

**MINUTES OF THE  
FERNLEY CITY COUNCIL MEETING  
APRIL 18, 2018**

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

**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, City Attorney Brandi Jensen, Deputy City Attorney Brent Kolvet, Public Works Director Dave Whalen, City Engineer Derek Starkey, City Clerk Kim Swanson, Planning Director Tim Thompson, Deputy Public Works Director Barry Williams, Assistant to the City Manager Colleen Unterbrink, Deputy Finance Director Kari Darden.

**1.2. Public Comment**

There was none.

**1.3. Approval of the Agenda**

**Motion:** MOVE TO APPROVE THE AGENDA AS SUBMITTED, **Moved by** Councilman Stan Lau, **Seconded by** Councilwoman Sue Seidl.

Councilwoman Whalen disclosed that she is married to Public Works Director Dave 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. **Action:** Approve.

## **2. CONSENT AGENDA:**

**2.1. (Possible Action) Approval Of Voucher Report**

**2.2. (Possible Action) Approval of Minutes from March 21st and April 4, 2018**

**2.3. (Possible Action) Approval of Business Licenses**

**2.4. Possible Action to award one (1) Contract and one (1) Amendment to an Existing Contract, for the Construction and associated Construction Services for the Zone 6 Phase 2 Sewer Rehabilitation Project:**

**1.) Award of Contract for Construction to Aspen Developers Corporation, in an amount not to exceed \$339,334.34, plus a 5% contingency of \$17,000.00**

**2.) Approve Amendment A, to extend the existing Zone 6 Phase 2 Contract for Engineering Services with Lumos and Associates, Inc., and to approve additional funds for Construction Services, in an amount not to exceed \$41,000.00.**

**2.5. Possible Action to ratify the NV Energy Facilities Relocation Agreement for the Hardie Lane Roadway Reconstruction Project, in the amount of \$68,007.00, plus a 10% contingency of \$6,800.**

**2.6. Possible Action to ratify the United States Bureau of Reclamation (USBR) Consent Document to Utilize Easement and Acceptance of Design Eliminating Two Laterals for the Hardie Lane Roadway Reconstruction Project.**

**Motion: MOVE TO APPROVE THE CONSENT AGENDA AS SUBMITTED, Action:**

**Approve, Moved by Councilman Stan Lau, Seconded by Councilwoman Sue Seidl.**

**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.**

City Manager Hooper reported Saturday, May 21<sup>st</sup> is the annual Mayor's Clean Sweep. Coffee with the Mayor is scheduled for Saturday, May 5<sup>th</sup>. She also reported that the newsletter will go out with the May Water/Sewer Bills.

Planning Director Thompson reported the May Planning Commission Meeting will focus on the Land Use Plan for the Master Plan. He reported there will be a public workshop

on May 23 regarding the Master Plan and it will come before City Council on June 6<sup>th</sup>. He reported recent activity from the Planning Commission.

City Clerk Swanson reported Early Voting will begin May 26<sup>th</sup> and continue thru June 7<sup>th</sup>.

Councilwoman McKay reported the Veterans Cemetery holds a service on the second Friday of each month for unclaimed Veterans.

Councilwoman Seidl reported on the discussion at the recent Nevada League of Cities Meeting regarding the state tax structure, including property tax.

Councilwoman Whalen reported on recent activities in area schools.

Mayor Edgington reported on the Boys and Girls Club organization in Fernley. He also reported on the Nevada League of Cities Meeting.

#### **4. PRESENTATIONS**

##### **4.1. Presentation by Atlanta Capital Investment Managers regarding the City's NVEST (Nevada Enhanced Savings Term) investment account.**

This item was heard after Item 6.1

Deputy Finance Director Darden introduced Jim Womack with Atlanta Capital Investment Managers. Mr. Womack explained NVEST is an extended term investment program administered by the State of Nevada's Treasurer's Office (see attachment).

