

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
May 20, 2019**

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 Councilman, James D. Richardson
City Councilwoman, Kelly Frost
City Clerk, Gary C. Cordes
City Attorney, Michael F. Mackedon
Deputy Public Works Director, Adrian Noriega
Police Captain, Kris Alexander
Deputy City Attorney, Leonard E. Mackedon
Legal & Administrative Director, Robert Erquiaga
Director of Tourism & Special Events, Jane Moon
Public Works Director, Brian A. Byrd
Marketing & Communications Coordinator, Kaitlin Ritchie
Deputy City Attorney, Trent deBraga
City Engineer, Derek Zimney

The meeting was called to order by Mayor Tedford at 9:00 a.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.

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.

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.

Consideration of application by Linda Lorow for a drinking establishment liquor license for The Slippery to be located at 30 East Center Street

Legal & Administrative Director Erquiaga explained that Linda Lorow, general manager/owner of The Slippery, has made application for a drinking establishment liquor license for The Slippery to be located at 30 East Center Street. This would actually represent just a change in the name of the business. Ms. Lorow has had a liquor license at this location since August 2018. This agenda item would be for a liquor license under the new business name to the same person that has held one there. The application has been reviewed by Chief Gehman, 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 Captain Alexander or Legal and Administrative Director Erquiaga.

No questions were noted.

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

No comments were noted.

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

No public comments were noted.

Councilman Erickson motioned to approve the application by Linda Lorow for a drinking establishment liquor license for The Slippery to be located at 30 East Center Street; seconded by Councilwoman Frost and approved with a 3-0 vote by the Council.

Consideration of application by Linda Lorow for a cabaret license for The Slippery to be located at 30 East Center Street

Legal & Administrative Director Erquiaga explained that Linda Lorow, general manager/owner of The Slippery, has made application for a cabaret license for The Slippery to be located at 30 East Center Street. A cabaret license is a privileged license that allows the licensee to provide live entertainment or dancing at the establishment. In this case, the request from Ms. Lorow is for karaoke and possibly a live band. The application includes a map. Our engineering department went and took some measurements and provided a bit more of a detailed map which has been provided to the Council this morning and is available to the public on the back table. This application has been reviewed by Chief Gehman, Deputy City Clerk Lee, and Legal and Administrative Director Erquiaga and has been recommended for approval.

Mayor Tedford noted that he did not see the karaoke detailed on the engineering department map.

Legal & Administrative Director Erquiaga stated that the karaoke did not exist yet so combining the two maps might be helpful. Ms. Lorow is present today to answer questions. From Ms. Lorow's map, karaoke would be located at the south end of the bar and be tucked in that corner. Since it is not there currently, it did not make the engineering department's map, but it is proposed in the location that is on the first map.

Mayor Tedford noted that the engineering department's map shows what is there currently.

Legal & Administrative Director Erquiaga concurred; the focus was on the entrances and exits as well as the posted capacity and occupancy that would be allowed, so we tried to identify the dimensions of the facility so the Council would have a good idea of how many people could potentially be in there for a live band or for karaoke, and the safety of the location with the exits. It was evaluated by the fire department; they were involved with both applications.

Mayor Tedford asked if the door to the alley had a breaker-bar on it.

Ms. Lorow confirmed that the door has a push bar to get out, it cannot be opened from the outside.

Mayor Tedford asked about the dancing area.

Ms. Lorow stated that there is a wood floor in the rear area, near the restrooms. That is where they plan to set up karaoke.

Mayor Tedford confirmed that they would like to set up karaoke and the band – near the walk-in cooler.

Ms. Lorow replied affirmatively.

Mayor Tedford asked if that was the best location – at the end of the bar with bartenders and waitresses.

Ms. Lorow stated that the area is out of the way of everything, but they would move it if necessary. It could be relocated between the pool tables, against the wall.

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

No questions were noted.

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

Councilman Erickson noted that when he looked at the building, there appeared to be a lot of debris in the alcove off the alley that could impede people getting out that door. It should be clear of any debris.

Ms. Lorow agreed; they closed the business yesterday and plan to repaint, clean up and rearrange storage areas before they re-open in the next few days.

Councilwoman Frost stated that she would like assurance that they would keep strict track of the occupancy rating with only 99 people in there. Live bands can draw a lot of people.

