

**MINUTES OF THE
FERNLEY CITY COUNCIL MEETING
JANUARY 3, 2018**

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

The Pledge of Allegiance was led by Bill Meyer.

1. INTRODUCTORY ITEMS

1.1. Roll Call

Present: Mayor Roy Edgington, Councilman Dan McCassie, Councilwoman Sue Seidl, Councilwoman Shari Whalen, Councilman Stan Lau, Councilwoman Fran McKay. City Manager Daphne Hooper, Deputy City Attorney Brent Kolvet, Public Works Director Dave Whalen, City Engineer Derek Starkey, City Clerk Kim Swanson, Planning Director Tim Thompson, Building Official Rick Kabele, Deputy Public Works Director Barry Williams, Assistant to the City Manager Colleen Unterbrink.

1.2. Public Comment

There was none.

1.3. Approval of the Agenda

Motion: MOVE TO APPROVE THE AGENDA AS SUBMITTED, **Action:** Approve, **Moved by** Councilwoman Sue Seidl, **Seconded by** Councilman Stan Lau. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Dan McCassie, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Shari Whalen, Councilwoman Sue Seidl.

2. CONSENT AGENDA:

2.1. (Possible Action) Approval of Voucher Report

2.2. Possible Action to approve Minutes from December 6, 2017

2.3. (Possible Action) Approval of Business Licenses

2.4. Possible Action to Approve the Will-Serve Request for Nelson Meadows Subdivision Phase 1 / CMG Land Holdings, LLC for 24 ERC'S for Water and 24 ERC's for Sewer for Lyon County Parcel 021-331-35 located at West of Rainbow Lane and North of Farm District Road.

Councilwoman Whalen disclosed that she is married to Public Works Director Dave Whalen.

Motion: MOVE TO APPROVE THE CONSENT AGENDA AS SUBMITTED, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilwoman Shari Whalen. **Vote:** Motion carried by unanimous roll call vote (summary: Yes = 5). **Yes:** Councilman Dan McCassie, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Shari Whalen, Councilwoman Sue Seidl.

3. REPORTS This item is for various public entity representatives to provide general information to the Council and public. No action will be taken.

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

Mayor Edgington read into record the Lyon County Sheriff's Office Statistical Report for the Month of December 2017.

Councilwoman Whalen asked to look at plan implementation to ensure the City plans are being implemented, specific to the Parks Master Plan. She also asked that the City look at what the plans will be for Transportation Capital and other projects for the year.

City Manager Hooper announced the Citizen Academy begins Thursday, January 11th at 5:00pm. She announced the Community Workshops for Redevelopment will start on January 27th and State of the City will be delivered by the Mayor in February.

Building Official Kabele reported the Building Department Monthly Statistical Report for the month of December.

Planning Director Thompson reported on the Master Plan Update process.

Sheriff McNeal shared a report from the State of Nevada about highway fatalities decreasing. Sheriff McNeal reported Lyon County had an 800% increase in highway fatalities within the county. He reported the Special Investigation Unit (SIU) will focus on street level crimes. This unit made 154 felony arrests last year. He praised the unit for their work.

4. PROCLAMATIONS AND/OR EMPLOYEE RECOGNITION

Mayor Edgington presented a proclamation regarding Radon Awareness Month.

5. PRESENTATIONS

5.1. Radon Presentation and 2018 Radon Poster Contest Award Ceremony by Nadia Noel, NREP Education Coordinator

Nadia Noel, NREP Education Coordinator presented the power point regarding radon awareness (see attached). She awarded the winner of the 2018 Radon Poster Contest who is a student at Silver Land Middle School.

6. PUBLIC HEARINGS

There was none.

7. STAFF REPORTS

7.1. Discussion and possible action to approve moving forward on the potential conveyance of federal land, as established in the Federal Lands Bill, for economic development by Artisan Homes.

City Manager Hooper explained several years ago the City had a Lands Bill that was passed through Congress. The Lands Bill allowed the City access to Federal property within the City limits. She explained the City has the ability to access parcels to be used for public purposes. She stated the Lands Bill created an opportunity to acquire those parcels for economic development purposes. City Manager Hooper continued explaining in July, Artisan Homes came before City Council and requested access to approximately

1,200 acres. She stated the Council gave direction to staff to have discussions with the developer and come back to the Council with an agreement. She stated discussion have taken place with the developer. The required steps needed for the process were decided. The City entered into a Memorandum of Understanding with Bureau of Land Management that outlines the process. She stated there will be other requirements for environmental surveys before moving forward. City Manager Hooper explained the direction from City Council was not to spend any City money to do this. The developer will pay for the cost, develop the property that will then be sold at fair market value. She stated the developer was ready to open a trust account and move forward. Then an outside consultant would be involved. City Manager Hooper explained before the trust account is set up she wanted to make certain this is what City Council really wants to do. She stated there are still some questions that need to be worked through. She stated if the Council decides to move forward, a formal agreement with the developer will be solidified, and establish a contract with the consultant.

