

**CITY COUNCIL MINUTES
REGULAR MEETING
January 24, 2012**

The Winnemucca City Council met in regular session on Tuesday, January 24, 2012 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 January 10, 2012 regular City Council meeting minutes were presented for review and Councilman Cain moved for approval as submitted. Motion carried unanimously.

APPROVAL OF WARRANTS:

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

PROCLAMATIONS / EMPLOYEE AWARDS:

There were no proclamations or awards.

PUBLIC / PERSONAL COMMUNICATION / CORRESPONDENCE:

Jim Parrish, Administrator, and Pat Songer, EMS Coordinator, on behalf of Humboldt County Hospital District-Humboldt General Hospital (HGH), presented a donation of three (3) AEDs (Heart Start Defibrillators) and 11 first aid packs to the Winnemucca Police Department. Parrish said it is important the City first responders be fully equipped. Police Chief Silva accepted the donations and expressed his appreciation, stating that AEDs have saved and continue to save lives. Silva noted the HGH EMS crew also provides training to the police officers. Mayor Putnam thanked HGH for the pro-active partnership with the City. Personal health information packets were distributed to the Council. The packets are also available to the community.

DISCUSSION / 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.

/////////
/////////
/////////

VARIANCE REQUEST / REDUCE SIDE-REAR YARD SETBACKS / WEST WIND LLC

Betty Lawrence, Humboldt County Planning Department, said the property owner (Tom Fransway) has provided a site plan for a proposed 1200 square foot building to be constructed on property located at 227 Garrison Street (behind 451 West Second Street). A favorable comment for the variance was received from Frank Gabica, the adjacent property owner. Property owner Fransway explained he wanted to make sure he had the option to expand on the property before investing more money. The project is still in the conceptual design stage. Sewer and water services have been extended for future use, and expansion of the natural gas connection is underway. Lawrence noted that most variances are granted for a period of one year with the requirement to request renewal after that time has passed if the variance has not been exercised. Fransway requested the variance be approved for two years. Councilman Stone commended Fransway for the work he is doing with the property, and said he does not see any problem granting a two year term on the variance. Councilman Sheen moved to approve variance VW-12-01 to reduce the side and rear yard setbacks from 20 feet to 5 feet in a G-C (General Commercial) zoning district on property located at 227 Garrison Street (rear of 451 West Second Street), APN 015-423-01, West Wind LLC-Tom Fransway, with two years to exercise use of the variance. Motion carried unanimously. Resolution Number 2012-01.

REQUEST FOR FUNDING / WINNEMUCCA COMMUNITY GARDEN

Amanda Hoffer and Ryan Clemens, representing the Winnemucca Community Garden, requested partial funding to construct a pavilion structure at the garden. Hoffer said the open-air pavilion will be used for Earth Day, harvest festivals, farmer's markets, children's programs and other community events. The pavilion will also provide shade for those holding meetings, parties and weddings, and will allow a more private atmosphere for the events. The proposed structure will be 40 feet in diameter and will be placed upon a 50 feet in diameter concrete floor, and there will be water and electricity available. Mayor Putnam noted that because the City owns the property, any improvements are City property. Hoffer said about \$6,000 has been raised so far with a goal of raising an estimated \$65,000 to cover the cost of the entire project. Hoffer is seeking a local match of funds from the City and County and will be asking for donations from businesses and individuals in the community, including the local mines. The goal is to begin construction this fall after the growing season is over, or next year at the latest. Councilman Cain said this is a great idea and suggested the request be discussed during the budget process this year. The consensus of the Council was to review the request for funding during the upcoming budget process.

