

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
March 6, 2018**

The Honorable City Council met in a regularly scheduled Council meeting on the above date in the Council Chambers, 55 West Williams Avenue, Fallon, Nevada.

Present:

Mayor Ken Tedford
City Councilman, Robert H. Erickson
City Councilwoman, Kelly Frost
City Councilman, James D. Richardson
City Engineer, Michael E. Miller
Police Chief, Kevin Gehman
City Clerk, Gary C. Cordes
City Attorney, Michael F. Mackedon
Legal & Administrative Director, Robert Erquiaga
Deputy City Clerk, Elsie M. Lee
Director of Tourism and Special Events, Jane Moon

The meeting was called to order by Mayor Tedford at 7:00 p.m.

Mayor Tedford led the Pledge of Allegiance.

Mayor Tedford inquired if the agenda had been posted in compliance with NRS requirements.

City Clerk Cordes advised that the agenda was posted in compliance with NRS 241.

Approval of Warrants

- A) Accounts Payable
- B) Payroll
- C) Customer Deposit

Mayor Tedford inquired if there were any comments regarding the accounts payable, payroll and customer deposit warrants.

No comments were noted.

Councilwoman Frost motioned to approve the accounts payable, payroll and customer deposit warrants and authorize the Mayor to sign the same; seconded by Councilman Richardson and approved with a 3-0 vote by the Council.

Public Comments

Mayor Tedford inquired if there were any public comments. He noted that comments are to be general in nature, not relative to any agenda items. No action may be taken on a matter raised under this item until the matter has been specifically included on an agenda as an item upon which action will be taken.

No public comments were noted.

Consideration of application by Azad Amini for a retail liquor license for Fallon Station to be located at 1325 South Taylor Street

Deputy City Clerk Lee explained that Azad Amini, partner of Fallon Station, has made application for a retail liquor license for Fallon Station to be located at 1325 South Taylor Street. A retail liquor license is a privileged license that allows the licensee to sell alcoholic beverages from a fixed and definite place of business for consumption off the premises only. The application has been reviewed by Chief Gehman, City Engineer Miller, Deputy City Clerk Lee, and Legal and Administrative Director Erquiaga and has been recommended for approval.

Mayor Tedford inquired if the Council had any questions for Chief Gehman, City Engineer Miller, Deputy City Clerk Lee, or Legal and Administrative Director Erquiaga.

Councilman Richardson asked if Mr. Amini was a partner in the business or in the liquor license.

Deputy City Clerk Lee replied that Mr. Amini is a partner in the business and is obtaining the liquor license in his name.

Mayor Tedford inquired if the Council had any comments or questions for Mr. Amini.

No comments were noted.

Mayor Tedford inquired if there were any public comments or questions.

No comments were noted.

Councilman Richardson motioned to approve the application by Azad Amini for a retail liquor license for Fallon Station to be located at 1325 South Taylor Street; seconded by Councilman Erickson and approved with a 3-0 vote by the Council.

Consideration and possible action to approve the highest bidder, WT LLC of Fallon, Nevada, and enter into a contract with WT LLC, for the removal of existing scrap metal from the Russell Pass Landfill at a rate of 50 dollars a ton (\$50.00/ton), paid to the City of Fallon

Legal and Administrative Director Erquiaga explained that the City has accumulated approximately 400 tons of scrap metal at the landfill. Based on a recommendation from the City's landfill consultant, the quantity of metal accumulated, combined with a rise in steel prices, has created ideal conditions for the sale of these goods. A notice was published in the Lahontan Valley News requesting sealed bids from qualified parties wishing to pay the City a per ton price for the removal of scrap metal from the Russell Pass Landfill. Two bids were received: WT LLC for \$50.00 per ton and Olcese at \$2.50 per ton. He noted that there was a wide range between the two bids. WT LLC has confirmed their bid. He recommended approval of this contract.

Mayor Tedford inquired if the Council had any comments or questions.

No comments were noted.

Mayor Tedford inquired if there were any public comments or questions.

No comments were noted.

Councilman Erickson motioned to approve the highest bidder, WT LLC of Fallon, Nevada and enter into a contract with WT LLC for the removal of existing scrap metal from the Russell Pass Landfill at a rate of \$50.00 a ton, paid to the City of Fallon; seconded by Councilwoman Frost and approved with a 3-0 vote by the Council.

Consideration and possible adoption of Resolution No. 18-10, a Resolution Authorizing and Approving the Carbon Free Power Project Power Sales Contract with Utah Associated Municipal Power Systems; the Initial Budget and Plan of Finance for the Project; and Related Matters

