

**AGENDA
CITY OF FALLON – CITY COUNCIL
55 West Williams Avenue
Fallon, Nevada
November 4, 2019 – 9:00 a.m.**

The Honorable City Council will meet in a regularly scheduled meeting on November 4, 2019 at 9:00 a.m. in the City Council Chambers, 55 West Williams Avenue, Fallon, Nevada.

Items on the agenda may be taken out of order. The Council may combine two or more agenda items for consideration. The Council may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. Unless otherwise allowed by the City Council, public comments by an individual will be limited to five minutes.

1. Pledge of Allegiance to the Flag.
2. Certification of Compliance with Posting Requirements.
3. Public Comments: 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. **(For discussion only)**
4. Consideration and approval of Council meeting minutes for July 1, 2019, July 9, 2019, and July 15, 2019. **(For possible action)**
5. Approval of Warrants: **(For possible action)**
 - A) Accounts Payable
 - B) Payroll
 - C) Customer Deposit
6. Presentation of Proclamation for No-Shave November 2019 to support research, awareness, and treatment of prostate and testicular cancer. **(For discussion only)**
7. Consideration and possible action to initiate procedures for the deannexation of 11.51 acres, more or less, from the City of Fallon, located at 100 Airport Road, at the request of the property owners, Greg and Eve Holmes. **(For possible action)**
8. Public hearing for Bill No. 782: An ordinance providing for the annexation of 7.35 acres, more or less, located at 1044 South Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of the City of Fallon, Nevada, and for other matters properly related thereto. **(For discussion only)**

9. Consideration and possible adoption of Bill No. 782 as Ordinance No. 763: An ordinance providing for the annexation of 7.35 acres, more or less, located at 1044 South Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of the City of Fallon, Nevada, and for other matters properly related thereto. **(For possible action)**
10. Public hearing for discussion of possible project(s) to be funded through the Community Development Block Grant Program for fiscal year 2020-2021 and consideration and possible approval and ranking of project application(s) to be submitted through the CDBG program. **(For possible action)**
11. Consideration and possible approval of an amended Engagement Letter with Eide Bailly to provide for additional audit fees in the amount of Four Thousand Five Hundred Dollars (\$4,500.00) in order to complete the single audit of the City's major federal award programs compliance. **(For possible action)**
12. Consideration and possible approval of a Permit for Use of Fallon Rail Freight Loading Facility Newlands Project, Nevada granting permission for Premier Chemical, LLC to use the Fallon Secured Rail Freight Loading Facility. **(For possible action)**
13. Public Comments **(For discussion only)**
14. Council and Staff Reports **(For discussion only)**
15. Executive Session (closed):
 - Discuss Litigation Matters **(For discussion only)** (NRS 241 et.seq.)
 - Negotiations with Operating Engineers Local Union No. 3 **(For discussion only)**
 - Negotiations with Fallon Peace Officers Association **(For discussion only)**

This agenda has been posted on or before 9:00 a.m. on October 30, 2019 at City Hall, District Court Building, Churchill County Office Complex, Churchill County Public Library and posted to the City's website (<https://fallonnevada.gov>) and the State of Nevada public notice website (<https://notice.nv.gov/>). Members of the public may request the supporting material for this meeting by contacting Elsie M. Lee, Deputy City Clerk, City Clerk's Office, City Hall, 55 West Williams Avenue, Fallon, Nevada, (775) 423-5104. The supporting material for this meeting is also available to the public on the City's website (<https://fallonnevada.gov>) and the State of Nevada public notice website (<https://notice.nv.gov/>).


Elsie M. Lee

NOTICE TO PERSONS WITH DISABILITIES: Reasonable effort will be made to assist and accommodate physically handicapped persons desiring to attend the meeting. Please call the City Clerk's Office at 423-5104 in advance so that arrangements may be conveniently made.

November 4, 2019

Agenda Item 4

Consideration and approval of Council meeting minutes for July 1, 2019, July 9, 2019, and July 15, 2019. **(For possible action)**

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
July 1, 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, James D. Richardson
City Councilwoman, Kelly Frost
City Councilwoman, Karla Kent
City Clerk, Gary C. Cordes
City Attorney, Michael F. Mackedon
Deputy Public Works Director, Ryan A. Swirczek
Police Captain, Kris Alexander
Deputy Public Works Director, Adrian Noriega
Deputy City Attorney, Leonard E. Mackedon
Legal & Administrative Director, Robert Erquiaga
Deputy City Clerk, Elsie M. Lee
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 Council meeting minutes for May 6, 2019, May 13, 2019, and May 29, 2019

Mayor Tedford inquired if there were any additions or corrections to the minutes for May 6, 2019, May 13, 2019, and May 29, 2019.

No additions or corrections were noted.