EMPLOYEE PERSONNEL MANUAL

Mayor Putnam noted the process to update the City employee personnel manual has been underway for some time by City Manager West and City Attorney Maher. The proposed manual will bring City policies to a current status. Jeanne Greene, from POOL-PACT Human Resources, reported that City staff did an excellent job of preparing the manual. The comments and recommendations submitted by the City Attorney have been reviewed. Maher said the better defined the procedure or policy is, the smoother any issues that arise will be handled. Greene said the manual allows for consistency when dealing with employees across all departments. Several points were discussed that require minor changes to the manual. West suggested approval of the manual presented today with the incorporation of the changes discussed. Amendments and updates to the manual can be brought to the Council for review and approval at any time. POOL/PACT provides annual updates. Putnam reminded that POOL/PACT is there to protect the City and the City pays for the knowledge and protection.

Councilman Sheen moved to adopt the proposed personnel policy manual with incorporation of changes as discussed. Motion carried unanimously. Resolution Number 2012-02.

PROFESSIONAL AUDIT SERVICES

Andree Rose and Mike Nelson, Certified Public Accountants with Drake Rose & Associates, LLC, presented a proposal to provide professional services for the City's annual financial audit. Rose provided information about the company's staff and their commitment to provide the same services as those provided the City by Kafoury, Armstrong & Company. Mayor Putnam reviewed the proposal which provides for the financial and compliance audits for fiscal years 2012, 2013, and 2014. The compliance audit is associated with a single audit requirement, if necessary, to deal with grant funding and reporting that exceeds \$500,000 annually. Councilman Stone said Rose and her team have done an exceptional job over the years; it will be the same personnel, only now the firm is locally owned and operated. Councilman Cain agreed, adding that Kafoury, Armstrong & Company did a great job, but the personnel who provided the audit are no longer with Kafoury, Armstrong & Company. Councilman Sheen agreed. Putnam said it is good to utilize local professionals when possible. Putnam noted a meeting was held by the Mayor, City Manager West and City Clerk Davis with Kafoury, Armstrong & Company and they proposed to continue to provide audit services, but they will not have any local persons working on City audits; the services will be provided by the Fallon or Reno offices. Councilman Stone moved to approve the three (3) year proposal from Drake, Rose and Associates, LLC for the annual financial audit professional services for fiscal years ending June 30, 2012, June 30, 2013 and June 30, 2014 at the costs specified in the proposal. Motion carried unanimously.

NV ENERGY BILLS

City Clerk Davis reported that starting on January 1, 2012 the Public Utilities Commission (PUC) had given authority to utility companies to collect a deposit on each account that has late penalties posted on the account. The deposit can be equivalent to a two month bill average. As an example, the City's monthly NV Energy expenditures reach an average of \$60,000-\$65,000 each month, and are higher during the summer months, so the required deposit could amount to over \$120,000. The City occasionally experiences late payments due to invoices arriving late by mail, or the approval for those bills on a bi-weekly basis by the City Council not coinciding with the invoice due dates. NV Energy offers several options to avoid the deposit requirement: a certificate of deposit (CD) can be established in the amount of the two-month average billing; a surety bond can be purchased; or, utility payments can be directly withdrawn from the City checking account on invoice due dates, with email notification and copies of the invoices provided by NV Energy. Staff recommends the automatic withdrawal option. Councilman Brooks moved to direct the City Clerk to enroll in the ACH direct pay option that deducts the utility bills on their due dates from the City general checking account with the City Clerk reporting to the City Manager and City Council. Motion carried unanimously.

GOLF PRO PROFESSIONAL SERVICES

Mayor Putnam thanked the committee that reviewed the proposals submitted for golf professional services. Nine (9) applications were received prior to the closing date. The top three (3) were selected and interviewed on January 23. The committee recommends the approval of Rick Longhurst for the golf pro position. Councilman Billingsley reviewed the process followed by the committee leading them to their recommendation. Councilman Stone added he could have settled with any one of the three individuals that were interviewed.

