

**CITY COUNCIL MINUTES  
SPECIAL MEETING – PLANNING SESSION / BUDGET WORKSHOP  
MARCH 30, 2021**

The Winnemucca City Council met in special session on Tuesday March 30, 2021, at 9:00 a.m. in the City Hall meeting room which had restricted public access due to the Nevada Executive Department Directives; the meeting was accessible via teleconference and videoconference. Present (in the meeting room): Mayor Richard Stone; Council members Mike Owens, Theresa Mavity, Vince Mendiola, Jim Billingsley and Pam Coats; City Manager Alicia Heiser and City Clerk John Millard. Present via videoconference or teleconference: City Attorney Kent Maher.

**CALL TO ORDER:**

Mayor Stone called the meeting to order at 9:00 a.m.

**PUBLIC COMMENT - PERSONAL COMMUNICATION - CORRESPONDENCE:**

There were no public comments or personal communication or correspondence.

**BUSINESS ITEMS:**

**FISCAL YEAR 2021-2022 PLANNING SESSION**

City Manager Heiser reviewed the proposed 2021 City of Winnemucca goals and proposed the following for continued collaboration and support:

**Economic Development**

- Working with the WCVA on tourism projects and the HDA and County on housing and workforce development.
- Working with the County, WCVA, Hospital, School District, Boys and Girls Club and NDOT on cooperative local projects.
- Supporting downtown redevelopment-improvement efforts.
- Working with the HDA and County on diversifying economic base by attracting new businesses.
- Retaining and expanding existing businesses.
- Bringing better and more broadband options to the City.
- Improving the City website including additional links to encourage economic development.
- Improving the airport industrial park infrastructure by creating an airport fund in the budget and adding to the fund for this purpose.
- Lobbying for the selection of the I-11 route option that includes Winnemucca.

**Quality of Life Issues**

- Working on enhancement-beautification projects.
- Working towards the completion of the Recreation Complex.
- Expanding and beautifying the cemetery (trees, landscaping and irrigation).
- Maintaining and beautifying the parks and recreation facilities.
- Exploring options for a new aquatics center and possible funding mechanisms.
- Supporting efforts of HDA subcommittees and citizen committees on quality of life projects.

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### **Federal and State Mandates**

- Monitoring and resisting unfunded federal mandates such as expansion of the requirements of the Clean Water Act, Safe Drinking Water Act, etc.
- Encouraging the release of federal lands to local entities for economic development purposes.
- Resisting the federal government efforts to further restrict the use of federal lands by the public (e.g., sage grouse ESA listing).
- Monitoring and resisting unfunded state mandates (such as the prevailing wage law, police-fire fighter heart and lung law, retiree health insurance subsidy, property tax limits).
- Working closely with the NLC to maintain the current revenue structure (especially sales taxes and gas taxes).
- Actively oppose the passage of a margins tax on businesses by the Legislature.

### **BLM Issues**

- Working with the BLM on Mormon cricket abatement efforts.

### **Overall City Operation**

- Utilizing and expanding the shared cost agreement with Humboldt County to provide the most economical services to the public.
- Improving and maintaining overall City employee morale.
- Providing quality services to City residents while limiting expenditures as much as possible.

### **Public Safety**

- Providing the police staffing necessary to provide a safe community while maintaining budget goals.
- Financing the drug task force and maximizing drug control efforts.
- Providing modern equipment for the police and fire departments.

### **Public Works**

- Maintaining all facilities and infrastructure in a very good condition.
- Working toward construction of Well #8 to accommodate expansion on the East side of the City.
- Thoroughly reviewing variance applications and only granting those meeting the grounds authorized by City ordinance.
- Improving and expanding the storm drain system.
- Improving and expanding the water and sewer systems.
- Working toward the elimination of any remaining existing easement encroachments and increasing accessibility to the existing easements wherever possible.

### **Major Project Status Report**

#### **Recently Completed Projects:**

- Well #8 test well
- Alley sewer project
- Second Street storm drain project
- Railroad Spring pipeline
- Kluncy Canyon chip seal

- Water tank inspections and cleaning

Projects for Construction:

- West Side curb and gutter project
- Aquatic center feasibility study

Projects in Design Phase:

- West Fourth Street water main replacement project
- Alley sewer and water main replacement project (Orangeburg piping - Minor to Highland)
- East Side curb and gutter project
- Hardgrave Lane construction
- Water tank painting
- Community Garden master plan
- Urban pond

Short Term Priority Projects:

- Recreation Complex – courts, amphitheater, landscaping
- Well #8 connection to system, pump installation, and pump house construction
- Highland-Water Canyon-Hanson round-a-bout
- Water and Sewer – Stuart/Paiute/Two Angel, Ada Vista, etc.