Councilwoman Whalen felt the City was not this far along in the process. She felt apprehensive about a trust account with so many questions still unanswered. City Manager Hooper explained the intend of the discussion is to find out if City Council is ready to move forward.

Councilwoman Seidl stated the City is working on the Master Plan which may include zoning changes. She stated the parcels needs for municipal uses still need to be identified.

Harvey Wittemore, Principal with Whittemore Group explained the proposal includes the creation of a trust account that would allow the funding of certain activities. The trust account would allow the developer to advance the cost necessary to engage in the process to allow the City of Fernley to make a decision of the direction of where they want to go with respect to these pieces of property. He explained the developer is not going to pay for the reversionary right for parcels that have been transferred to the city for public purposes. He further explained the developer would fund the studies necessary to identify parcels for public purposes.

Councilwoman Whalen inquired what is the economic development benefit to Fernley to have a giant residential subdivision here. She stated the City needs more jobs not just homes. Mr. Whittemore stated one of the proposals was to identify additional land south of the canal, east of Highway 95 for a major economic development component. Mr. Whittemore stated any staff time used would be reimbursed by the applicant.

Mr. Whittemore explained the advantage to the City at the end of this process is to have the land for the City long term for the development of recreational for free.

Councilwoman Whalen felt it was premature to start this process until the Master Plan was updated. Mr. Whittemore explained the Master Plan process will require input from the other process to inform the ultimate decision of what the Master Plan should be. He stated the Master Plan process will be completed in 2018, and the input obtained will be minor adjustments to the planning process. Planning Director Thompson explained the City has infrastructure challenges and constraints regarding development south of the canal. He stated the bulk of the Federal Land is south of the canal. He felt it was not in the best interest of the City to develop the land south of the canal due to significant challenges.

Mayor Edgington inquired about the condition of the roads with more homes. City Engineer Starkey stated the roads will require substantial improvements and will require working with NDOT. Public Works Director Whalen stated his current staff of 4, is busy taking care of the 130 miles of streets the City already has. Mayor Eddington stated jobs and industry needs to come along with homes. He wants Fernley residents to be able to work where they live.

Mr. Whittemore stated he advise to Artisan was a component that only includes homes would not be something that is advantageous to the City. He stated the employment and economic development needs to be substantial and ingregrated into it.

Mayor Edgington open public input.

Cal Eilrich, Fernley resident, stated he was not against the project. He reminded the City Council that no one can pay in-lieu of fees any longer. He asked the Council not to

negotiate with water rights to off-set investments made. He stated Fernley needs the water to reach our true potential.

Jim Cutler, Fernley resident, stated there are ways to fund infrastructure issues. He stated the number one item of the Lands Bill is economic development to the City of Fernley. He felt the city needs to move forward and get answers to the questions of regarding economic potential.

Kim McCreary, Fernley resident, stated if the developer can bring water to Fernley we should do what we can to help with the project.

Councilwoman Seidl stated the City needs to pay the bills. She added houses are not an economic boom for the City. Councilman McCassie stated with population growth comes new businesses and services. He stated he supported this.

Councilwoman Whalen stated she was not excited about development south of the canal she wanted to see our community infill. She felt it was better for quality of life. She stated this may be an opportunity to get serious about making changes. She stated she was opposed to houses alone, she was also concerned about water, affordable housing, infrastructure, proper development. She stated she was interested in the economic piece of this.

Councilwoman McKay stated she was not ready to proceed adding there are so many unanswered questions. City Manager Hooper stated there may be potential to have more discussions on the risk to the City. She expressed her concerns regarding the project.

Councilwoman Whalen stated she did not have enough information to. She wanted to allow staff to explore it more. Mayor Edgington agreed with allowing staff to continue having conversations with applicant. He encouraged City Council to keep this dialog open.

Don Parsons, Fernley resident, stated this offer is not offered to every City. He advised City Council to form a committee and work with the developer. He stated this developer is willing to make an investment in Fernley.

Gary O'Berg wanted to see Fernley pro-growth. He stated this is positive news for the rest of the industry. He felt it was important to project our image as a robust environment to invite a positive image.

Jack Rinan, with the applicant stated the City will not pay anything. The developer is willing to take the risk and fronting the money with the BLM. He stated with this outside interest there is drive to move forward more quickly. He is not asking the city to relinquish or comprise their planning or zoning authority. Mr. Rinan added traffic studies will need to be completed and the developer will provide the improvements to Highway 95. He asked for a chance to work with the City to determine the project.