Putnam said Longhurst was chosen because of his long tenure with the Ruby Mountain Golf Course in Elko. Longhurst is a Class A4 PGA professional and has trained people to reach the Class A1 professional status through the PGA apprentice program and is ready to get to work. Stone reiterated that Longhurst has the ability to train his replacement when that time arrives. Councilman Cain said it meant a lot to have the committee unanimously recommend Longhurst for the position. City Manager West referred to the draft contract provided with the Request for Proposals, suggesting that some minor adjustments may be necessary during the negotiation process with Longhurst. Putnam said a commitment was needed to negotiate the contract with Longhurst. Stone added he was comfortable with the Mayor, City Manager and City Attorney handling the negotiations, then reporting to the Council for final approval. Billingsley said he would like to participate in order to see how the process works. Councilman Cain moved to authorize the Mayor and staff to move forward with the golf professional contract negotiations with Longhurst. Motion carried unanimously.

HASKELL STREET MILITARY BANNER POLICY

Mayor Putnam said requests to hang military banners on Haskell Street continue to be received, but all the poles have banners, despite the hospital relinquishing the poles they originally hung banners on. Local veteran's advocate Anita Paquette suggested that banners for veterans could hang at the Veteran's Memorial Park on Highway 95 North, which would allow for more poles on Haskell Street to hang banners for active military personnel and those killed in action. City Manager West said the City will have to come up with a method to display the banners at Veteran's Park, taking into consideration the high winds that blow in that area. Councilmen Billingsley and Cain offered their services to come up with ideas. Councilman Stone suggested that additional sites around the community could be considered, such as the River Park, the Events Center, or even rotating the banners. Putnam added she prefers the Veteran's Park because the public has the best ability to view the banners there. Putnam directed the committee (Councilmen Billingsley and Cain, City Manager West and Anita Paquette) to come up with alternatives and ideas to hang the banners.

REMOVAL OF DEED RESTRICTIONS / WINN HOLDINGS NEVADA LLC

Mayor Putnam noted that when Winn Holdings Nevada LLC (dba Carry-On Trailers) procured property from the City for their business located at the Airport Industrial Park, a reversionary interest in the vesting deed was included by the City to ensure the construction of a 120,000 square foot building within two (2) years of transfer of the property. The requirement has been met. City Attorney Maher explained that Carry-On Trailers has complied with all the deed conditions, and they are requesting removal of the conditions to allow them to acquire new financing using the property as security. Maher provided a proposed quitclaim deed for signing by the City which acknowledges compliance with the deed conditions and provides for release-termination of reversionary interest condition affecting the property. Councilman Stone moved to authorize Mayor Putnam to sign the quitclaim deed to acknowledge satisfaction of the deed conditions requiring construction of a building within two years of conveyance and release-termination of reversionary interest in property located at 5300 Westmoreland Road, APN 013-282-04, Winn Holdings Nevada LLC (dba Carry-On Trailers). Motion carried unanimously. Resolution Number 2012-03.

SUBORDINATION-RELEASE OF CITY LIEN / WINN HOLDINGS NEVADA, LLC

City Attorney Maher explained that pursuant to the City job incentive creation policy, Winn Holdings Nevada, LLC had agreed that the \$105,000 purchase price for the property located at