Long Term Priority Projects:

- Storm Drain master plan
- Aquatics center
- Airport Industrial Park Phase II access right of way and utility extensions
- 18-Hole golf course with new club house
- GV Road/Construction Way sewer main/pump station project
- GV Road/Construction Way loop road project (w/ railroad crossing)
- Community Arts Center

**FISCAL YEAR 2021-2022 BUDGET WORKSHOP**

**FY 2022 Budget Goals**

- No property tax increase
- Maintain the general fund balance at 65% (min.) of expenditures.
- Maintain expenditure levels as much as possible without negatively impacting services to the public.
- Maintain low rates for charges and fees (as budget allows).
- Continue to maintain all facilities and infrastructure in a very good condition.
- Continue to make economic development a high priority.
- Utilize RTC gas and diesel tax funds and as much of other gas tax revenues for street maintenance projects as possible.
- Maintain reserve accounts to provide funding for future large capital projects.
- Pay off the sewer fund loan as soon as possible.
- Identify possible funding source(s) for pools-recreation. Consider whether proposing a recreation tax ballot question is something to be attempted again.

**Budget Notes**

- The City receives no share of the Net Proceeds revenues.
- The State Legislature’s actions often result in unfunded mandates to local governments.
- The City revenues have exceeded expenditures the last two years, but prior to that there were several years where expenditures exceeded revenues.
- The City primary source of revenue is the state sales tax (approx. 40% of general fund revenue).
- Sales tax from internet sales are now distributed locally which has had a positive impact on CTX revenue.
- The City gas, and now diesel, tax is a flat revenue because it is collected on a price-per-gallon basis.
- The City is constantly being forced to comply with federal unfunded mandates.
- The Boys and Girls Club has proposed a significant increase in the cost of services that they are providing to the City under contract. For the purposes of budget development, the costs of the proposed contract have been included in the budget. However, the City Council is considering whether it may be more cost effective for the City to allow the current contract to lapse and hire additional City employees to perform the work. If the City does elect to hire additional personnel, the costs of doing so will be adjusted accordingly.

**BUDGET RECAP / DEPARTMENTAL REVIEWS**

**Salary Table**

The salary table reflects an across-the-board 2.5% Cost of Living Adjustment (COLA) in accordance with the negotiated collective bargaining agreements, which shows up as a slight increase in all areas of the budget where salaries are a factor. The table also reflects the addition of an Administrative Support II position, which is a new position approved by the City Council within the police department whose major duties will be to act as the evidence technician and records specialist. Also of note is that within the public works department, staff is proposing two different grades of water-sewer specialists due to the varying certification requirements for sewer plant and water system operators.

**Overall Budget**

The proposed FY22 budget summary is organized into three columns. Column One represents amounts in the FY21 budget as approved by Council. Column Two represents the Staff’s current estimate of what the FY21 budget will look like on June 30, 2021. Column Three represents the budget that Staff recommends for adoption by the Council on July 1, 2021 for FY22. In broad terms, the City received more in revenues than was budgeted and had more expenditures than was budgeted. The tentative budget projects more revenues than budgeted in FY21, but slightly less than projected to be received in FY21, and more expenditures than budgeted and projected to be expended in FY21.

<b>PROPOSED FY22 BUDGET SUMMARY</b>			
	<b>FY-21 Budget</b>	<b>FY-21 Estimate</b>	<b>FY-22 Proposed</b>
<b>Revenues</b>	\$27,230,394	\$33,134,077	\$29,586,317
<b>Expenditures</b>	\$16,761,471	\$17,670,332	\$18,083,516
<b>Difference</b>	\$10,468,923	\$15,463,745	\$11,502,801

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**City Council**

Very small increase due to the 2% COLA adjustment in accordance with Ordinance 733. The City does not contribute to PERS for Mayor Stone or Council members Billingsley, Mendiola and Coats. The City does not contribute to health insurance coverage for Councilman Billingsley.

**City Clerk**

A moderate increase in operating expenses due to system upgrades. In addition to the Clerk-Treasurer, there are three full-time employees in the City Clerk's office.

**City Manager**

A slight increase in operating costs due to the number of software licenses required. There is only one full time employee in the City Manager's office.

**Administration**

Moderate increases due to: higher insurance premiums, audit costs and additional agreed cost share amount for economic development. Contributions are down this year and include: \$5,000 Humboldt River Water Basin Authority; \$2,500 Lowry High School Graduation; \$2,500 Shooting Range; \$8,300 RSVP; \$5,000 Suicide Prevention Program; and, \$1,000 Wellness Program. There are no employees in the administration department.

**Police Department**

The police department is currently fully staffed, including the new Admin Support II position. Moderate increase in the cost of communications due to the installation of a new city-wide internet backbone. Moderate increases in maintenance and repair contracts and a significant increase in criminal investigations due to a new rate structure imposed by the Washoe County Crime Lab. Significant increase in site improvements due to planned HVAC upgrades in the evidence vault. Significant decrease in the amounts for equipment replacement and equipment additions because of previous investments in new equipment.

**Building Inspector**

A slight increase in salary due to COLA and merit adjustment.