Ms. Lorow stated that when they would have a band, they plan to issue tickets to control the count.

Councilman Richardson is concerned with loitering that may occur in the alley during shows. People will want to exit using that side door and we receive many complaints of people urinating and just hanging out in that alley. He asked Ms. Lorow if she had plans to patrol that.

Ms. Lorow stated that they have a security system inside and have purchased an expansion with cameras that will be on the outside of the building as well and they will be installed within the next few days so they could see what is going on outside and handle things as they are happening. They do have a security guard on Fridays and Saturdays and they walk the inside and the outside to make sure that people are behaving.

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

No public comments were noted.

Councilman Richardson motioned to approve the application by Linda Lorow for a cabaret license for The Slippery to be located at 30 East Center Street; seconded by Councilman Erickson and approved with a 3-0 vote by the Council.

Mayor Tedford advised Ms. Lorow, regarding both licenses, she needs to stay in close contact with the Fallon Police Department.

Consideration and possible adoption of Resolution No. 19-05: A Resolution of the City Council of Fallon, Nevada providing for the transfer of the City's 2019 Private Activity Bond Volume Cap to the Nevada Rural Housing Authority; and other matters related properly thereto

City Clerk Cordes explained that the City received a request to transfer the City's 2019 Private Activity Bond Volume Cap to the Nevada Rural Housing Authority (NRHA). The NRHA provides our citizens with programs such as the mortgage credit certificate and down payment assistance access program. The City Council has transferred the Private Activity Bond Volume Cap to the NRHA since the inception of these homebuyer assistance programs. He recommended adoption of this resolution.

Mr. Bill Brewer, Executive Director of the Nevada Rural Housing Authority, thanked the Council for the opportunity to be in attendance today. He appreciated the cooperative relationship that the NRHA has enjoyed with the City over the years. They are formally requesting the transfer of the City's allocation of Private Activity Bond Volume Cap, a little over \$475,000, to the NRHA. In turn, the NRHA pools that bond cap with transfers from other municipalities and counties to administer its mortgage credit certificate program. The program assists homebuyers of a certain income level to receive a direct tax credit from their income taxes that, in effect, increases their income and increases their ability to purchase a home and a lender looks at that as a little extra income that can help qualify them to buy a home. Along with our down payment assistance program, these programs have been working in Fallon for many years. To date, the NRHA has assisted 102 homeowners with down payment assistance, with a little more than \$15 million in mortgages in the City of Fallon. The transfer of the bond cap does not create any obligation for the City; it is merely the opportunity to issue tax exempt debt. It takes quite a bit of bond cap to really do anything, and that is why we come before you each year to gather it up and help us operate our program.

Mayor Tedford stated that this is one of our favorite programs. Mr. Brewer outlined how it has been used in the City of Fallon, especially the down payment assistance program and it has been really successful. We have one area where we need help, perhaps from the NRHA. There has been some resistance from banks to use these programs and he was unsure why. NRHA flyers are on our counter in the City Clerk's Office to help get the word out. We also used to have business cards for Jane Capurro as a loan writer for the program because she was the only one in Fallon. Ms. Capurro has since retired and there is no one in Fallon that seems to want to write these loans. The qualifying purchase price, coupled with the income parameters, is a great scenario for our area. He has told many school teachers and nurses about these programs. We are a little discouraged right now due to the lack of access to a loan writer.

Mr. Brewer could understand the frustration. Banks are the largest participants in the program. The loan servicing, as it is administered, is through a central servicer for these loans and some banks do not like to participate for that reason. He stated that they would be more than happy to work with any local banks in Fallon. He also has mortgage lenders that are willing to assist when they have the opportunity.

Mayor Tedford stated that is probably where it needs to begin. Someone needs to write these loans out here. They can be so easy to work with and they really help our citizens.

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

Councilman Erickson concurred with Mayor Tedford's comments and noted that they have had many conversations about it. He complimented Mr. Brewer on the NRHA's ad program. He observed that Fallon nor Churchill County were mentioned in them. The individual communities in the rest of the region are, but we are not mentioned. He believed the program could pick up some steam if prospective homebuyers were aware of the program through the NRHA ads and initiated a

request through their realtor or financial institution. If we could be included in your ad, it would be much appreciated.