5300 Westmoreland Road (identical to the property discussed in the preceding agenda item) was to be offset by an amount equal to \$1,050 per each qualifying job created by the business. Winn Holdings Nevada, LLC has now refinanced their business loans through Wells Fargo Bank, and the bank is requesting that the City lien be subordinated to the new Wells Fargo lien (the City lien was previously subordinated to the lender holding such financing prior to Wells Fargo Bank). Maher said the Small Business Development Center advised there have been 80 plus employees at the facility since production status was reached, and the wage requirements of the job creation incentive policy have been met by the jobs created. The company has attempted to provide more jobs, but has found it difficult to recruit and find housing for employees. Mayor Putnam said the downturn in the national economy has also had a direct impact to the business. Carry-On attempted to meet every requirement of the policy. Councilmen Cain and Stone believe Carry-On has tried to meet the policy conditions and are not opposed to forgiving any shortcomings associated with not meeting the policy requirements; however, they question if that may affect the viability of the policy. Carry-On is in a position to assist the City in recruiting other businesses to the airport industrial park and they should be commended for what they have accomplished. Maher said the City needs to decide if they want to leave the property encumbrance in place and continue with another subordination, or if they want to assign a value on the jobs that have been created per the policy and come up with a payment balance due which must be paid to satisfy the City promissory note and encumbrance, or if they want to determine that the policy conditions have been substantially satisfied and deem the note paid in full and release the encumbrance. Carry-On is the only company so far that has used the incentive policy. Putnam said the City goal should be to stimulate businesses and help them succeed; nothing will be accomplished by requiring Carry-On to pay for a small portion of the original property value at this point in time. The consensus of the Council was that Winn Holdings Nevada LLC (dba Carry-On Trailers) has met their obligation. Councilman Sheen moved to release the City lien affecting the property purchased from the City located at 5300 Westmoreland Road, APN 013-282-04, on behalf of Winn Holdings Nevada LLC. Motion carried unanimously. Resolution Number 2012-04.

STAFF / COUNCIL REPORTS

City Manager West distributed an updated Airport planning map which will be used for promotion of the next phase of the industrial park and access and utilities planning. It is a good document to show potential economic development clients. Staff is continuing to work with the GSA on the National Weather Service property acquisition. Work continues on the airport water system sale and documents, and the transaction is close to conclusion. The budget process has begun with staff, and the personnel evaluations are completed.

Councilman Stone reported he, Police Chief Silva and Police Captain Dalley met with the Run-A-Mucca group to discuss possible gang activity associated with the Memorial Day weekend event. The Chief said there are concerns, especially in the aftermath of the shootings in Sparks this past year.

Councilman Cain said the urban pond project is moving forward and will be discussed during the first County Commission meeting in February.

Councilman Sheen reported the Assessor's office explained to the Landfill Committee that they are experiencing problems with the landfill haulers as neither is updating their reports for the commercial accounts. A strongly worded letter will be prepared and sent to the haulers encouraging them to follow the procedure. The WCVA discussed the conceptual design of the Melarkey/Winnemucca Blvd. intersection enhancement project. Security cameras are being

installed in the East Hall and West Hall for an estimated cost of \$15,000. The covered practice arena at the fairgrounds experienced wind damage and the costs to bring it up to code are being researched. The WCVA budgeted \$10,000 for payment to the City for special event security costs. The Tri-County Fair plans to bring in a big name entertainer this year. Tickets will range from \$35-\$75 each. The event must sell over 2,000 tickets to break even. Discussions are taking place concerning the construction of an addition to the west end of the Indoor Events Center to include a kitchen, small meeting room and bar. The space could encompass 3,672 square feet, and could be rented separately from the larger facility.

Mayor Putnam forwarded the Youth Award applications to Councilmen Brooks and Stone. The Mayor will attend a Mayor's Round Table discussion in Reno on February 2. Mayors from around the state will be in attendance. The design for the City advertisement in the Visitor's Guide was presented. Parking on Bridge Street remains a problem when the mines hold MSHA and safety training classes at the Convention Center. Ways to alleviate the problem must be considered so that businesses on that portion of Bridge Street are minimally affected. Sheen said the only way to alleviate the problem is by enforcement of the 2-hour parking. West noted that when the parking restriction was previously enforced, the businesses complained about it.

PUBLIC / PERSONAL COMMUNICATION / CORRESPONDENCE:

There were no public or personal communications or correspondence.

Mayor Putnam adjourned the meeting at 4:02 p.m. until the next meeting on February 7, 2012.

Respectfully submitted,

Eddy D. Davis
City Clerk

PASSED AND ADOPTED: February 7, 2012

VOTE OF COUNCIL:

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

APPROVED:

ATTEST:

Di An Putnam
Mayor

Eddy D. Davis
City Clerk