**Fire Department**

Moderate increases in both minor and major equipment additions as the department seeks to finalize PPE modernization.

**City Attorney**

A normal COLA and moderate increase in health insurance cost.

**Street Department**

Moderate increases in the costs of professional services and street sign maintenance due to increases in the cost of materials and services. Moderate increases in traffic signal maintenance due to increased materials costs. A slight reduction in heavy equipment repair costs and a moderate increase in the cost of equipment replacement as some current equipment has reached the end of its useful life. There are four full-time and two temp employees on staff within the street department. Two additional temp employees will be brought on for three months during the summer to assist with street repairs.

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### **Airport**

Staff recommends establishing a new airport fund for the purpose of segregating airport expenses from the general fund. Revenues and expenditures will be the same regardless of which account the fund is placed. A slight increase in operational costs and moderate increases in site improvements and bulk materials to effect repairs is expected with a greater emphasis on an economic development strategy focused on the airport. There is one part-time NavAid technician at the airport.

### **Cemetery**

There is a moderate increase in operational expenditures and a substantial increase in equipment additions due to the acquisition of a pick-up. The Cemetery has one full-time employee and one temp.

### **Public Buildings**

Very slight increase operating expenses. Public buildings shares one full-time employee with animal control.

### **Parks**

There are three full-time and three temporary employees in the parks department. There is a slight increase in the overall parks budget, including the cost of a new (used) pick-up truck. Moderate increases in maintenance costs due to the age of the equipment. Moderate decrease in site improvements will still allow for new sun shades at the sports complex; additional trees; replacement tables, grills, and benches; and sand, edging and concrete work at Vesco and Highland parks.

### **Golf Course**

The golf course has two full time employees and two temporary employees. Moderate increases in equipment maintenance due to the age of the equipment, and a moderate increase in equipment replacement costs to acquire a mower lift and sod cutter.

### **Pool**

A significant increase in the proposed cost of the Boys and Girls Club service agreement. The City commissioned a feasibility study in 2020 in order to better understand the needs of refurbishing the pool and building and that study has not yet been completed. However, it is known that the building needs a new boiler and there are at least \$14,500 in known concrete work that must be performed and those costs are included in this budget.

### **Recreation**

The increased cost of the Boys and Girls Club service agreement is reflected in this budget and will be reduced if the agreement is discontinued and the City hires its own employees to perform the recreation function. All other costs remain flat.

### **Sewer Department**

The sewer department has three full time employees and shares a foreman with the water department. A substantial decrease in the amount of outside repairs is expected, but will be offset by slight increases in operating costs, particularly professional services and chemical supply. A significant increase in equipment replacement is due to the need to replace one of three pumps at the IPS that is no longer repairable, and to replace two mixers at the treatment

plant. The Orangeburg alley project and the Monroe/Garrison/Pavillion/Aiken projects are expected to be completed in FY22.

### **Water Department**

The water department has three full time employees and shares a foreman with the sewer department. The water department also is projecting a lesser number of outside repairs, but is experiencing higher internal maintenance costs due to the aging equipment on hand. A significant increase in maintenance costs for the backhoe is expected, along with a fire hydrant replacement program for the oldest hydrants.

### **Capital Improvement**

Aside from the projects funded from the sewer and water funds, additional capital improvements planned for FY22 are: General Aviation concrete hardstand replacement (\$1.1 million); Airport snow removal equipment (\$175,000); Airport heavy ramp (design only) (\$160,000); Annual storm drain project (\$25,000); Fencing at Vesco Park (\$6,000), Golf Course (\$21,500); and, Recreation Complex (fencing, amphitheater, lights, etc.) (\$600,000). The airport projects will be executed with grant monies from the Federal Aviation Administration with small matching contributions from the City and County. Also included is a possible broadband project in the approximate amount of \$200,000.

### **CITY/COUNTY SHARED COST AGREEMENT**

The following are the percentages for the shared net costs between the City and County:

Planning – City share 25%  
Dispatch – City share 30%  
Airport – County share 50%  
Cemetery – County share 25%  
Parks – County share 40%  
Golf Course – County share 40%  
Swimming Pools – County share 40%  
Recreation – County share 40%  
Animal Control – County share 50%  
Spay-Neuter – County share 50%  
Building Inspector – City share 35%  
Insect Program – County share 50%

### **PUBLIC COMMENT:**

There were no comments from the public.

Mayor Stone adjourned the meeting at 12:39 p.m.

Respectfully submitted,

John Millard  
City Clerk

**PASSED AND ADOPTED:** April 6, 2021

**VOTE OF COUNCIL:**

**AYES:** Owens, Mavity, Mendiola, Billingsley, Coats  
**NAYS:** \_\_\_\_\_  
**ABSTAIN:** \_\_\_\_\_  
**ABSENT:** \_\_\_\_\_

**APPROVED:**

**ATTEST:**

\_\_\_\_\_  
Richard Stone  
Mayor

\_\_\_\_\_  
John Millard  
City Clerk