

**MINUTES OF THE
FERNLEY CITY COUNCIL BUDGET MEETING**

APRIL 02, 2020

Mayor Edgington called the meeting to order at 5:04 pm at Fernley City Hall, 595 Silver Lace Blvd, Fernley, NV

Due to the COVID-19 Pandemic and the Governors Declaration of Emergency Directive 006, there was no public attendance at this meeting. The meeting was live streamed at www.cityoffernley.org and public comments could be submitted via email at cityclerk@cityoffernley.org.

1. INTRODUCTORY ITEMS

1.1. Roll Call

Present: Mayor Roy Edgington, Councilman Ray Lacy, Councilman Albert Torres, Councilman Stan Lau, Councilwoman Fran McKay, Shellie Severa, City Manager Daphne Hooper, Deputy City Attorney Brent Kolvet, Public Works Director Dave Whalen, City Treasurer Denise Lewis, Planning Director Tim Thompson, City Clerk Kim Swanson, City Clerk Administrative Specialist April Homme, City Attorney Brandi Jensen, and City HR Shannon McKnight.

1.2. Public Forum

There was none.

1.3. (For Possible Action) Approval of the Agenda

Motion: MOVE TO APPROVE THE AGENDA SUBMITTED, **Action:** Approve, **Moved by Councilman** Stan Lau, **Seconded by** Councilwoman Fran McKay. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Albert Torres, Councilman Ray Lacy, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Shellie Severa.

2. BUDGET HEARING

2.1. (For possible action) Discussion regarding Fiscal Year 2020/2021 proposed budget including but not limited to: All funds including the Water Enterprise Fund; Wastewater Enterprise Fund; General Fund; Capital Improvement Program; all City departments; the budget process; timelines, goals, the existing budget; debt, staffing including but not limited to reorganization, reclassification, employee positions and contracts, new positions, etc.

City Manager Hooper announced Lyon County passed the Diesel Tax Bill that will become effective July 1, 2020. The .05 increase will aid in the road and street improvements.

In light of the current COVID -19 Pandemic, staff feels the budget is still appropriate; however, staff would like to implement a plan for freezing items until we have a clear understanding for the future. State of Nevada requires Cities to appropriate funds in order to spend them.

The budget focuses on continuing the Council's priorities of long-term planning, plan implementation, citizen engagement, and updating the strategic plan. Further, the City is focused on providing high quality services to residents while maintaining long-term sustainability.

City Manager Hooper explained the total budget is \$31 Million which includes three funds. Ms. Hooper proposed and discussed the three new positions and reclassification request. Ms. Hooper requested approval of these positions and reclassifications with a freeze until economy stabilizes.

She also mentioned the budget includes a 5% increase for staff as per the Union Contract. Health Insurance will also see a 5% increase.

City Manager Hooper presented the department budgets.

Mayor & City Council

City Manager Hooper presented the budget for Mayor and City Council.

A salary increase for City Council Members has been included as required by the Fernley Municipal code. This increase is based upon the Consumer Price Index (CPI), which has been established this year at 2.0%.

Motion: MOVE TO APPROVE MAYOR & CITY COUNCIL BUDGET, **Action:** Approve, **Moved by** Councilwoman Fran McKay, **Seconded by** Councilman Stan Lau. Motion passed unanimously.

City Manager's Office

City Manager Hooper presented this budget which includes a request of the addition of a Deputy City Manager position. She stated as the City grows, administrative oversight and support is critical.

Councilman Ray Lacy was uncertain on approving the Deputy City Manager position. He proposed to remove the position until next year

Motion: MOVE TO APPROVE MAYOR & CITY COUNCIL BUDGET, **Action:** Approve, **Moved by** Councilwoman Fran McKay, **Seconded by** Councilwoman Shellie Severa. **Vote:** Motion carried, (**summary:** Yes = 4, No = 1). **Yes:** Councilman Albert Torres, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Shellie Severa. **No:** Councilman Ray Lacy

Information Technology

City Manager Hooper stated this budget includes a request to upgrade the main server and to overhaul the keycard access control system. This will allow the City to provide a more efficient and effective system for security and control for access to City Hall.

Motion: MOVE TO APPROVE INFORMATION TECHNOLOGY BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

Animal Control

City Manager Hooper explained the proposed Animal Control budget includes training for the Animal Control Officer and the back-up officer.

Motion: MOVE TO APPROVE ANIMAL CONTROL BUDGET., **Action:** Approve, **Moved by** Councilman Ray Lacy, **Seconded by** Councilman Stan Lau. **Motion passed unanimously.**

City Attorney

City Manager Hooper presented this budget stating an increase is included of \$598,473 for FY 2021. This includes additional funds that will help cover the cost of Redevelopment Lawsuit as well as conflict attorneys for criminal cases and specialty attorneys for various matters. Funding has also been included for case management software.