Motion: MOVE TO DIRECT STAFF TO NOT TO PROCEED WITH THE CONVEYANCE PROCESS FOR FEDERAL LAND FOR ECONOMIC DEVELOPMENT PURPOSES BY ARTISAN HOMES, **MOVED BY** Councilwoman Sue Seidl, **SECONDED BY** Councilwoman Fran McKay.

Councilwoman Whalen inquired if there was any contemplation that there will be a proportionate number of jobs to adults for the development. Mr. Whittemore explained you cannot tie the number of homes to the number of jobs as a formulaic process. He stated the economic proposal can potentially generate the jobs that are wanted.

Planner Thompson explained there is no guarantee that jobs will come to Fernley. He stated land could be set aside for that purpose but there are no guarantees.

Vote: Motion failed (**summary:** Yes = 2, No = 3, Abstain = 0). **Yes:** Councilwoman Fran McKay, Councilwoman Sue Seidl. **No:** Councilman Dan McCassie, Councilman Stan Lau, Councilwoman Shari Whalen.

Councilwoman Whalen stated the only way she would be interested in additional discussion is specific to the economic development portion.

Motion: MOVE TO DIRECT STAFF TO PROCEED WITH SPECIFIC DISCUSSIONS ON THE POTENTIAL ECONOMIC DEVELOPMENT OF A PROPOSED PROJECT BETWEEN WITH ARTISAN HOMES AND THE CITY OF FERNLEY PARTNERSHIP ON

THE FEDERAL LANDS BILL. Moved by Councilwoman Shari Whalen, Seconded by Councilman Stan Lau.

Councilwoman McKay stated she would support a motion that directed staff for discussion rather than directing staff to proceed with action. Councilwoman Seidl wanted the discussion to focus on the type of jobs. Councilman Lau stated he would support more discussion.

City Manager Hooper clarified the motion stating staff will have more discussion with the applicant. She will then come back before city council with either an agreement or direction or specific information regarding economic development in that area.

Councilwoman Whalen stated she wanted more understanding of what the potential looks like for the City.

Deputy Attorney Kolvet stated economic development is vague. He asked what the City Council wanted from staff. Councilwoman Whalen stated she needed a clearer picture of how 1240 homes can be tied to economic development. She stated this could change her opinion adding a development south of the canal is not appropriate.

City Manager Hooper suggested looking at the scope of work and the functions and the types of things that the consultant might look at through this process to begin paring down the kinds of economic development pieces. Planning Director

Discussion followed regarding the timing of this project and waiting until the Master Plan update was completed.

Mr. Whittemore explained through discussions with staff a scope of work that would identify the types matrix that the City Council might see what is being proposed and the number of acres. He stated applicant has been waiting since July.

Councilwoman McKay stated she would rescind her support of the motion as she felt she was being pushed into making a decision without all of the facts.

Vote: Motion passed (**summary:** Yes = 4, No = 1, Abstain = 0). **Yes:** Councilman Dan McCassie, Councilman Stan Lau, Councilwoman Shari Whalen, Councilwoman Sue Seidl. **No:** Councilwoman Fran McKay. **Action:** Approve

8. RESOLUTIONS

There was none.

9. ITEMS REQUESTED BY MAYOR OR CITY COUNCIL MEMBERS:

There was none.

10. PUBLIC COMMENT.

Stephanie Gand, inquired about the lack of housing in Fernley with the growth in areas surrounding the City. She stated this is a great community and she wants people to live here. She stated if the area is lacking housing, Fernley needs to take advantage of that.

11. ADDRESS REQUEST(S) FOR FUTURE AGENDA ITEMS.

Councilwoman Whalen requested a future agenda items to talk about lot sizes and what the City could do to encourage affordable housing in our community. She also asked for a Design Standard update.

Councilwoman Seidl requested a future agenda item to discuss a letter she received from Truckee Carson Irrigation District (TCID) asking the City to consider a contribution to help with the repair costs to a mobile trailer they use to share historical items. She would also like a discussion on how handle future agenda items are handled.


Councilwoman McKay requested a future agenda item to work with the Arts & Cultural Taskforce and create ways to encourage our citizens to take care of their houses, and subdivisions with a positive impact. She also announced that she would not be available for the January 17th. next City Council meeting as she will not be in person but will call in for the meeting.

ADJOURNMENT

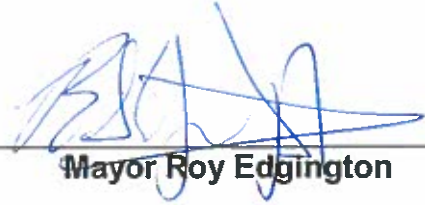
There being no further business to come before it, the Fernley City Council meeting adjourned at 7:52 pm.

Approved by the Fernley City Council on February 7, 2018 by a vote of:

AYES: 5 NAYS: 0 ABSTENTIONS: 0 ABSENT: 0



ATTEST: City Clerk Kim Swanson



Mayor Roy Edgington