Councilman Richardson motioned to approve the Council meeting minutes for May 6, 2019, May 13, 2019, and May 29, 2019 as submitted, seconded by Councilwoman Frost, Councilwoman Kent stated she would abstain, and approved with a 2-0 vote by the Council.

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 Councilwoman Kent and approved with a 3-0 vote by the Council.

Report from Mayor regarding emergency purchase of a replacement Roll-Off Truck

Mayor Tedford explained that the roll-off truck in the sanitation department was involved in an accident and we are currently using our backup truck and, in his opinion as well as staffs' opinion, that backup truck is really not one we should be counting on driving from the transfer station to the landfill because it has a different type of chassis. Also, now we no longer have a backup. The lead time to get a new truck is quite long, so he authorized staff to purchase this new roll-off truck and get it coming as soon as possible, then put it on the agenda so Council can authorize the purchase. As Mayor, he is authorized to make these decisions in an emergency situation, which is what he found it to be. He asked if Legal and Administrative Director Erquiaga had anything to add.

Legal and Administrative Director Erquiaga stated that the explanation was sufficient, and this agenda item was listed as discussion only. The financial authorization will come with the next agenda item, an interfund loan, and the Mayor's description of the truck and its service as a backup and inability to function as a day to day piece of equipment was correct.

Consideration and possible adoption of Resolution No. 19-20: A resolution authorizing a temporary interfund loan from the Water Treatment Enterprise Fund to the Sanitation Enterprise Fund in the amount of One Hundred Sixty-Five Thousand Dollars (\$165,000)

Legal and Administrative Director Erquiaga explained that City Clerk Cordes has produced a resolution for a proposed temporary interfund loan from the Water Treatment

Enterprise Fund to the Sanitation Fund due to the necessity to order the roll-off truck and get it into production. City Clerk Cordes outlined the requirements on his coversheet, both Nevada Revised Statutes and the Nevada Administrative Code, as it relates to temporary interfund loans. City Clerk Cordes proposed the loan be made in the amount of \$165,000.00, that it accrue no interest, and the Council make certain findings, that being that there are resources available in the Water Treatment Fund and that the intention is to repay this loan within one year. This resolution satisfies the requirements of the statute and code.

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

Councilman Richardson asked if the \$165,000.00 amount is for the entire purchase of the truck. He asked how much the truck would cost.

Legal and Administrative Director Erquiaga stated that the purchase price of the truck would be just a little over \$165,000.00.

Councilman Richardson asked if it was the same type of truck that we had or was it an improvement.

Legal and Administrative Director Erquiaga stated that it was comparable and will fit our existing roll-off bins.

Mayor Tedford clarified that the truck that was in the accident was a standard cab and the truck we are using as a backup is a cab-over.

Councilwoman Frost asked if there was a delivery date for the new truck.

Deputy Public Works Director Swirczek stated that the truck would be delivered in mid-October.

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

No comments were noted.

Councilman Richardson motioned to adopt Resolution No. 19-20: A resolution authorizing a temporary interfund loan from the Water Treatment Enterprise Fund to the Sanitation Enterprise Fund in the amount of One Hundred Sixty-Five Thousand Dollars (\$165,000) as submitted; seconded by Councilwoman Kent and approved with a 3-0 vote by the Council.

Appointment of Officers for the City of Fallon and confirmation of salaries of appointed Officers

Mayor Tedford read the names of appointed officers and their respective titles into the record:

Municipal Court Judge Michael Lister
Chief of Police Kevin Gehman
Police Captain Ron Wenger
Police Captain Kris Alexander
Legal and Administrative Director Robert Erquiaga
City Engineer Derek Zimney
Public Works Director Brian A. Byrd
Deputy Public Works Director Ryan A. Swirczek
Deputy Public Works Director Adrian Noriega
City Clerk Treasurer Gary C. Cordes
Deputy City Clerk Treasurer Elsie M. Lee

Director of Tourism and Special Events Jane Moon
Emergency Management Coordinator Steve Endacott
City Attorney Michael F. Mackedon
Deputy City Attorney Leonard E. Mackedon
Deputy City Attorney Trent deBraga

Mayor Tedford offered the names he listed to the Council for consideration and confirmation. He added that the salaries include the Western Index increase of 3.1 percent. He 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.

Councilwoman Kent motioned to confirm the Appointment of Officers for the City of Fallon and salaries as submitted; seconded by Councilwoman Frost and approved with a 3-0 vote by the Council.