#### **5. PROCLAMATIONS BY THE MAYOR**

Mayor Edgington read into record a proclamation, proclaiming April being National Child Abuse Neglect Prevention Month.

#### **6. PUBLIC HEARINGS**

- a. Discussion with City Council & Staff
- b. Public Input
- c. Additional Discussion with City Council & Staff
- d. Council Action or Direction to Staff

### **6.1. Public Hearing, Special Use Permit (SUP 2018-001)**

**Discussion and possible action on a Special Use Permit (SP2018-001) request from George Pomeroy with GP Global LLC, to construct a billboard on a site .06 ± acres in size in the C-2 (General Commercial) zoning district, generally located south of Interstate 80, west of Vine Street, north of Gazzigli Lane, Fernley, NV. (APN: 021-082-02).**

This item was heard after the Consent Agenda.

Assistant Planner Melinda Bauer presented the SUP to construct a billboard. She stated there had previously been a billboard on this property until it was damaged in a storm and removed. She explained the new sign will be constructed of steel mono-pole structure with solar powered lights.

Mayor Edgington opened public input. There was none.

**Motion:** MOVE TO APPROVE THE SPECIAL USE PERMIT REQUEST ASSOCIATED WITH SUP 2018-001, TO CONSTRUCT A BILLBOARD ADOPTING FINDINGS (A) THROUGH (G) AND THE FACTS SUPPORTING THESE FINDINGS AS SET FORTH IN THE STAFF REPORT AND SUBJECT TO THE "CONDITIONS OF APPROVAL 1 THROUGH 3. **Action:** Approve, **Moved by** Councilwoman Fran McKay, **Seconded by** Councilwoman Sue Seidl. **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.

### **7. ITEMS REQUESTED BY MAYOR OR CITY COUNCIL MEMBERS:**

**7.1. Discussion and possible action to request a future agenda item on how City Council gets information to the public, including, public comment and providing education to the public when the City feels there is potential for a lawsuit. (Councilwoman Seidl's request).**

Councilwoman Seidl explained she would like to discuss ways to improve the communication between the public and the City Council.

**Motion:** MOVE TO APPROVE A FUTURE AGENDA ITEM TO DISCUSS WAYS TO EDUCATE THE PUBLIC SO THEY UNDERSTAND THE PROCESS. **Moved by** Councilwoman Sue Seidl.

Motion died for lack of a second. After discussion, Councilwoman Seidl withdrew her request.

### 8. PUBLIC COMMENT

There was none.

### 9. ADDRESS REQUEST(S) FOR FUTURE AGENDA ITEMS.

Councilman Lau requested a future agenda item regarding a presentation from the City Engineer, Public Works Director, and the Building Director on mass grading and earth work describing their desired construction procedures.

Councilwoman McKay requested a future agenda item regarding the business license policies.

### ADJOURNMENT

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

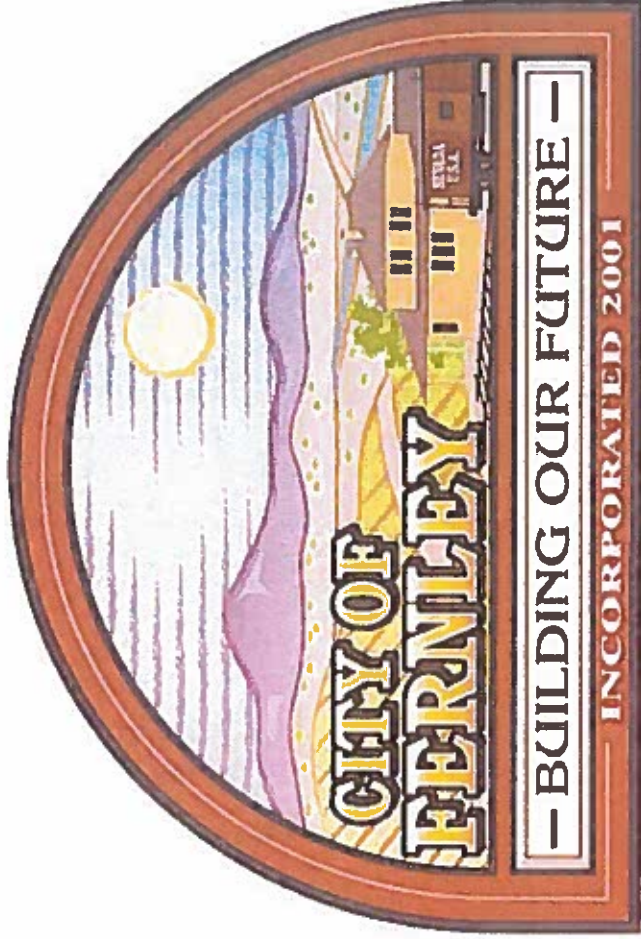
Approved by the Fernley City Council on May 2, 2018 by a vote of:

