



Meeting Date: March 6, 2019
Agenda Item: # _____

Mission Statement

To provide our growing dynamic community excellent municipal services to make Fernley a great place to live, work, and play.

Together, we enhance the desirability, safety, friendliness, aesthetics and quality of life in our city.

FERNLEY CITY COUNCIL MEETING - STAFF REPORT

REPORT TO: Mayor & City Council

REPORT FROM: **Daphne Hooper, City Manager**

REVIEWED BY: Denise Lewis, Finance Director

AGENDA ITEM: **Discussion and Possible Action to approve the Interlocal Agreement Between the City of Fernley and Lyon County, Nevada.**

ACTION REQUESTED: _Consent _Ordinance _Resolution _Motion _Receive/File

RECOMMENDED ACTION BY CITY COUNCIL

Staff recommends the following action:

“I move to approve the Interlocal Agreement between the City of Fernley and Lyon County, Nevada.”

Key Points:

1. On May 17, 2017 City Council voted to move forward with a multi-purpose Community Center concept, including exploring partnerships with key stakeholders, including Lyon County. On August 3, 2017, the City purchased the vacant 8.5 acres of land surrounding the Depot, with the intent to build the future multi-purpose community center at this location.
2. Lyon County approached the City about building their new Senior Center facility and Human Services Offices on the City’s newly acquired property behind the Depot.
3. On November 1, 2018, Council voted to approve a MOU between the County and the City for the joint planned development of a Community Center and multi-use facility to be constructed by the City, including the planned Senior Center and other County facilities which are to be constructed on the City’s property.
4. The City and County desire to enter into an Agreement for the City of Fernley to do a boundary line adjustment on the Depot property to segregate the location for the proposed new Senior Center into a single parcel and transfer ownership of that parcel to Lyon County.
5. The City and County desire to enter an Agreement for the County to transfer ownership of the property of the existing Senior Center to the City, after the County demolishes the existing building, after senior center operations cease at that location.

POLICY REFERENCE

Nevada Statutes: NRS XXX

Fernley Municipal Code: FMC XXX

Policies & Procedure Manual: N/A

Community Assessment: N/A

Other:

SUPPORTING INFORMATION

On May 17, 2017 Fernley City Council voted unanimously to move forward with a multi-purpose Community Center concept, including exploring partnerships with key stakeholders. These key stakeholders include:

- Lyon County
- Boys and Girls Club of Truckee Meadows
- Western Nevada College
- Lyon County School District
- Lyon County Sheriff's Office
- Fernley Community Foundation

On July 5, 2017 the City Council directed staff to execute the documents to purchase the vacant 8.5 acres of land surrounding the Depot, with the intent to build the future multi-purpose community center at this location. Staff executed the closing on August 3, 2017. Staff continued to meet with the key stakeholder group for the development of the multi-purpose community center concept during July and August of 2017.

While planning for the multi-purpose community center has progressed, Lyon County began working on the design/construction of their new Fernley Senior Center and Human Services facility. Lyon County approached the City of Fernley about building their new facility on the City's newly acquired property behind the Depot. The idea of locating the county facility with the new multi-purpose community center ensured Fernley's citizens long-term, economic, and environmentally safe utilization of combined land, buildings, services, and resources.

On November 1, 2018, Council unanimously voted to approve a Memorandum of Understanding (MOU) between Lyon County and the City of Fernley for the purpose of the joint planned development of a Community Center and multi-use facility to be constructed by the City and incorporating the planned Senior Center and other County facilities which are to be constructed on the City's property.

In order to improve the services and facilities for County and City residents, Lyon County desires to construct the Fernley Senior Center and office space for Lyon County Human Services in the City, and to replace the existing Fernley Senior Center, which is inadequate to meet the needs of the community. The County currently owns property at 1170 W Newlands Drive in Fernley that has an existing Senior Center, which is inadequate to meet the future needs of the community. The City currently owns the Depot Property (located at Lois Lane). The City and County desire to work in a cooperative effort to provide services for seniors and other residents which maximize the use of City and County resources. To facilitate such cooperative efforts, the City and County desire to enter into an Agreement for the City of Fernley to do a boundary line adjustment on the Depot property to segregate the location for the proposed new Senior Center into a single parcel and transfer ownership of that parcel to Lyon County. In order to facilitate such cooperative efforts, the City and County

desire to enter an Agreement for the County to transfer ownership of the property of the existing Senior Center at 1170 W. Newlands Drive to the City, after the County demolishes the existing Fernley Senior Center after senior center operations cease at that location.

This agreement between the City and the County includes the following terms and conditions:

- **Purpose** - The purpose of this Agreement is for: (1) The City to create a parcel through a boundary line adjustment that would encompass a Senior Center and related parking at the Depot property in the City. The new parcel will be transferred by the City to the ownership of the County at no cost for the construction of a new Senior Center and Human Services Building. (2) The County will demolish the existing building located at 1170 W. Newlands Drive, Fernley and then transfer the property to the City at no cost to the City.
- **Planning, Design, and Location of Fernley Senior Center** – The City and County agree to work cooperatively in their planning efforts to facilitate the location, design, and construction of the County Facilities in conjunction with the City’s future plans to construct a Community Center and multi-use facility on property of the City commonly referred to as the Depot Property which is owned by the City. County has final and ultimate authority on the planning, design and location of the Fernley Senior Center on the parcel agreed to by the parties and transferred from City to County.
- **Joint Use of Fernley Senior Center and Depot Property** - The City and County agree to develop a separate joint use and maintenance agreement for the Fernley Senior Center and Depot property. Such joint use and maintenance agreement will be completed and approved within ninety (90) days of the issuance of the certificate of occupancy or the completion by the City of a park, community center or other public facility at the location. The joint use agreement shall include sharing of parking and shared use of facilities and maintenance of common or shared areas, including the parking lot.
- **Insurance** - The County shall be responsible for maintaining liability and property insurance on the Senior Center at 1170 W Newlands Drive until such time as the Senior Center is demolished and transferred to City, at which time the City shall be responsible for liability and property insurance on the parcel.
- **Demolition of Existing Senior Center and Transfer of Parcel to City** – The County shall demolish the existing Senior Center located at 1170 W. Newlands Drive within one hundred and eighty (180) days from the time the City issues the certificate of occupancy for the new senior center. County shall be responsible for all costs associated with the demolition, including any required bidding and planning. County shall demolish the building and County shall occupy the new Senior Center prior to transferring the parcel to City. County agrees to transfer the parcel to City at no cost to City within 60 days of the completion of the demolition.
- **Boundary Line Adjustment/Parcel Creation** – The City agrees to work with County on the design of a suitable parcel for the Fernley Senior Center. City agrees to prepare the appropriate application and County agrees to pay for any required engineering or surveying necessary to complete the application. City will present to the application with the Planning Commission and City Council, if required, and there will be no application fees and costs. City and County agree to complete this process on or before December 31, 2018. City represents that the existing zoning will allow County to proceed with construction and use of the parcel for the Fernley Senior Center.
- **Size and Location of the Parcel** - The City and County agree that the parcel will be located in the southeast corner of the Depot Property and will be approximately three acres in size.
- **Water, Sewer, and Other Utilities** - The County agrees to pay the expenses of bringing the utilities to the parcel, to include water, sewer, gas and electric. County will pay the costs

associated with the water and sewer services. A separate meter will be installed for the senior center and County property and county will be responsible for all water and sewer fees, including connection and water rights fees. County agrees to stub the utilities, so the City of Fernley can tie in on separate meter(s) for water and sewer service. County agrees not to seek any reimbursement from City for the costs of bringing the water and sewer to the property line, unless the City requests that County upsizing the lines, in which event, City will reimburse County for any upsizing. The reimbursement can be made through a like credit on the connection fees if City so chooses to reimburse with a credit on connection fees. County agrees to pay for monthly water service based on the City's adopted rate schedule as amended from time to time. In addition, County shall pay the Water Ancillary Fee assessed to all properties in the City of Fernley. With respect to gas and electricity, the parties agree that connections and infrastructure requirements will be at the direction of the respective provider. Both parties agree to cooperate with the other to facilitate connection to the property and all facilities on the property in an efficient manner. Each party shall be responsible for the costs associated with connection and service for their respective facilities.

- **Easements** - The County and City agree to execute a reciprocal easement for all parking areas which allows for the shared use of the parking areas. The parties will grant drainage easements as required to allow maximum use of each parcel and to direct the drainage as designed by the engineers and approved by the City. Each party agrees to execute necessary easements for utilities and ingress and egress so that the entire Depot Property may be used for its intended purposes of a community center and senior center along with government offices and recreation area.
- **Maintenance** - The County and City will enter into the Joint Use Agreement as described above. In the interim, County will be responsible for the maintenance of its property, including the parking areas. County also agrees to maintain any retention basin on City property until such time as City begins construction of improvements of any kind on the property. The parties agree to coordinate maintenance in an effort to reduce costs and consistency between the parcels. Either party may contract with the other or third parties to perform maintenance on its parcel. Neither party shall perform maintenance on the other's property without the express written consent. Any maintenance performed on the other's parcel without the written consent will be at that party's sole expense, unless it is an emergency situation.
- **Construction of Community Center** - The parties agree that City intends to build a community center, recreational area and Depot area on its property. County agrees to cooperate with City in the design and construction of the project and understands that some temporary changes to parking and other uses of County's property may be impacted during construction.
- **Amendments** - Either party may request changes to the Agreement. Any changes, modifications, revisions or amendments to the Agreement which are mutually agreed upon by and between the parties to the Agreement shall be incorporated by written instrument, and effective when executed and signed by all parties to the Agreement.

FINANCIAL INFORMATION

FISCAL IMPACT:

- 1. Is There a Fiscal Impact? No
- 2. Is it Currently Budgeted? No
- 3. If Budgeted, Which Line Item/Account?

FISCAL SYNOPSIS:

PRIOR COUNCIL ACTION/REVIEW

November 1, 2018, Council unanimously voted to approve the MOU between Lyon County and the City of Fernley for the purpose of the joint planned development of a Community Center and multi-use facility to be constructed by the City and incorporating the planned Senior Center and other County facilities which are to be constructed on the City's property.

May 17, 2017, Council unanimously voted to move forward with the multi-purpose Community Center concept, while partnering with key stakeholders including Lyon County.

July 5, 2017, Council unanimously voted to move forward with purchasing the vacant property surrounding the Depot with the intent to build the future multi-purpose community center at this location.

ATTACHED INFORMATION

Interlocal Agreement City of Fernley – County Land Swap
Memorandum of Understanding Between the City of Fernley and County of Lyon for Location of Fernley Senior Center, Signed 11-1-2018