

**MINUTES OF THE  
FERNLEY CITY COUNCIL MEETING**

**August 3, 2011**

Mayor LeRoy Goodman called the meeting to order at 5:00pm at Fernley City Hall, 595 Silver Lace Blvd, Fernley, NV.

**1. ROLL CALL**

**Present:** Councilman Curt Chaffin, Councilman Cal Eilrich, Councilman Roy Edgington, Councilwoman Kelly Malloy, Councilman Parsons, City Treasurer/Finance Director Mel Drown (Not voting), City Engineer Shari Whalen (not voting), Interim City Manager/Community Development Director Fred Turnier (Not voting), City Clerk Lena Shumway (Not voting).

**Absent:** City Attorney Brandi Jensen (Not voting)

**2. APPROVAL OF THE AGENDA.**

Interim City Manager Fred Turnier stated there were no changes to the agenda. **Motion:** MOVE TO APPROVE THE AGENDA AS PRESENTED **Action:** Approve, **Moved by** Councilman Chaffin, **Seconded by** Councilman Edgington. **Vote:** Motion carried by unanimous roll call vote (summary: Yes = 5). **Yes:** Councilman Chaffin, Councilman Edgington, Councilman Eilrich, Councilman Parsons, Councilwoman Malloy.

**3. PUBLIC INPUT.**

Mrs. Darcy Adcock-Ingle, Coldwell Banker Select, relayed real estate transaction statistics for the month of July. 51 homes and 3 manufactured homes were sold of those 27 were bank owned, 10 were short sales and 14 were sold without conditions. There are 101 pending listings and 146 active listings. Inventory and sales have been steady for the last few months.

Mrs. Janice Prichard, Fernley resident, stated her objections to the art exhibit in the lobby at City Hall. She also voiced concerns with the new staff report format.

**4. PROCLAMATIONS BY THE MAYOR.**

Mayor LeRoy Goodman provided a proclamation to the XL.

**5. CONSENT AGENDA**

**A. ACCEPT VOUCHERS REPORT.**

**B. APPROVAL OF MINUTES – 07/06/2011**

**C. APPROVE MODIFICATION TO PREVIOUSLY APPROVED DESERT RESEARCH INSTITUTE CONTRACT FOR GROUNDWATER MODEL DEVELOPMENT TO ASSESS AQUIFER STORAGE AND RECOVERY (ASR) IN THE CITY OF FERNLEY.**

**D. APPROVE RECLASSIFICATION OF SEWER LATERAL MAINTENANCE WORKER TO WASTEWATER UTILITY OPERATOR IN RANGE 116 AND AMEND THE APPROVED POSITION CONTROL DOCUMENT TO REFLECT THE RECLASSIFICATION.**

**E. ACCEPTANCE OF DEDICATION RIGHT OF WAY FOR THE EXTENSION OF NEVADA PACIFIC PARKWAY.**

**{END OF CONSENT AGENDA}**

Councilman Parsons asked to remove item 5.D for discussion. **Motion:** MOVE TO APPROVE THE CONSENT AGENDA ITEMS A, B, C, AND E, **Action:** Approve, **Moved by** Councilman Edgington, **Seconded by** Councilman Parsons. **Vote:** Motion carried by unanimous roll call vote (summary: Yes = 5). **Yes:** Councilman Chaffin, Councilman Edgington, Councilman Eilrich, Councilman Parsons, Councilwoman Malloy.