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

  
\_\_\_\_\_  
ATTEST: City Clerk Kim Swanson

  
\_\_\_\_\_  
Mayor Roy Edgington

ATLANTA CAPITAL  
INVESTMENT MANAGERS



Presentation to

# City of Fernley City Council

April 18, 2018

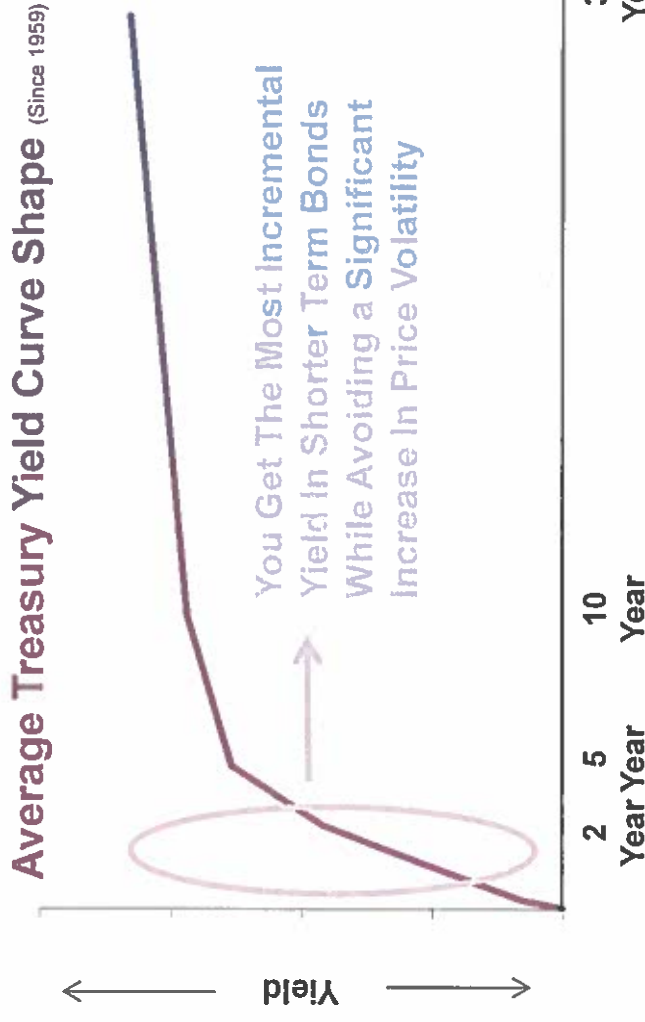
Jim Womack, CFA  
Managing Director

## OVERVIEW OF NEVADA NVEST PROGRAM

- NVEST is an extended term investment program designed and administered by the State of Nevada's Treasurer's Office and authorized by the Nevada Legislature.
- NRS 355.165 establishes the State Treasurer as the administrator of NVEST and designates the legal investments for the NVEST program, including investments designated in NRS 355.165, NRS 355.170, and NRS 355.171.
- Funds are held by the State's custodian, Bank of New York, and are invested in separately managed accounts, not in a commingled fund.
- Atlanta Capital has been an approved manager for the NVEST program since inception in 2002 and has worked with the State of Nevada since 1998.
- The City of Fernley has utilized Atlanta Capital within the NVEST program since November 2007.

