toward the project in the amount of \$3,500. Motion carried unanimously.

PROPOSAL FOR PAYMENT IN LIEU OF TAXES / NEVADA RURAL HOUSING AUTHORITY

David Craig, Nevada Rural Housing Authority (NRHA), said a housing study sponsored by the Humboldt Development Authority (HDA) was published in 2008. The proposed construction of senior housing on Minor Street is a result of that study. The NRHA is filing for a tax credit on the project. State law allows the NRHA to forego property taxes on projects of this nature. The NRHA is offering to make payment in lieu of taxes using a formula NRHA developed, so that they contribute towards the cost of required City services. A mutual agreement needs to be entered into with the governing body (the City). They typically calculate the payment in lieu of property taxes by taking into account the income derived from rents less utility costs multiplied by ten percent. County Assessor Jeff Johnson said a similar formula was used by the Winnemucca Mountain View Apartments. The difference in the formula used in that case is that all expenses are taken into account and the formula is a little bit more complex. Craig said a set amount could be established and increased annually according to the CPI. Councilman Stone said this would be a good proposal to consider. City Attorney Maher said a cooperative agreement could be entered into by the parties. City Manager West asked how the collection of

the payment in lieu of property taxes would be shared with Humboldt County. Johnson said the tax rate schedule currently in place would probably be used to figure their share. Johnson noted that the Willowbrook I, II, and III apartment complexes pay the full property tax rate like everyone else. By consensus, the Council agreed on the concept of a proposal for payment in lieu of property taxes and requested Craig submit an agreement for consideration at a future date.

PUBLIC HEARING / RIVERSIDE AND HUMBOLDT STREET ABANDONMENT / YEAGER

Mayor Putnam said this public hearing was scheduled to consider a request by Mike Yeager to abandon Riverside and Humboldt Streets which serve only Yeager's properties. Mayor Putnam asked for public comment. None was given. City Manager West said seven parcels are presently served by these two streets. Staff suggested at the last meeting that Yeager be required to convert the properties to acreage so that the parcels are not left without legal access. Another option would be to convert part of the street right-of-ways to access easements to serve the existing parcels. City Attorney Maher said if there is a conversion of the parcels to acreage (into a single parcel) access easements could be provided to individual lease tracts as they are created (should leasehold interests be used by the property owner). It was pointed out that the (City owned) alley will remain in place (for utility access). Councilman Billingsley asked if the City will be responsible for maintaining the streets once they are abandoned. Maher and West both replied no. Maher added the main consideration is whether the public will be materially injured if the abandonment is granted. Councilman Stone moved to abandon, per staff's explanation, a portion of Riverside Street lying between Block 40 and Block 41 of the Riverside Addition of the City adjacent to APNs 15-151-04, -05, -07, -08, -09, -10, and -39, and a portion of Humboldt Street extending from Baud Street and the intersection with Riverside Street and abutting block 40 and Block 41 of the Riverside Addition of the City adjacent to APNs 15-151-04, -07, and -39, as requested by property owner Mike Yeager. Motion carried unanimously. Resolution Number 2010-13.

LEASE AGREEMENT CANCELLATION / SENIOR CITIZENS OF HUMBOLDT COUNTY, INC.

Mayor Putnam said in order for the new senior housing development to move forward on the Minor Street property, there needed to be a termination of the current lease between the City and Senior Citizens of Humboldt County, Inc. (SCHC) as to the parcel of property proposed for transfer (which is currently leased by SCHC). This process will allow for the transfer of the 2.12 acres to the Nevada Rural Housing Authority (NRHA) as they have requested. A new lease agreement between the City and SCHC is planned and it will deal with the proposed sewer easement to serve the new development through the property housing the Senior Center which is subject to the lease. City Attorney Maher suggested rescinding the current lease only as to the parcel proposed to be transferred to NRHA. When a new lease with SCHC is developed, there will be no reference to the property proposed for transfer to NRHA. Maher also requested authorization for City Staff to negotiate a new agreement with SCHC and to request execution of a quitclaim deed by the SCHC to release any interest in the property proposed for transfer to NRHA. Councilman Sheen moved to: (i) authorize the release of Parcel A from the existing lease agreement with the Senior Citizens of Humboldt County, Inc. (the Lessee), and to grant authorization for the appropriate officials to sign a new lease agreement on behalf of the City, and (ii) request the Senior Citizens of Humboldt County, Inc. to execute a quitclaim deed to the City for release of the 2.12 acres, APN 16-171-06, back to the City. Motion carried unanimously. City Attorney Maher will discuss the terms of the lease with the SCHC. NRHA

representative David Craig gave assurances that the NRHA would work with the SCHC on parking related concerns.