**Item 5.D. was addressed after item 11.** City Engineer Shari Whalen relayed this was part of the last phase the reorganization. With the elimination and changes in positions, it was identified that the scope of the job description needed to be amended to allow the person in the position to perform collection system maintenance and only deal with sewer laterals on an on-call basis. Councilman Parsons noted the position was moving from a grade 117 to 116, he asked if the pay would be equal to the current. City Engineer Shari Whalen responded that the position was vacant, no one was being reclassified, with Council approval she would advertise the position and fill it in accordance with the Personnel Manual. She anticipated it would be a 116A. Discussion followed regarding the change in scope. In the past the position exclusively cleaned sewer laterals, this no longer worked with only two people assigned to wastewater. This change was an expansion to the scope of work. **Motion:** MOVE TO APPROVE THE RECLASSIFICATION OF SEWER LATERAL MAINTENANCE WORKER POSITION TO WASTEWATER UTILITY OPERATOR IN RANGE 116 AND AMEND THE APPROVED POSITION CONTROL DOCUMENT TO REFLECT THE RECLASSIFICATION, **Action:** Approve, **Moved by** Councilman Chaffin, **Seconded by** Councilman Eilrich. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Chaffin, Councilman Edgington, Councilman Eilrich, Councilman Parsons, Councilwoman Malloy. **Item 12 was addressed next.**

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## **6. PRESENTATION AND DISCUSSION REGARDING PATUA GEOTHERMAL EXPLORATION PROJECT.**

Mrs. Terry Knutsen, Field Manager for Carson City Bureau of Land Management (BLM) District, provided an overview of the geothermal program. Since 2008 a total of 235 parcels of BLM land had been sold competitively in Nevada, generating \$40 million. Of those proceeds, half is designated for the State. A quarter percentage goes to the county in which the parcel was sold. Currently Churchill County had the most geothermal locations in the United States. She explained BLM was in the middle of an Environmental Assessment for the property in which the Patua project was located. They were looking for public comments regarding the project for the assessment.

Mr. Jason Hefner, Gradient Resources, updated the Council on Phase II of the Patua Geothermal Project (Attachment 1). The project was located seven miles east of Fernley and was directly on the Lyon/Churchill County line. Since BLM manages the subsurface geothermal resources they perform the Environmental Assessment with the National Environmental Protection Agency (NEPA). Mr. Hefner explained how a binary system generates geothermal power and that exploration for the project had been going on for many years. With the information they gathered in the exploration phase, they were able to conclude that the resources were capable of supporting a 60 megawatt (MW) power plant. Mr. Hefner relayed they had identified another resource in the area that was likely capable of sustaining another 60 MW power plant. The Phase I power plant would begin construction this month. He closed his presentation by showing the site maps and the locations of the projected plants, well fields, and pipelines. They were planning on submitting their application for a Special Use Permit (SUP) for the second power plant soon.

Councilman Parsons asked if there were any planned improvements for Desert Shadows or the Canal road as they were going to be used for access. Mr. Hefner replied they had no plans to improve the road at this point. They will make gravel improvements if needed for their trucks to be able to access it, they would water the road as needed. Councilman Parsons asked if the easements had been acquired yet or permission to use the easements had been granted. He thought the SUP should require them to grade the road and water it on a regular basis or as necessary. Councilman Eilrich said 60 MW was a significant amount of energy. One MW was enough to power 1000 homes. Mayor Goodman asked where the project would be accessing the grid. Mr. Hefner said it was planned for the Eagle substation in the Industrial Park, those

connections were part of Phase I. Mayor Goodman encouraged the applicant to place Phase II in Lyon County and the City of Fernley as Fernley was seeing little benefit from development of Phase I and its required infrastructure. Mayor Goodman asked if royalties had to be paid on geothermal wells. Mr. Hefner affirmed they had to pay royalties to the party they leased the property from, in this case BLM and the private land owners.

Interim City Manager Turnier explained that this hearing was for BLM to solicit comments be used in the Environmental Assessment and NEPA reports. He pointed out the first plant was located in unincorporated Churchill County. The two options for Phase II were again in unincorporated Churchill County or within the City of Fernley. He said there was a big difference in relation to taxes and impacts on development between the two entities. Most of the development impacts were coming from the west, in the City of Fernley. If the Council had a preference, it should be recognized so that BLM could include it as part of their scoping process. From a tax standpoint if the plant was located in the City of Fernley, they would be able to recover some of the costs of the development impacts.