## THE LONG RUN TRACK RECORD OF SHORT TERM BONDS

### RIDING THE “SWEET SPOT” OF YIELD CURVE



- Historically, short-term bonds have offered an attractive risk/return trade-off to money markets.
- The yield curve is typically steepest in shorter maturities...they offer the greatest yield pick up for the shortest maturity extension (think rise over run).
- Investment horizon is still important, even when investing in short maturity bonds.



## WHAT WE BELIEVE

### ATLANTA CAPITAL INVESTMENT PHILOSOPHY:

- We believe that securities with stable and predictable cash flows and low credit and event risk offer attractive returns while preserving capital.

### INVESTMENT OBJECTIVE:

- Seek to provide a higher return than traditional LGIPs and money market investments without materially increasing risk.

### RISK TOLERANCE:

- A conservative, risk-averse approach.
- Preference to protect against downside risk rather than increasing credit risk in pursuit of higher yield.
- Risk is measured in terms of the 'relative safety of principal' and evaluated based on cash flow stability, price volatility and liquidity (*no exposure to non-AAA rated issues*).

## WHAT WE BELIEVE

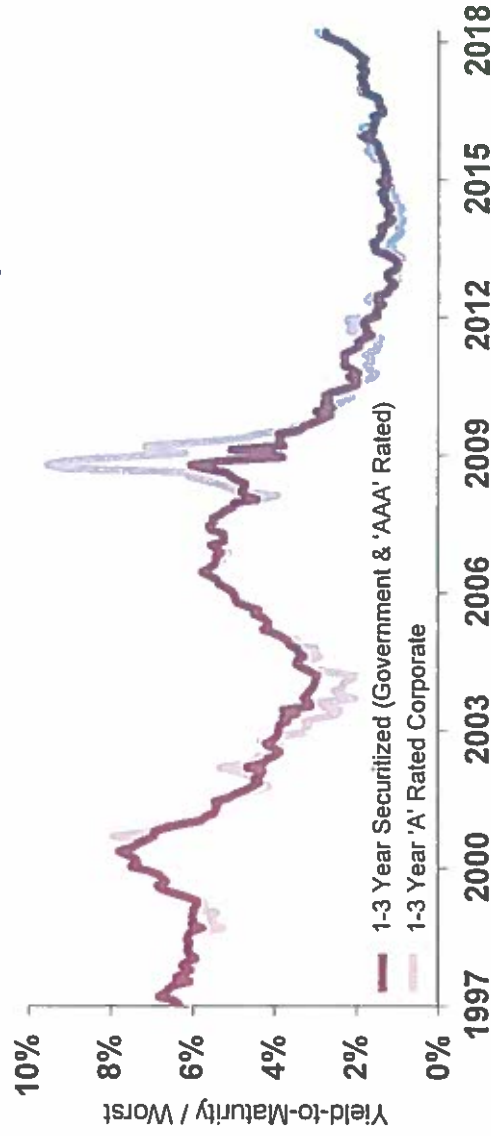
### YIELD WITHOUT LOWERING CREDIT QUALITY:

■ The NVEST guidelines are consistent with municipal government best practices. Priorities and order of importance are:

- 1) Capital Preservation
- 2) Liquidity
- 3) Income

■ Portfolio emphasis is on government and 'AAA' rated bonds that maintain high liquidity and low return volatility. Bonds rated below 'AAA' are excluded.

