

**CITY COUNCIL MINUTES
REGULAR MEETING
NOVEMBER 5, 2013**

The Winnemucca City Council met in regular session on Tuesday, November 5, 2013 at 2:00 p.m. in the City Hall meeting room. Present: Mayor Di An Putnam, Councilmen Mike Owens, Doug Cain, Ken Tipton, Jim Billingsley and Paige Brooks. Staff present: City Manager Steve West, City Attorney Kent Maher and City Clerk Lorrie Haaglund.

CALL TO ORDER:

Mayor Putnam called the meeting to order at 2:00 p.m.

APPROVAL OF MINUTES:

The minutes of the October 22, 2013 regular City Council meeting were presented for review and Councilman Brooks moved for approval as submitted. Councilman Billingsley abstained from voting since he was absent from the meeting. Motion carried unanimously.

APPROVAL OF WARRANTS:

The warrants were presented for review and Councilman Cain moved for approval as submitted. Motion carried unanimously.

PROCLAMATIONS / EMPLOYEE AWARDS:

Mayor Putnam read a proclamation recognizing November 5 as "Extra Mile Day", acknowledging the value of volunteerism and community service. Putnam said she would like everyone to use today and the remainder of the year to acknowledge those around us that do so much for our community.

PUBLIC / PERSONAL COMMUNICATION / CORRESPONDENCE:

Mayor Putnam said she received a petition which was signed by 31 people living on Great Basin Avenue and adjoining streets that oppose the recently approved Great Basin speed limit of 35 mph and requested that the speed limit be changed back to 25 mph.

DISCUSSION / ACTION ON ITEMS OF BUSINESS & OTHER REPORTS:

BUSINESS IMPACT DETERMINATION

After review and consideration of the effect each item could potentially have on a "business," as the term is defined by statute, the Council agreed that no item on this agenda appears to impose a direct and significant economic burden on a business or appears to directly restrict the formation, operation or expansion of a business. Councilman Cain moved to make a finding that no item on the agenda appears to impose a direct and significant economic burden on a business or appears to directly restrict the formation, operation or expansion of a business. Motion carried unanimously.

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FIRE STATION PROJECT REDESIGN, CONSTRUCTION AND BUDGET / PROJECT-BID MODIFICATIONS / CONTRACT AWARD

Fire Station Project Consultant Don Smit presented the results of the value engineering work with Aloiau Architects and Michael Clay Constructors in an effort to reduce the bid amount on the project. Smit explained the objective of value engineering is to separate the essential elements from the non essential elements of the proposed project and maintain the integrity of the project. The eliminated non essential parts included material changes, finishes that can be added at a later date, and material deductions. The itemized list, if changed or deleted from the proposed project, will reduce the bid amount by \$262,866.50. There were questions and discussion on each proposed item. Smit recommended, if the contract is awarded, that construction be delayed until March 3, 2014 to avoid the higher cost of construction during the winter months. The preliminary earth work can be completed as soon as practical. Smit also suggested purchasing selected materials to avoid potential price increases, such as the pre-engineered structure, concrete masonry units, the heating and ventilating equipment and the generator. After discussion, it was decided to leave the carpet tiles in the contract for the two offices and the meeting-training room to aid in noise abatement in those areas. After additional discussion, it was decided to leave the landscaping in the proposed contract. Smit noted that there is an anticipated sales tax savings of approximately \$35,000 to \$40,000 and recommended that the sales tax savings be held as a contingency. The revised base bid amount is \$1,647,284 with the landscaping and carpet to be included in the contract. The revised proposed contract amount is \$1,665,397 with the generator removed (which is to be purchased directly by the City). Councilman Owens moved to accept the revised bid from Michael Clay Corporation in the amount of \$1,665,397, with a start date of March 3, 2014, and to initiate the preliminary earth work and to purchase selected materials as specified as soon practical. Motion carried unanimously.

1978 AMERICAN LAFRANCE LADDER FIRE TRUCK DISPOSAL

Fire Chief Alan Olsen requested authorization to dispose of the 1978 American LaFrance fire ladder truck. Olsen stated the ladder truck has not been used in quite some time and is of no further use to the City. Councilman Cain moved to find that the City has no further use for the 1978 American LaFrance ladder truck and to authorize disposal at a public auction. Motion carried unanimously.

GOLF PROFESSIONAL SERVICES CONTRACT PROPOSAL / LONGHURST-DENDARY

Winnemucca Golf Course Professional Rick Longhurst stated he had previously notified the Mayor and City Manager of his intent to opt out of the second year of his two year contract effective December 31, 2013. Longhurst stated he has enjoyed his relationship with the City and his position as golf pro and, after giving the matter further thought, feels it is in his and the City's best interest to propose a three year contract where he will stay on as Director of Golf and mentor Joey Dendary for the position of Golf Professional. Longhurst is a Class A-4 PGA member and Dendary currently is a Class B-1 PGA member. The three year period will allow Dendary time to obtain his Class A-1 PGA certification and gain experience running a golf course operation. Longhurst stated Dendary has been involved with the day to day operation of the golf course and ran the tournaments this past year. Dendary will take over the food and beverage duties, and Longhurst will oversee the entire operation and make sure everything is taken care of. West stated it has been a pleasure working with Longhurst and he is in favor of the proposal and is confident it will work. The salary will stay the same and be split between Longhurst and Dendary. Mayor Putnam said one benefit of the proposal is having three years