## **7. DISCUSSION AND POSSIBLE APPROVAL OF RESOLUTION #2011-010 PROVIDING FOR THE TRANSFER OF THE CITY'S 2011 PRIVATE ACTIVITY BOND CAP TO THE NEVADA RURAL HOUSING AUTHORITY; AND OTHER MATTERS RELATED THERETO.**

Interim City Manager Fred Turnier explained this item was to approve a transfer of the City's private activity bond cap to the Nevada Rural Housing Authority (NRHA). NRHA provided mortgage assistance for residents in rural Nevada in the form of down payment grants and Federal income tax savings. Mayor Goodman added that this had historically been approved in the past. The City's portion goes into a large pot with portions from other jurisdictions. **Motion:** MOVE TO APPROVE RESOLUTION #2011-010 PROVIDING FOR THE TRANSFER OF THE CITY'S 2011 PRIVATE ACTIVITY BOND CAP TO THE NEVADA RURAL HOUSING AUTHORITY PURSUANT TO THE NEVADA ADMINISTRATIVE CODE SECTION 348A.180 FOR THE PURPOSE OF PROVIDING A MEANS OF FINANCING THE COST OF SINGLE FAMILY RESIDENTIAL HOUSING THAT WILL PROVIDE DECENT, SAFE, AND SANITARY DWELLINGS AT AFFORDABLE PRICES FOR PERSONS OF LOW AND MODERATE INCOME THROUGH THE *HOME AT LAST* PROGRAM; AND AUTHORIZE THE MAYOR AND CITY CLERK TO EXECUTE THE RESOLUTION. **Action:** Approve, **Moved by** Councilman Chaffin, **Seconded by** Councilman Edgington. **Vote:** Motion carried by unanimous roll call vote

(summary: Yes = 5). **Yes:** Councilman Chaffin, Councilman Edgington, Councilman Eilrich, Councilman Parsons, Councilwoman Malloy.

#### **8. PRESENTATION AND POSSIBLE APPROVAL OF THE COMMUNITY WORK EXPERIENCE PROGRAM (CWEP).**

City Clerk Lena Shumway said the City was contacted by the State because residents of Fernley were enrolling in the program, but the State didn't have a government or non-profit agency in Fernley to place them with. Thus the State was paying for mileage to and from Reno in addition to other expenses such as childcare costs. The program was for people with little work experience. It would provide individuals with an opportunity to learn basic skills and enhance their job marketability. City Clerk Shumway anticipated using the workers for basic administrative support, counter coverage, and basic maintenance tasks. Those enrolled in the program will be interviewed and placed in the department that meets their skills. The program was offered at no cost to the City. Should the Council decide to require background investigations, that would be the City's only incurred cost.

Councilman Parsons asked if the State would reimburse the City for the cost of the background investigations. City Clerk Shumway said they would not. One of the conditions for those enrolling in the program is that they do not have a criminal history. Councilman Parsons asked if the participants would be subjected to the standard drug testing. City Clerk Shumway affirmed they would be tested before starting their employment.

Councilman Chaffin said the upside was additional help for Staff; the downside was that the participants would have to be trained. This would take effort from Staff to provide oversight and training. He asked if the net gain would be to the City's advantage. City Clerk Shumway responded that Staff was really interested in obtaining individuals to assist in basic maintenance duties i.e. cleaning bathrooms, assisting in the parks. Volunteers are often used for tasks that require minimal training such as filing and basic office tasks. Councilman Edgington asked about the timeframe. City Clerk Shumway said the timeframe would be determined by the State, she thought the participants would be evaluated once a year or every six months. The City would have to provide an evaluation to the State on a monthly basis on the participants' performance. Councilman Edgington felt they should be treated like employees and abide by the same policies and procedures. City Clerk Shumway said they would, should a person not show up, not perform, or act appropriately they could be terminated by the City.