Appointments to Boards

Mayor Tedford read the Boards and names into the record:

Board of Adjustment

Jack Beach
Kim Barrencea
Chris Webb
Sheila Scholz
Dusty Casey
Deputy City Attorney Leonard Mackedon, Legal
Counsel
Deputy City Attorney Trent deBraga, Legal
Counsel

Fallon Convention & Tourism Authority

Councilwoman Kelly Frost
Jatin 'Jay' Bhakta

Nevada League of Cities

Mayor Ken Tedford

Legislative Affairs/Utilities

Councilwoman Kelly Frost
Legal and Administrative Director Robert Erquiaga

National League of Cities

Mayor Ken Tedford

Regional Transportation Commission

Mayor Ken Tedford
Public Works Director Brian Byrd
City Attorney Michael Mackedon, Alternate
Legal and Administrative Director Robert Erquiaga,
Alternate
Deputy City Attorney Leonard Mackedon, Alternate

Fire Board	Councilman James Richardson Mayor Ken Tedford, Alternate
Debt Management Commission	Councilwoman Kelly Frost City Clerk Gary Cordes
Churchill Economic Development Authority	Councilwoman Kelly Frost
School Planning Board	City Clerk Gary Cordes
Coalition for Senior Citizens Board of Directors	Councilwoman Karla Kent Deputy City Clerk Elsie Lee, Alternate
Churchill Area Regional Transit	Councilwoman Karla Kent Deputy City Clerk Elsie Lee, Alternate
Utah Associated Municipal Power Systems	Legal and Administrative Director Robert Erquiaga Mayor Ken Tedford, Alternate Councilwoman Karla Kent, Alternate Deputy City Attorney Leonard Mackedon, Alternate
Audit Committee	Councilwoman Karla Kent City Attorney Michael Mackedon Legal and Administrative Director Robert Erquiaga
Insurance Committee	Councilman James Richardson City Attorney Michael Mackedon
Classification & Compensation Committee	Councilwoman Karla Kent
Trails Across Churchill County	Councilwoman Kelly Frost
Domestic Violence Task Force	Councilwoman Kelly Frost Legal and Administrative Director Robert Erquiaga Deputy City Attorney Leonard Mackedon Chief Kevin Gehman Captain Ron Wenger Sergeant Danny Babiarz Ray Dolan Pam Powell Johnson Kelli Weishaupt Karen Moessner
Western Nevada HOME Consortium	Councilwoman Kelly Frost

Board of Administrator's ref:
Municipal Service Agreement with
Fallon Paiute-Shoshone Tribe

Deputy City Clerk Treasurer Elsie Lee
Legal and Administrative Director Robert Erquiaga

Highway 95 Rural Development Authority Councilwoman Kelly Frost

Municipal Court Legal and Administrative Director Robert Erquiaga
Deputy City Attorney Trent deBraga
Deputy City Attorney Leonard Mackedon

Western Nevada Development District Councilwoman Kelly Frost
Deputy City Attorney Leonard Mackedon
Deputy City Attorney Trent deBraga

IT/Cybersecurity Task Force Councilwoman Karla Kent
Legal and Administrative Director Robert Erquiaga
Deputy City Clerk Elsie Lee
Deputy Public Works Director Ryan Swirczek
Captain Kris Alexander
Mike Kelly

Mayor Tedford offered the Boards and names he listed to the Council for consideration and confirmation. He 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.

Councilwoman Frost motioned to confirm the Appointments to Boards as submitted; seconded by Councilwoman Kent and approved with a 3-0 vote by the Council.

Presentation of the Police Department Report for May 2019

Captain Alexander presented the May monthly report. He added that the May incidents and activities were primarily in line with previous months with no exceptional variances.

- Staff participated in several hours of training.
- Detective Decker provided the indoctrination lecture to newly stationed Navy personnel.
- Detective Decker instructed two groups on the civilian response to an active assailant.
- Escorted Greenwave track and baseball teams out of town.
- A couple SWAT members took the MRAP to Lahontan Elementary School for field day.
- Officer Jacobs joined a game of kickball with the kids at the Fallon Youth Club.
- VIPS donated 191 hours to the agency; spending time visiting shut-in citizens, training, handicap parking patrols, video surveillance survey and radio repair.

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

Councilwoman Frost noticed the Fallon Police Department's Facebook posts about the "9pm Routine" and asked if the department noticed any results or received any comments about it yet.

Captain Alexander stated that it is relatively new and the comments they have received have been positive. It is an excellent reminder to lock your doors and lock your cars and lock your personal property. They will keep the Council updated on the progress.

Mayor Tedford thanked Captain Alexander for the report.

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.

Councilwoman Frost welcomed Councilwoman Kent to the City Council. She looked forward to serving with her.

Councilman Richardson echoed Councilwoman Frost's comments.

Councilwoman Kent noted that she was honored to represent Ward II. She thanked the voters of Ward II for putting their trust in her. She added that she has a lot to learn and was very excited to work with everyone.

Mayor Tedford noted that Councilwoman Kent will do a great job. He knows from her other activities that she is dedicated. Everyone is looking forward to working with her.