### 'AAA' Rated Securitized vs. 'A' Rated Corporate Bonds



Source: Bloomberg Barclays Capital

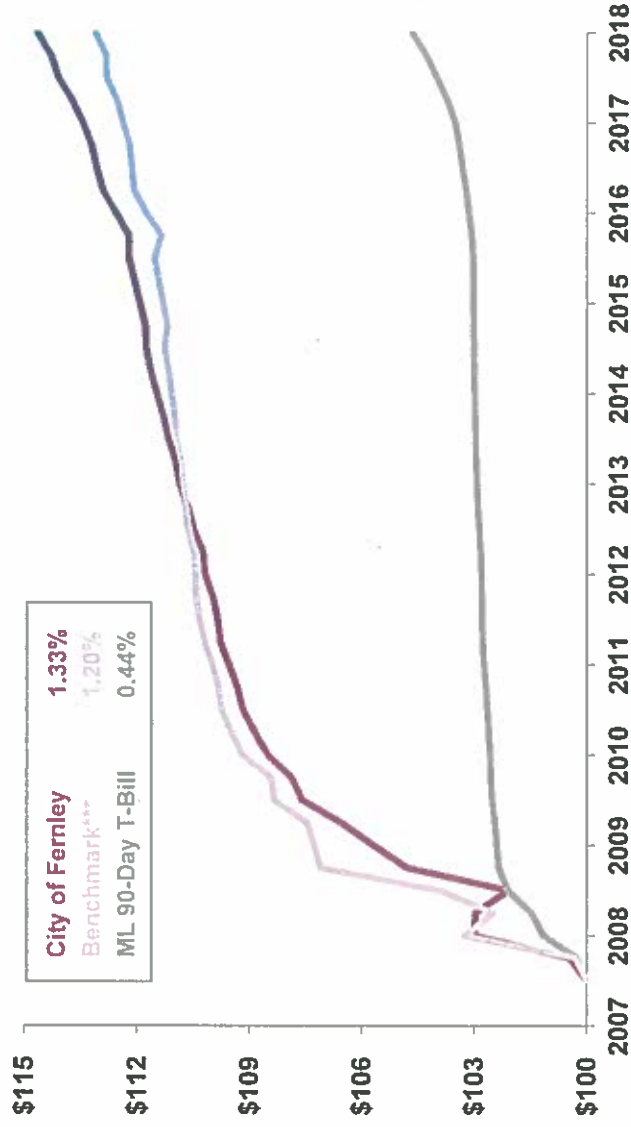
# RESULTS FOR THE CITY OF FERNLEY

## INVESTMENT PERFORMANCE

MARCH 2018

	QUARTER	1-YEAR*	3-YEAR*	5-YEAR*	INCEPTION**
City of Fernley (11/30/07)	0.31%	1.07%	0.81%	0.68%	1.33%
Benchmark***	0.25%	0.66%	0.54%	0.42%	1.20%
ICE BofA ML 90-Day T-Bill Index	0.35%	1.11%	0.53%	0.34%	0.44%