to observe Dendary. Councilman Billingsley asked if the contract will be re-evaluated in three years. West stated yes. Councilman Owens commended Dendary for being ambitious and wanting to take on the job, noting it is a plus to have someone who is born and raised in Winnemucca running the Golf Course. Putnam said it is difficult at best to fill these positions when they come available and feels this will be a positive solution. Councilman Owens moved to accept the proposal, to finish out the contract this year with Rick Longhurst, and start the new three year contract with Rick Longhurst and Joey Dendary beginning January 1, 2014. Motion carried unanimously.

FISCAL YEAR 2012-2013 AUDIT AND FINANCIAL REPORT

Andree Rose and Mike Nelson of Drake Rose and Associates presented the Fiscal Year 2012-2013 City audit and financial reports. Nelson recapped various notes and financial reports within the audit report. Rose reviewed the revenues and expenditures of the budget. The Culture and Recreation Fund exceeded budgetary appropriations and there is a budgetary violation of NRS 354.626. The sum of the operating and non-operating expenses exceeded the budgeted appropriations, which is an apparent violation of NRS 354.626. The City plans to monitor expenditures/expenses in 2013-2014 to help prevent potential violations. The fiscal year 2013 actual expenditures were less than budget by \$114,277. The public safety expenditures represent 55%, public works 15.5%, general government 14%, culture and recreation 13.5%, and judicial 2% of the total expenditures for the General Fund. Total revenues for the Debt Service Fund exceeded budget by \$53,557. The net change in fund balance for the 2013 fiscal year was a decrease of \$46,969. Capital Improvement Fund total expenditures were 21.2% of the total expenditures of the governmental activities. The net change in fund balance for the 2013 fiscal year was an increase of \$2,028,814. The total operating revenue for business-type activities was \$4,226,361. The water fund provided approximately 53.7% of operating income while the sewer fund provided the remaining 46.3%. The major expenses for the City's business-type activities are services and supplies (40%), salaries and wages (29%), employee benefits (6%), and depreciation (25%). The sewer fund generated more operating revenues than expected by \$655,722 and the water fund generated more operating revenues than expected by \$833,639, and together their combined operating expenses were \$92,081 more than budget. The water and sewer funds increased their net position by \$2,579,837 during the 2013 fiscal year. Total general fund expenditures were less than budget by \$114,277 with the ending fund balance \$710,000 higher than was projected, primarily as a result of higher consolidated (sales) tax revenues. The total balance of all funds was nearly \$30 million. Rose stated that overall the City's financial outlook is very healthy. Rose thanked the City staff for their assistance during the audit. City Manager West said many capital projects will be completed in the near future, which will dramatically reduce the ending fund balances, but it is good the City is in a position to pay cash for all of the projects. Mayor Putnam thanked West for his conservative leadership and expressed her appreciation for the audit services provided by Drake Rose and Associates. Councilman Brooks moved to accept the fiscal year 2012-2013 audit and financial reports as submitted. Motion carried unanimously.

STAFF / COUNCIL REPORTS

City Manager West reported that work on the sewer interceptor project began this morning and notices were delivered to all affected residences and businesses. The work will be difficult and slow, but every attempt will be made to minimize the impacts to the public. The columbarium wall construction will begin this week. The City was awarded the grant for the East Winnemucca Blvd. curb and gutter project. West is waiting for the surveyor to provide the site plan sheets needed to begin the design work and prepare the bid documents. Construction will

probably begin in the spring. The sidewalks in front of the Public Safety building have been completed, and the landscaping is scheduled to begin this week. Carrillo Engineers will present a workshop at the November 19 City Council meeting to discuss options and recommendations for the development of the sewer effluent disposal facilities.

Council Owens complimented the City Manager on his fiscal prudence and commended the police department for their role in the recent Golconda shooting incident.

Councilman Tipton stated he attended an HDA meeting; they are looking to hire someone to help Bill Sims, Director of HDA, with his work.

Councilman Billingsley attended a WCVA meeting; the new video screen for the Event Center has been purchased and should be installed soon.

Mayor Putnam reported there will be a joint meeting with Humboldt County Commission, WCVA and City Council on November 18 to discuss landfill matters, and the Boys and Girls Club will make a presentation.

PUBLIC / PERSONAL COMMUNICATION / CORRESPONDENCE:

There were no public or personal communications or correspondence.

The meeting was adjourned at 4:17 p.m.

Respectfully submitted,

Lorrie Haaglund
City Clerk

PASSED AND ADOPTED: November 19, 2013

VOTE OF COUNCIL:

AYES:	Councilmen	<u>Cain, Owens, Tipton, Billingsley, Brooks</u>
NAYS:	Councilmen	_____
NOT VOTING:	Councilman	_____
ABSENT:	Councilman	_____

APPROVED:

ATTEST:

Di An Putnam
Mayor

Lorrie Haaglund
City Clerk