Mr. Brewer stated that it would be done. They now have a specialist that participates regularly with the Churchill Economic Development Authority and attends monthly breakfasts and meets with area lenders. They plan to continue to get the word out about the programs they offer in Fallon.

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

No public comments were noted.

Councilman Erickson motioned to adopt Resolution No. 19-05: A Resolution of the City Council of Fallon, Nevada providing for the transfer of the City's 2019 Private Activity Bond Volume Cap to the Nevada Rural Housing Authority; and other matters related properly thereto; seconded by Councilwoman Frost and approved with a 3-0 vote by the Council.

Public Hearing: Tentative Budget for June 30, 2020

City Clerk Cordes stated that now was the time and place for the public hearing on the Tentative Budget for June 30, 2020. Nevada Revised Statutes indicate the governing body shall hold a public hearing on the Tentative Budget, at which time interested persons must be given an opportunity to be heard. The Tentative Budget has been on file and available at the Churchill County Clerk's Office and the Fallon City Clerk's Office since April 16, 2019. The City Clerk's Office has not received any inquiries, questions, or concerns regarding the Tentative Budget; either in writing or orally, since the Tentative Budget had been placed on file. There is a memo attached to the Tentative Budget indicating that the Nevada Department of Taxation, on April 18, 2019, examined the Tentative Budget and found it to be in compliance with the law and appropriate regulations.

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 public comments were noted.

Consideration and possible action to approve a construction contract with A&K Earthmovers of Fallon, Nevada, in order to complete the Manhole Rehabilitation Phase II project in the amount of One Million Two Hundred Seventy-Five Thousand Two Hundred and Seventy-Five Dollars (\$1,275,275.00). CH-2019-186

Public Works Director Byrd read the following into the record: "The City of Fallon issued its Sewer Improvement and Refunding Bond, Series 2015B in November of 2015. Since its issuance, the City has diligently pursued multiple sewer improvement projects, including the Front Street Lift Station Odor Scrubber project, the Manhole Rehabilitation Phase I project and the Manhole Rehabilitation Phase II project. The Manhole Rehabilitation Phase II project consists of sixteen manholes that are identified as needing repair. An evaluation was performed of the City's sewer infrastructure by HDR Engineering and the referenced manholes were deemed the highest priority. The project consists of rehabilitating the sixteen manholes with polymer concrete inserts. Seven additional manholes were listed as additive alternate bid items, those specific manholes are not being recommended for award today. The engineer's estimate for this project was \$1,080,000.00. This project was released for public bid on April 10, 2019 and advertised in the Lahontan Valley News in accordance with NRS 338.1385. A pre-bid meeting was held on April 24, 2019. One bid was received and publicly opened by the City of Fallon on May 8, 2019. With approval, construction would start in July with a 180-day construction schedule." Public Works Director Byrd added that it

was worth noting that the project was bid with \$120,000 contingency just because of the scope and complexity of the project.

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 public comments were noted.

Councilman Richardson motioned to approve a construction contract with A&K Earthmovers of Fallon, Nevada, in order to complete the Manhole Rehabilitation Phase II project in the amount of One Million Two Hundred Seventy-Five Thousand Two Hundred and Seventy-Five Dollars (\$1,275,275.00) CH-2019-186; seconded by Councilman Erickson and approved with a 3-0 vote by the Council.

Consideration and possible approval of a construction contract with Custom Fence Company of Logan, Utah in order to complete the Fallon Municipal Airport Perimeter Fencing Replacement project, PWP-CH-2019-150, in the amount of Six Hundred Forty-Six Thousand Ninety-Six Dollars and Ninety Cents (\$646,096.90), contingent upon final approval of FAA grant funding

Public Works Director Byrd read the following into the record: "The City has been tentatively approved for an FAA grant to complete the Fallon Municipal Airport Perimeter Fencing Replacement project. This project was previously designed by Atkins North America, Inc. The project was advertised during the week of April 1, 2019 and a mandatory pre-bid meeting was held on April 16, 2019 at which five potential bidders were in attendance. Two bids were received and opened on April 24, 2019. FAA procedures provide final grant approval only after bid opening and contract award approval by the City Council. City staff recommends approval of a construction contract with Custom Fence, contingent upon final approval of FAA grant funding. This project will be funded by the FAA (93.75%) and the City of Fallon Airport Fund (6.25%). Pursuant to that formula, the City's share would be Forty Thousand Three Hundred Eighty-One Dollars and Five Cents (\$40,381.05)."