## GROWTH OF \$100 SINCE INCEPTION



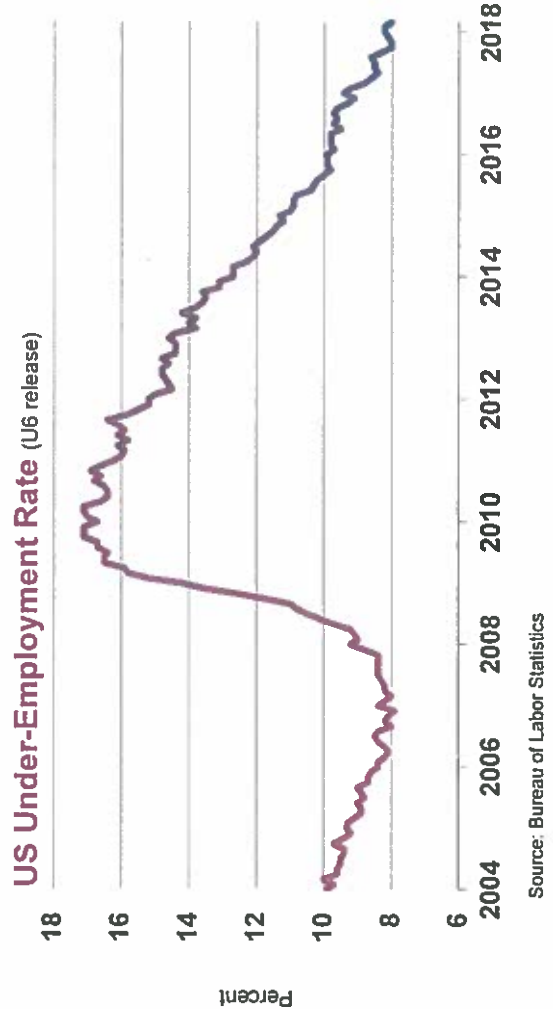
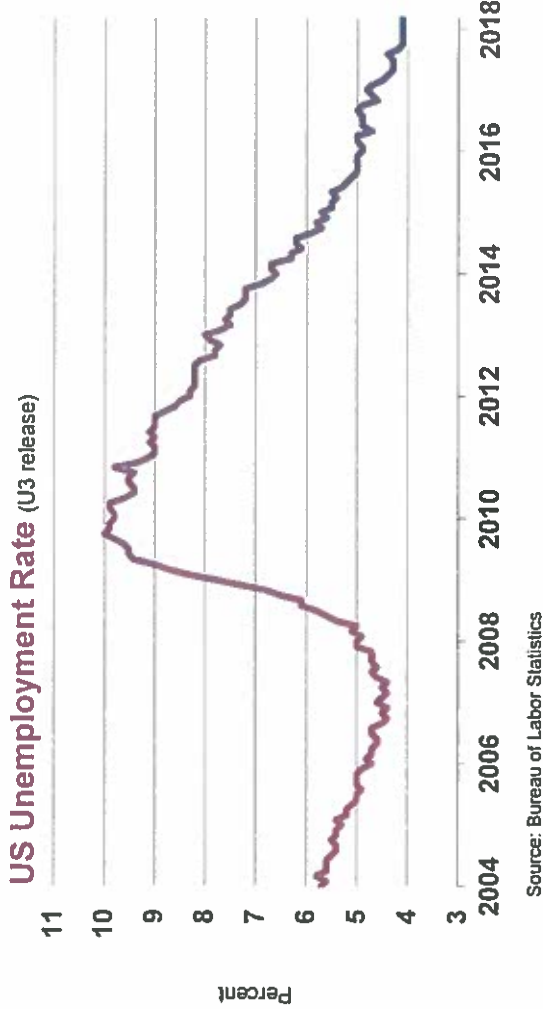
\* Annualized

\*\* Inception Date 11/30/2007

\*\*\* Benchmark: ICE BofA Merrill Lynch 1-Year Treasury Note Index. Prior to 2/22/10, the benchmark was the ICE BofA ML 1-3 Year Govt Index

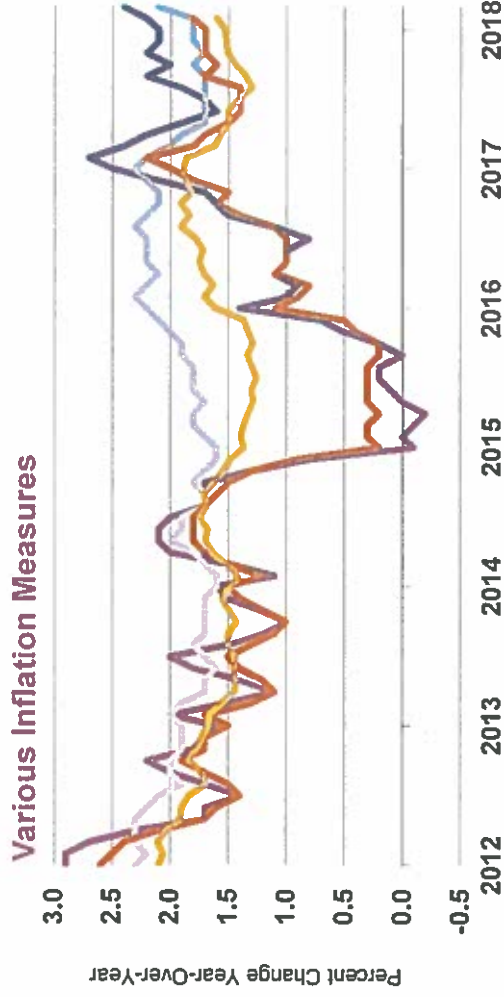
# OUTLOOK & PORTFOLIO POSITIONING

Labor Market and Inflation Near Fed Objectives...  
Gradual Normalizing to Continue