PUBLIC HEARING / PROPERTY TRANSFER REQUEST / NEVADA RURAL HOUSING AUTHORITY

Mayor Putnam said this public hearing is scheduled to consider the transfer of 2.12 acres of City property located on Minor Street to the Nevada Rural Housing Authority (NRHA) for construction of low income senior housing on the site. Mayor Putnam called for public comment. Mike Liberatore, who resides at 433 Argenta Avenue in the Railroad Subdivision behind the Minor Street property, expressed concern about privacy being jeopardized by the two-story building that is proposed to be constructed by the NRHA. Liberatore questioned if property values will be impacted. There was no factual information offered to support either the possibility of increasing or decreasing property values. Liberatore also expressed concern about increased traffic flow in the area, especially near the Sonoma Heights School. Mayor Putnam said because the proposed housing is for senior citizens, fewer vehicles with drivers are expected. NRHA representative David Craig added that it is typical for senior citizens to do very little driving and, when other projects that the NRHA has been associated with are considered, the additional traffic is minimal. Craig said the NRHA is willing to consider extra high fencing or shrubbery on the back of the property to enhance privacy to adjacent property owners if necessary. Craig said vehicle access will also be added at the back of the property, which should alleviate traffic concerns on Minor Street. City Attorney Maher said the Council's responsibility is to determine whether this proposal is in the best interest of the public. Maher noted the City has discretion to grant or deny the property transfer. The proposed resolution will have to be modified to include the public comments made today. Maher said it is important to remember that in order for someone to rent one of the apartments, income eligibility will have to be met. Councilman Cain moved to authorize the transfer of the City-owned property consisting of 2.12 acres, APN 16-171-06, to the Nevada Rural Housing Authority pursuant to the guidelines set forth by NRS 268.058 as stated in the proposed resolution which will be modified to include those public comments made at the hearing today. Motion carried unanimously. Resolution Number 2010-14.

STAFF / COUNCIL REPORTS

City Clerk Davis reminded that the annual budget hearing has been scheduled to take place during the next City Council meeting on Tuesday May 18, 2010 at 2:30 p.m. Open enrollment for health insurance benefits is expected to take place on May 20 or 21. Staff will be notified when the date is finalized.

City Manager West said the golf course ponds are near completion. Reports are coming in that the golfers are pleased with the ponds. The pond slopes will be seeded with grass. NDOT is currently advertising for bids on the City stimulus funds street cape seal project. Employee bargaining unit negotiations continue this week. Captain Waldie submitted his resignation from the police department. Research is underway on various options for the energy grant projects. Architects are working on the design phase of the public safety complex. Work is being done on the evidence locker partition wall at the new station by the WPD staff.

Councilman Stone requested that the City provide crosswalk flags at the intersection of Haskell Street and East Winnemucca Blvd.

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Councilman Sheen reported she had attended her first meeting of the WCVA. The Humboldt Volunteer Hospice is sponsoring a "Meet Your Candidates" night on May 20. The Ranch Hand Rodeo has spurred interest for another ranch-type rodeo event in November. The 4-H leader's forum will be held in Winnemucca in the future. Room taxes are down so far this year, but remain higher than those in the general area around Winnemucca.

Councilman Brooks attended a Human Growth and Development meeting at the school. District Attorney Russell Smith gave an update on cyber bullying. This problem is being presented at the high school level at this time.

Mayor Putnam said she received a phone call from Wagoner, the owner of property located near the Railroad Street-Garrison Street intersection, and he feels that safety issues still need to be addressed at that location. Kids in the neighborhood frequently ride their bikes in this area. Mayor Putnam encouraged the Council to visit the site and try to develop ideas to address the concerns expressed by Wagoner. A visit was made to the Safe Haven Zoo. The ceremony for the Peace Officer's Memorial will be held on Saturday, May 15 at 10:00 a.m. at the Cemetery. The health benefit options for City employees are still under review. The \$250 deductible plan may be eliminated, which would make the \$500 deductible plan the first option to choose from. The City may want to consider an increase to the health insurance subsidy provided to employees (raising it from \$550 per employee to \$585) so that the City is providing the equivalent of the \$500 deductible plan currently offered.

Mayor Putnam adjourned the meeting at 3:35 p.m. until the next scheduled meeting on May 18, 2010.

Respectfully submitted,

Eddy D. Davis
City Clerk

PASSED AND ADOPTED: May 18, 2010

VOTE OF COUNCIL:

AYES:	Councilmen	<u>Stone, Cain, Sheen, Billingsley, Brooks</u>
NAYS:	Councilmen	_____
NOT VOTING:	Councilmen	_____
ABSENT:	Councilmen	_____

APPROVED:

ATTEST:

Di An Putnam
Mayor

Eddy D. Davis
City Clerk