Legal and Administrative Director Erquiaga explained that UAMPS has been exploring several different options for potential future projects that would be carbon free. This project involved a lot of negotiations and investigations that UAMPS has undertaken and will continue during the entire process. This item is a little different than our typical UAMPS projects, in that we usually bring a power sales contract before the Council with a well-defined project that is ready with precise numbers. That is not the case with this project. It is a new technology, a complicated process that is just beginning. But, to pursue the various paths that are required to get this project licensed, including funding from the federal government, it involves participation from entities that are not current UAMPS members, so UAMPS members must sign on the dotted line and state that they are willing to further the process. This is just the initial investigation, not construction. A lot happens at the Nuclear Regulatory Commission, as far as new technology is concerned, and UAMPS is preparing to submit for a construction and operating license. That is the next big step in the process. This contract will allow us to remain in the process, the financial commitment at this time is minimal, UAMPS has capped it. It is important to stay in this process to further research and investigation and, at some point in the future, we will come back to the Council with more information. Then they will have to make a much broader decision on the project. This contract is somewhat easy, just the commitment to further the study. The project is structured so that we have several opportunities to exit the project if we should so desire in the future; then we would no longer be responsible for future investigation or construction or licensing costs. UAMPS has worked hard to ensure that members have several opportunities to review and exit if necessary. We will have the best information to make these important decisions and we will not be locked in financially until we are certain of the facts and the project's worth. He summarized by explaining that he is asking the Council to adopt this resolution approving the power sales contract that will keep us in the project, it will allow us to further the investigation and then we will come back to the Council with further developments. At that time, concrete numbers and information about the project will be confirmed for the Council. This is an exciting time for UAMPS, they have put in a lot of work on this; there are approximately 40 UAMPS members that are participating in this study project. They are all going before their City Councils seeking approval of the contract as well.

Mayor Tedford inquired if the Council had any comments or questions.

Councilman Richardson clarified that this investigation process would continue and then UAMPS would be seeking another commitment later – in about a year.

Legal and Administrative Director Erquiaga concurred, the budget cap is set and UAMPS operates on an April 1/March 31 fiscal year, so we know what that number is. There are two

scenarios where we come back. One, at the end of that year after UAMPS goes through their budget process and to continue the project at that time, they will need to make serious additions to their budget for the next fiscal year. Secondly, any type of amendment to the budget would require City Council approval, so that would be another off-ramp if necessary; we would have the opportunity to reevaluate our position and participation. The financial commitment with this contract is set. If the numbers change, we can get out of the project with no further commitment if it is determined that this project will not fit our needs.

Councilman Erickson inquired as to the cost for this contract.

Legal and Administrative Director Erquiaga stated that it depended upon the participation commitment of the other UAMPS members. The project includes 100-150 megawatts of UAMPS participation and we are signing up for 2 megawatts. The budget cap for next year is \$6 million. The Department of Energy is paying \$3 million, \$1.5 million is paid by NuScale, and \$1.5 million is paid by UAMPS project members. Our maximum financial commitment is our percentage of 2 megawatts which will be approximately \$20,000.

Mayor Tedford reminded that the other UAMPS members are appearing before their City Councils for approval as well. If only 20 of the 40 members approve it; then our cost may increase.

Legal and Administrative Director Erquiaga agreed; if that is the case, we can reevaluate the situation. If they do not receive 150 megawatts of participation, they will return to the drawing board. If they receive less than 100 megawatts, then the project ends and there would be no financial commitment.

Mayor Tedford inquired if there were any public comments or questions.

No comments were noted.

Councilman Erickson motioned to adopt Resolution 18-10: A Resolution Authorizing and Approving the Carbon Free Power Project Power Sales Contract with Utah Associated Municipal Power Systems; the Initial Budget and Plan of Finance for the Project; and Related Matters, also authorizing the Mayor and Treasurer to execute all documents related to this transaction; seconded by Councilman Richardson and approved with a 3-0 vote by the Council.

Presentation of the Police Department Report for January 2018

Chief Gehman presented the January monthly report. He added that the January incidents and activities were primarily in line with previous months with no exceptional variances.

- Staff participated in numerous training opportunities.
- Through the welfare assist account, we provided two nights of lodging.
- Multiple comments were received on the citizen surveys.

Mayor Tedford inquired if the Council had any comments or questions.

Councilwoman Frost inquired as to how many surveys were mailed out each month.

Chief Gehman explained that it depends on how many calls they receive. The midnight dispatcher sends surveys to every fifth or sixth call.

Mayor Tedford inquired about Police Explorer activities.

Chief Gehman advised that they met today and continue to meet regularly. We have 4-5 officers mentoring them.

Mayor Tedford asked how many Police Explorers they currently have.

Chief Gehman said about eight; they started with two or three about six months ago.

Mayor Tedford thanked Chief Gehman for the report.

Public Comments

Mayor Tedford inquired if there were any public comments.
No public comments were noted.

Council and Staff Reports

City Attorney Mike Mackedon: No comments were noted.

Legal and Administrative Director Erquiaga: No comments were noted.

Deputy City Clerk Lee: No comments were noted.

Tourism Director Moon: No comments were noted.

City Clerk Cordes: No comments were noted.

Chief Gehman: No comments were noted.

City Engineer Miller: No comments were noted.

Councilwoman Frost: No comments were noted.

Councilman Richardson: No comments were noted.

Councilman Erickson: No comments were noted.

Executive Session


Mayor Tedford tabled the executive session, as it was not needed at this time.

Adjournment

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 7:35 p.m.



Mayor Ken Tedford

Attest: 

Gary C. Cordes, City Clerk/Treasurer