Councilman Torres inquired about Spillman Software. City Attorney Jensen explained this budget request does not include Spillman. If Legal Edge is able to interface with Spillman she will request the additional funding needed.

Motion: MOVE TO APPROVE CITY ATTORNEY BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

City Treasurer/Finance

City Manager Hooper explained the Contingency Fund is captured in the Finance Budget. She also stated the Finance Department is requesting the development of an Accounting Specialist series for a level I, II, and III. Finance will work with Human Resources to establish the requirements including education, experience, and time required for potential reclassification in the future.

Motion: MOVE TO APPROVE CITY FINANCE BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy.

Motion passed unanimously.

City Clerk's Office

City Manager Hooper presented this budget stating the part-time position that was previously shared with the Finance Department is now solely funded through the City Clerk's office.

Motion: MOVE TO APPROVE CITY CLERK'S BUDGET, **Action:** Approve, **Moved by** Councilwoman Fran McKay, **Seconded by** Councilwoman Shellie Severa. **Motion passed unanimously.**

Municipal Court

City Manager Hooper presented this budget and explained the Court is requesting to fund a previously unfunded approved position. Currently, the position is listed on the Organizational Chart as Court Specialist II. The Court is requesting to fill this position as a Court Clerk Trainee. Judge Lori Matheson answered questions regarding Municipal Courts taking over Domestic Cases.

Motion: MOVE TO APPROVE CITY MUNICIPAL COURT BUDGET., **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

Break at 6:29. Return 6:45

Department of Building and Safety

City Manager Hooper presented this budget which includes a request for a 1/2-ton, four-wheel drive pickup truck.

Mayor Edgington suggested adding a Fire Inspector to the budget at some point to provide better service to our customers. City Manager Hooper suggested including it in this budget and freeze the position until the City is ready to use. Councilwoman Shellie Severa suggested the City look into FEMA grants that fund a Fire Inspector for 3 years for qualified cities.

Motion: MOVE TO APPROVE BUILDING DEPT BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy.

Amended Motion: MOVE to approve Building Department Budget adding a Fire Inspector position; and freeze the position until the City and Council have reviewed the contract and job description. This position will be frozen until needed, **Action:** Approve,

Moved by Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

Planning Department

City Manager Hooper presented this budget.

Motion: MOVE TO APPROVE PLANNING BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

City Engineering

City Manager Hooper presented this budget explaining a Deputy City Engineer position is being requested.

Motion: MOVE TO APPROVE CITY ENGINEERING BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

General Service - Facilities

City Manager Hooper presented this budget which includes increases for general supplies and gasoline.

Motion: MOVE TO APPROVE THE GENERAL SERVICE - FACILITIES BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

General Services - Vector Control

City Manager Hooper presented this budget. She stated a replacement vehicle is recommended this fiscal year and training has been increased. She explained the equipment and vehicle fund will be frozen until the City is certain they can be used.

Motion: MOVE TO APPROVE VECTOR CONTROL BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

General Services - Cemetery

City Manager Hooper presented this budget stating no salaries are paid from this budget.

Motion: MOVE TO APPROVE CITY GENERAL SERVICES - CEMETERY BUDGET,

Action: Adjourn, **Moved by** Councilwoman Fran McKay, **Seconded by** Councilwoman Shellie Severa. **Motion passed unanimously.**

General Services - Parks

City Manager Hooper presented this budget which includes a request to purchase a 4-wheel drive, Crew Cab truck with bed to replace the truck that is currently assigned to the division.

Motion: MOVE TO APPROVE GENERAL SERVICES - PARKS BUDGET, **Action:** Approve, **Moved by** Councilman Ray Lacy, **Seconded by** Councilman Stan Lau.

Motion passed unanimously.

Parks Facility Funds

City Manager Hooper presented this budget. She stated there are no expenditures slotted at this time. Staff is trying to build up the fund so special projects can be completed.

Motion: MOVE TO APPROVE CITY GENERAL SERVICES PARKS BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

Residential Construction Tax

City Manager Hooper presented this budget. This budget includes the Green Valley Park improvements in accordance with the Parks Master Plan.

Motion: MOVE TO APPROVE RESIDENTIAL CONSTRUCTION TAX REVENUE AND EXPENSES, **Action:** Approve, Moved by Councilwoman Fran McKay, **Seconded by** Councilwoman Shellie Severa. **Motion passed unanimously.**

Streets and Storm Drains

City Manager Hooper presented this budget which includes the purchase vehicle of a 4-wheel drive, Crew Cab truck with bed.

Motion: MOVE TO APPROVE STREETS AND STORM DRAINS BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

Fleets

City Manager Hooper presented this budget.