# OUTLOOK & PORTFOLIO POSITIONING

## Labor Market and Inflation Near Fed Objectives... Gradual Normalizing to Continue



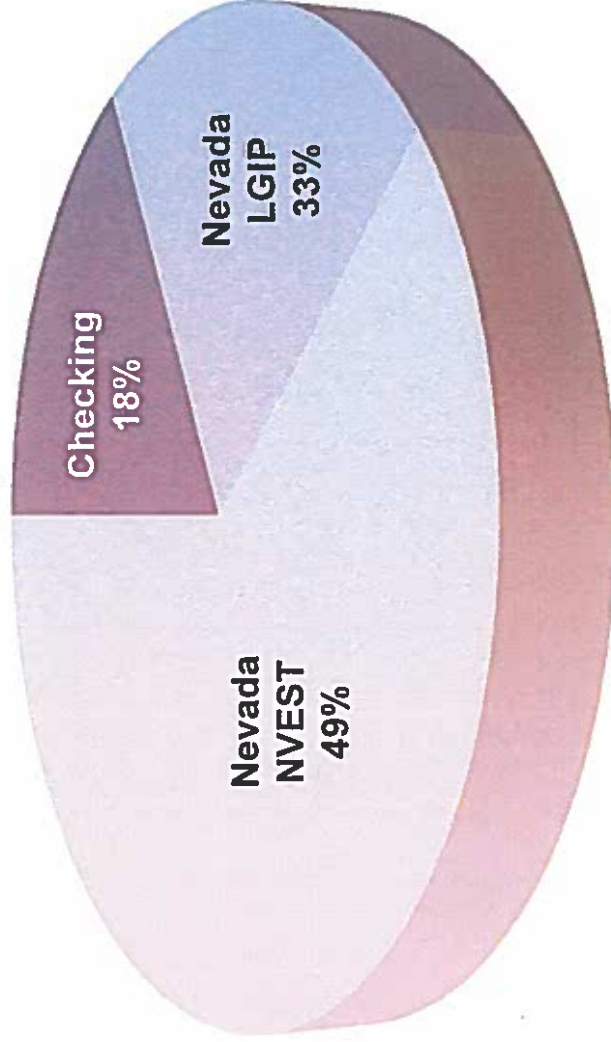
## OUTLOOK & PORTFOLIO POSITIONING

- Economy remains on solid footing even as volatility of financial markets (i.e., S&P 500) has increased.
- Expect further gradual increases in interest rates as the Fed normalizes monetary policy.
- Inflation is moving irregular higher, but not expected to move much beyond 2% in 2018.
- Highest credit quality and substantial yield cushion benefits the portfolio in periods of market volatility.
- Yield curve strategies, such as shorter-than-benchmark duration, key rate exposures, are utilized to reduce performance variability.

# OVERVIEW OF ASSET ALLOCATION

# THE CITY OF FERNLEY

## CITY OF FERNLEY ASSETS AT A GLANCE



	Market Value	Duration	Yield-to-Maturity
Checking Account	\$ 5,250,162	0.00 Years	0.00%
State of Nevada LGIP	\$ 9,708,454	0.20 Years	1.55%
State of Nevada NVEST	\$ 14,228,745	0.76 Years	2.19%
<b>TOTAL</b>	<b>\$ 29,187,361</b>	<b>0.44 Years</b>	<b>1.58%</b>