**Motion:** MOVE TO APPROVE THE CITY OF FERNLEY'S PARTICIPATION IN THE COMMUNITY WORK EXPERIENCE PROGRAM AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE COMMUNITY WORK EXPERIENCE AGREEMENT, **Action:** Approve, **Moved by** Councilman Chaffin, **Seconded by** Councilman Edgington. **Vote:** Motion carried by unanimous roll call vote (summary: Yes = 5). **Yes:** Councilman Chaffin, Councilman Edgington, Councilman Eilrich, Councilman Parsons, Councilwoman Malloy.

**9. DISCUSSION REGARDING CONTINUING YOUTH CITY COUNCIL PROGRAM AND PROVIDING NECESSARY ADMINISTRATIVE SUPPORT IF REQUIRED (PER COUNCILWOMAN MALLOY'S REQUEST).**

Councilwoman Malloy showed a video and briefed the Council on the history of the Youth City Council (YCC) and outlined how it would operate (Attachment 2). She would serve as the facilitator. Staff's involvement would include scheduling meetings in the Council Chambers.

Councilman Eilrich thanked Councilwoman Malloy for the Staff report and expressed his support of the YCC. He appreciated Councilwoman Malloy volunteering to facilitate the program as the Council just eliminated two Boards due to lack of staffing. Councilwoman Malloy said the YCC would be required to do their own fundraising for use in their budgets. They will not be asking the City for any funds light of the current economic situation. Councilman Chaffin asked if Councilwoman Malloy would have time available to allocate to the program. Councilwoman Malloy said she would, two of her children had shown interest in the program. They would meet once or twice a month. Councilman Chaffin said he too had been involved with the previous YCC and thought it was a good opportunity. He hoped to reestablish some of the connections with the Reno YCC. But he didn't want to see a lot of Staff time being put into it, as they had been reduced as much as possible.

Mr. Keith Penner, Fernley resident, said it was an outstanding, valuable program for the youth in the community. There are costs that he did not see in Staff report such as liability insurance for transportation or off-site activities, background checks for facilitators, worker's compensation expenses, operating costs, and incidental costs associated with various activities. Staff time would be required to provide training for use of the Council Chambers. He previously had been involved in the program, as a former employee of the City, and said he spent hundreds of hours in support of the YCC and its many volunteer activities.

Mayor Goodman too had concerns about liability insurance and background investigations for group facilitators and volunteers. He stated that the report came in late and wanted it noted that it had not been reviewed by Interim City Manager Fred Turnier or City Attorney Brandi Jensen. Councilwoman Malloy said background checks are a must. Mayor Goodman wanted it known that the City would not be paying for background checks. Councilwoman didn't anticipate the use of any additional volunteers for the time being and the YCC would not be going anywhere until they had the budget to do so. Councilman Parsons thought those volunteering to assist would be willing to pay for their own background check. His only concern was liability when the kids are being transported. He thought the YCC should acquire their own insurance. It needed to be understood that no money or support would be coming from the City. Councilman Edgington asked to table this item until more information regarding insurance could be provided. Councilman Chaffin said he was comfortable voting on the item as long as the motion was clear that there would be no cost to the City. Councilwoman Malloy asked that action be taken as school was starting soon and she would like to participate in the recruitment orientation. She also wanted to meet with the principal at Fernley High School, but needed to have support before asking for assistance from him. Mayor Goodman noted the agenda item said "discussion" only, he didn't know if action could be taken. Councilman Eilrich stated that at the top of the agenda it is stated that action can be taken unless noted. He didn't foresee an issue.

Mrs. Janice Prichard, Fernley resident, said any child participating in the program should have the support of their parents, including financial support. She asked if the group would be subject to Open Meeting Law Requirements. Councilwoman Malloy said they were not in the past.