Motion: MOVE TO APPROVE FLEETS BUDGET, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilwoman Shellie Severa. **Motion passed unanimously.**

City Manager Hooper explained the Utility Division does not have its own cost center. She stated the salaries, benefits and expenses are covered under the Enterprise Funds. She presented a chart that showed the Administrative II reclassification that was mentioned earlier in the meeting. She stated if approved, this will be included in the Organizational Chart.

Break 7:53 Return 8:02

Water Enterprise Fund

City Manager Hooper presented and explained this fund.

Water Distribution Fund

City Manager Hooper presented this budget and recommended completing another rate study. Budget includes standard items, permits, licenses, and water rights protection.

There is a contingency within this budget for potential legal issues

Motion: MOVE TO APPROVE WATER DISTRIBUTION FUND, **Action:** Approve, **Moved by** Councilwoman Fran McKay, **Seconded by** Councilman Stan Lau. **Motion passed unanimously.**

Water Treatment

City Manager Hooper presented noting there is a reclassification request for the Utility Operator position to a Shift Operator position once the required knowledge, experience, and certifications are met, which may or may not be met during this budget cycle.

Motion: MOVE TO APPROVE WATER DISTRIBUTION FUND AND RECLASSIFICATION, UTILITY OPERATOR TO SHIFT OPERATOR, **Action:** Approved, **Moved by** Councilwoman Shellie Severa, **Seconded by** Councilman Stan Lau. **Motion passed unanimously.**

Wastewater Treatment Fund

City Manager Hooper presented stating there is a reclassification request for the Utility Operator position to a Shift Operator position once the required knowledge, experience, and certifications are met, which may or may not be met during this budget cycle. She explained the budget includes a Sewer Master Plan update.

Motion: Move to approve Wastewater Enterprise Fund., **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

Special Revenue Funds

Grants Funds

Transient Lodging Tax Fund

Administrative Assessment Fund

Capital Funds

Court Facilities

City Manager Hooper explained these funds and answered questions.

City Manager Hooper presented the corrected Capital Funds total therefore, City Council was able to approve that fund.

Motion: MOVE TO APPROVE GRANTS FUND, TRANSIENT LODGING TAX FUND, ADMINISTRATIVE FUND, COURT FACILITIES FEE FUND AND CAPITAL FUNDS WITH THE CORRECTED NUMBERS AS VERIFIED BY CITY MANAGER HOOPER,

Action: Approve, Moved by Councilwoman Fran McKay, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

Capital Improvement Plan

General Fund Capital Projects

Capital Projects Budget

Water Enterprise Capital Projects

Sewer Enterprise Capital Projects

City Manager Hooper explained the projects and expenditures in these funds. She answered questions from the Council. Public Works Director explained the need to purchase a new Vector Truck.

Motion: MOVE TO APPROVE GOVERNMENT CAPITAL IMPROVEMENTS INCLUDING CAPITAL PROJECTS, WATER ENTERPRISE CAPITAL PROJECTS, SEWER ENTERPRISE CAPITAL PROJECTS, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

Motion: MOVE TO EXTEND MEETING UNTIL 10:00 PM, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilwoman Fran McKay. **Motion passed unanimously.**

Debt Management

City Manager Hooper explained the outstanding debt for the City of Fernley.

Motion: MOVE TO APPROVE THE DEBT SERVICE BUDGET, **Action:** Approve, **Moved by** Councilman Ray Lacy, **Seconded by** Councilman Stan Lau. **Motion passed unanimously.**

City Treasurer Lewis stated that due to low interest rates at this time, there is an option to refund the 2014 Bonds. She explained the City could save \$400,000 over the next six years. She will bring more information to May 6th City Council Meeting.

Water Ancillary Fee

City Manager Hooper explained the Water Ancillary Fee will reduce by .56 from the previous year.

Organizational Chart

City Manager Hooper stated the reflects all the changes that have been accepted in each department.

Motion: MOVE TO APPROVE ORGANIZATIONAL CHART, Action: Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

City Manager Hooper explained before the final budget is presented, she will make a few adjustments.

Motion: MOVE TO APPROVE PURCHASE OF VECTOR TRUCK, Action: Approve, **Moved by** Albert Torres, **Seconded by** Councilman Ray Lacy. **Motion passed unanimously.**

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

There was none.

4. PUBLIC FORUM

There was none.

ADJOURNMENT

There being no further business to come before it, the Fernley City Council meeting adjourned at 9:05 pm.

Approved by the Fernley City Council on May 6, 2020 by a vote of:

AYES: _____ NAYS: _____ ABSTENTIONS: _____ ABSENT: _____

ATTEST: City Clerk Kim Swanson

Mayor Roy Edgington