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

Councilwoman Frost asked when we could expect the FAA to give final approval.

Public Works Director Byrd said that he did not have a date.

Legal & Administrative Director Erquiaga stated that approval would typically be delivered within the next couple of months but we are highly reliant on the federal budget and sometimes it has slipped and left us hanging longer than City Clerk Cordes would probably like since some of the design money has already been expended and we are not able to get that reimbursed until the project moves forward. But, we go through the process of all those preapprovals and contingent approvals from the FAA so hopefully, that comes as timely as possible. They like a summer construction schedule so they usually try to keep that timeline but there are a lot of factors that can affect that.

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

No public comments were noted.

Councilwoman Frost motioned to approve a construction contract with Custom Fence Company of Logan, Utah in order to complete the Fallon Municipal Airport Perimeter Fencing Replacement project, PWP-CH-2019-150, in the amount of Six Hundred Forty-Six Thousand Ninety-Six Dollars and Ninety Cents (\$646,096.90), contingent upon final approval of FAA grant funding; seconded by Councilman Richardson and approved with a 3-0 vote by the Council.

Consideration and possible approval of a Professional Services Contract with Atkins North America, Inc. for construction administration support services relating to the Fallon Municipal Airport Perimeter Fencing Replacement project, PWP-CH-2019-150, in the amount of Eighty-Eight Thousand Eight Hundred Dollars (\$88,800.00), contingent upon final approval of FAA grant funding

Public Works Director Byrd read the following into the record: “This follow-on professional services contract is needed to provide construction support services, inspection, and materials testing during the construction phase of the project, which are required by the FAA. Atkins North America, Inc. was previously awarded an open-ended contract to provide a variety of engineering services for the airport and this particular contract would be Task Order Number 7. City staff recommends approval of a Professional Services Contract with Atkins North America, Inc., contingent upon final approval of FAA grant funding. This project will be funded by the FAA (93.75%) and the City of Fallon Airport Fund (6.25%). Pursuant to that formula, the City’s share would be Five Thousand Five Hundred Dollars (\$5,500.00).”

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 public comments were noted.

Councilman Richardson motioned to approve a Professional Services Contract with Atkins North America, Inc. for construction administration support services relating to the Fallon Municipal Airport Perimeter Fencing Replacement project, PWP-CH-2019-150, in the amount of Eighty-Eight Thousand Eight Hundred Dollars (\$88,800.00), contingent upon final approval of FAA grant funding; seconded by Councilwoman Frost and approved with a 3-0 vote by the Council.

Mayor Tedford closed the meeting to an Executive Session at 9:42 a.m.

Mayor Tedford returned the meeting to an open session at 10:00 a.m.

Consideration and possible action to approve negotiated agreement between the City of Fallon and the Fallon Peace Officers Association to be effective from July 1, 2018 to June 30, 2021. (Pursuant to NRS 288.153, the proposed agreement and any exhibits or other attachments to the proposed agreement are available to the public on the City’s website, fallonnevada.gov, and at the City Clerk’s Office, 55 West Williams Avenue, Fallon, Nevada.)

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 public comments were noted.

Councilman Erickson motioned to approve the negotiated agreement between the City of Fallon and the Fallon Peace Officers Association to be effective from July 1, 2018 to June 30, 2021; 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.

No public comments were noted.

Council and Staff Reports

Mayor Tedford inquired if there were any Council or staff reports.

Legal & Administrative Director Erquiaga noted that there are two weeks left in the Legislative Session and Lisa Foster and her team are still working hard in Carson City. We are tracking a lot of bills and paying a lot of attention as they really get down to the last two weeks; getting serious about financial matters and otherwise. We are paying attention and if anybody has any issue or concern or anything they have heard, feel free to let him know. Talk to him and he will make sure Lisa Foster is informed; he added that she continues to do a really good job on our behalf over there.

Councilwoman Frost congratulated the 4x100 boys relay team that won the gold at the State Track Meet last weekend.

Adjournment

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 10:05 a.m.



Mayor Ken Tedford

Attest: 

Gary C. Cordes, City Clerk/Treasurer