**Motion:** MOVE TO APPROVE THIS WITH THE STIPULATION THAT OPEN MEETING LAWS ARE INVESTIGATED TO MAKE SURE THE KIDS CAN HAVE THEIR MEETINGS WITHOUT VIOLATING ANY STATE LAWS AND WITH THE STIPULATION THAT THE INSURANCE IS PROVIDED TO INDEMNIFY THE CITY OF FERNLEY FROM ANY LIABILITY WHATSOEVER,

**Action:** Approve, **Moved by** Councilman Parsons, **Seconded by** Councilman Eilrich. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Chaffin, Councilman Edgington, Councilman Eilrich, Councilman Parsons, Councilwoman Malloy. Interim City Manager Fred Turnier said Staff would follow up with a memo regarding the issues with insurance and Open Meeting Law.

**10. DISCUSSION AND POSSIBLE ACTION REGARDING THE TCID SPECIAL ELECTION IN AUGUST; INCLUDING, BUT NOT LIMITED TO, APPOINTMENT OF A REPRESENTATIVE TO VOTE; DETERMINATION OF VOTING POLICY; DISCUSSION OF VOTING ELIGIBILITY OF THE CITY AND OTHER GOVERNMENTAL ENTITIES; AND OTHER MATTERS PROPERLY RELATED THERETO.**

Mayor Goodman said an opinion had been provided by the region Solicitor General indicating that the City of Fernley is not eligible to vote in the election. Interim City Manager Fred Turnier said subsequent to the submittal of the Staff report additional information was received from the Truckee Carson Irrigation District (TCID) regarding the City's voting rights. A memo was provided to the Council earlier in the afternoon.

Councilman Edgington had attended the TCID meeting about the upcoming election held in earlier in the week. TCID felt they have sufficient funds at the current rates to support a \$5 million bond. The money would be used for repairs to the Truckee Canal outtakes in Fernley. He had spent several hours with the local Ditch Rider who explained how difficult was to get water to some users. Making these repairs might satisfy the Bureau of Reclamation (BOR) requirements and result in higher water flow allowance in the Canal. He felt it was important to pass the bond initiative in order to get the needed repairs done as the Canal was very important for recharge.

Mr. Dave Stix, Jr., TCID Board Member, thought it was important to have the City's input even if the City couldn't vote. The election would be held on Tuesday, August 16<sup>th</sup>. Once election is canvassed, it has to go to District Court for final approval. It was TCID's position to allow everyone to vote, but hold the government entities aside and let the District Judge decide whether or not they should be counted. He asked for formal action to show the Council's support of the bond.

Discussion followed regarding how voters are identified and how the number of votes per voter is being calculated. Councilman Eilrich stated his support of the bond measure, it was important to the community. Interim City Manager Turnier said he just received information that may change the City's viewpoint on the memo that was provided. From a precautionary standpoint, the City may want to identify a designee to serve on behalf of the City to vote in case the voting opportunity does materialize. **Motion:** MOVE TO APPROVE THE APPOINTMENT OF CAL EILRICH AND ROY EDGINGTON AS AN ALTERNATIVE TO SERVE AS REPRESENTATIVES TO VOTE ON BEHALF OF THE CITY FERNLEY AT THE AUGUST 16<sup>TH</sup> 2011 TCID SPECIAL ELECTION TO VOTE. **Action:** Approve, **Moved by** Councilman Parsons, **Seconded by**



Councilman Chaffin. Mayor Goodman asked Staff to look into any issue that may arise as Councilman Eilrich has water rights and is already voting on his own behalf. Interim City Manager Turnier asked for clarification if the vote would be in favor or opposed to. Councilman Parsons replied "in favor". **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Chaffin, Councilman Edgington, Councilman Eilrich, Councilman Parsons, Councilwoman Malloy.

**11. DISCUSSION AND POSSIBLE APPROVAL OF THE AMENDMENT TO THE MINUTES OF THE MAY 4, 2011 CITY COUNCIL MEETING WHICH WERE APPROVED ON JUNE 1, 2011; RELATIVE TO THE CORRECTION ON PAGE 19 REGARDING STATEMENT AND DISCLOSURE BY COUNCILMAN EILRICH, TO BE AMENDED TO SAY "HE ASSURED THAT HER POSITION WOULD NOT AFFECT HIS PROFESSIONAL OPINION AND MAKING A DECISION IN THE BEST INTEREST OF THE CITY".**

City Clerk Lena Shumway stated there were no changes to the Staff report. The statement had been verified with the transcripts of the meeting. It was an inadvertent mistake by Staff. Councilman Eilrich said the Council reads a lot of minutes. He missed a typo and apologized for not catching it and wanted to make it right. **Motion:** MOVE TO RECONSIDER THE MINUTES FROM MAY 4, 2011 THAT WERE APPROVED ON JUNE 1, 2011 TO APPROVE SAID MINUTES WITH THE CORRECTION ON PAGE 19 REGARDING THE STATEMENT MADE BY COUNCILMAN EILRICH AS DISCUSSED, **Action:** Approve, **Moved by** Councilman Chaffin, **Seconded by** Councilwoman Malloy. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Chaffin, Councilman Edgington, Councilman Eilrich, Councilman Parsons, Councilwoman Malloy. **Item 5.D was addressed next.**

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**12. REPORTS BY CITY STAFF, CITY COUNCIL AND MAYOR.**

City Engineer Shari Whalen reported the City of Fernley selected an appraiser for the 2010 irrigation water lease. Staff met with the Nevada Department of Transportation (NDOT) regarding issues with crosswalks, bike and pedestrian safety improvements, geometry issues in intersections, and issues with the intersection of Main Street and Logan Lane near Pilot.

Councilman Eilrich toured the Water Treatment Plant which had been online for two years. It was running very smoothly, Staff had discovered ways to cut costs. He commended the facility. Councilman Chaffin noted construction had started on Farm District Road for bicycle path improvements. Councilman Edgington encouraged attendance to the August 19<sup>th</sup> Arts and Culture Commission Summer Garden Concert Series at 6pm. Councilman Parsons asked

about redistricting. Mayor Goodman relayed Staff was waiting for information from the County Clerk. Councilman Parsons said something needs to be done about the truck parking on Mesa Drive. Efforts were needed to either stop the parking or require the improvements. Councilwoman Malloy thanked Staff involved in getting the meetings live streamed on the website. She felt it was a great communication tool for those who are not able to attend meetings.

Mayor Goodman said the Business Entrepreneur Center was getting close to opening. Western Nevada College would be conducting classes at the site via interactive video. The Truck Inn had been sold and was in the process of being demolished. A new business had purchased property in the Industrial Park and was working on improvements. He relayed that another major facility was looking at Fernley as one of their options for relocation. The company needs 100 acres and would employ 1,250 people. The City should know something by September 1. Mayor Goodman attended the Korean War Memorial dedication at the Veteran's Cemetery. It was very impressive. The City was moving forward on the acquisition of the cemetery from Lyon County. The City was in constant communication with a tax attorney related to the consolidated tax (CTAX) issue, there may be an opportunity work out an administrative solution to avoid having to file a suit in order for the City to get some relief.

### **13. PUBLIC INPUT**

There was no public input.

### **14. ADDRESS REQUEST(S) FOR FUTURE AGENDA ITEMS.**

Mrs. Janice Prichard, Fernley resident, asked to correct language under the agenda item "Reports". She thought the language may be in violation of Open Meeting Law.

### **15. ADJOURNMENT.**

There being no further business to come before it, the meeting adjourned at 6:35pm. Approved by the Fernley City Council on \_\_\_\_\_, by a vote of:

AYES: \_\_\_\_\_ NAYS: \_\_\_\_\_ ABSTENTIONS: \_\_\_\_\_ ABSENT: \_\_\_\_\_

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**Mayor LeRoy Goodman**

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**ATTEST: City Clerk Lena Shumway**