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 9:28 a.m.

Mayor Ken Tedford

Attest: _____
Gary C. Cordes, City Clerk/Treasurer

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
July 9, 2019**

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

Present:

Mayor Ken Tedford
City Councilman, James D. Richardson
City Councilwoman, Kelly Frost
City Councilwoman, Karla Kent
City Clerk, Gary C. Cordes
Deputy Public Works Director, Ryan A. Swirczek
Police Captain, Kris Alexander
Deputy Public Works Director, Adrian Noriega
Legal & Administrative Director, Robert Erquiaga
Deputy City Clerk, Elsie M. Lee
Director of Tourism & Special Events, Jane Moon
Marketing & Communications Coordinator, Kaitlin Ritchie
Deputy City Attorney, Trent deBraga

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.

Consideration and possible adoption of Resolution No. 19-21: A resolution providing for the appointment of a Councilperson as Mayor Pro Tem, and other matters properly related thereto

Mayor Tedford explained that this item allows for the Council to appoint or elect a Council person as Mayor Pro Tem. This is a decision that is made by the three Council members; for someone to act as Mayor Pro Tem in the Mayor's absence or inability to carry out the duties of the office. He stated that he would entertain discussion or a motion to fill that position at this time.

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 Richardson motioned to elect Councilwoman Frost as Mayor Pro Tem; seconded by Councilwoman Kent and approved with a 3-0 vote by the Council.

Mayor Tedford noted that Resolution No. 19-21 is the proposed resolution related to this action. It coincides with NRS 266.185 that requires the City Council to provide for the appointment of one of its members by ordinance or resolution to serve as Mayor Pro Tem during the Mayor's absence or disability. The City does not have an ordinance so Resolution No. 19-21 will be used.

Mayor Tedford read Resolution No. 19-21 into the record:

**"A RESOLUTION PROVIDING FOR THE APPOINTMENT OF A
COUNCILPERSON AS MAYOR PRO TEM, AND OTHER MATTERS
PROPERLY RELATED THERETO.**

WHEREAS, NRS 266.185(1)(b) requires the City Council to provide for the appointment of one of its members, by ordinance or resolution, to serve as Mayor Pro Tem during the absence or disability of the Mayor; and

WHEREAS, Councilman Bob Erickson faithfully and diligently served as Mayor Pro Tem from June 16, 2009 until his retirement from the City Council on July 1, 2019; and

WHEREAS, the City Council of the City of Fallon hereby desires to elect one of its members to serve as Mayor Pro Tem.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fallon that Councilwoman Kelly Frost is hereby elected and appointed to serve as Mayor Pro Tem during the absence or disability of the Mayor.

BE IT FURTHER RESOLVED that, pursuant to NRS 266.185(2), during the absence or disability of the Mayor, the Mayor Pro Tem shall possess the powers and duties of Mayor and shall hold the office of Mayor Pro Tem at the pleasure of the City Council.

BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its approval and adoption.

APPROVED AND ADOPTED by the City Council of the City of Fallon, Nevada this 9th day of July, 2019.”

Councilman Richardson motioned to adopt Resolution No. 19-21: A resolution providing for the appointment of Councilwoman Frost as Mayor Pro Tem; seconded by Councilwoman Kent 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.

Councilwoman Kent congratulated Councilwoman Frost on her appointment as Mayor Pro Tem. She praised the Police Department on their traffic directing efforts for the July 4th fireworks; she heard it went smoothly and vehicles were able to easily exit after the show.

Mayor Tedford congratulated Councilwoman Frost on her appointment as Mayor Pro Tem. He was confident that she would do a fine job.

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 9:06 a.m.

Mayor Ken Tedford

Attest: _____
Gary C. Cordes, City Clerk/Treasurer

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
July 15, 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, James D. Richardson
City Councilwoman, Kelly Frost
City Councilwoman, Karla Kent
City Clerk, Gary C. Cordes
Police Captain, Ron Wenger
Deputy Public Works Director, Ryan A. Swirczek
Deputy Public Works Director, Adrian Noriega
Legal & Administrative Director, Robert Erquiaga
Deputy City Clerk, Elsie M. Lee
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 Kent motioned to approve the accounts payable, payroll and customer deposit warrants and authorize the Mayor to sign the same; seconded by Councilwoman Frost and approved with a 3-0 vote by the Council.

Recognition of Bert Miller's 35 years of dedicated service to our community and recognition of retiring volunteer firefighters Ralph Hamman with 24.5 years of service, Richard McKnight with 20 years of service and Lowell Black with 24 years of service

Mayor Tedford stated that this was the time to recognize Bert Miller's 35 years of dedicated service to our community along with retiring volunteer firefighters Ralph Hamman with 24.5 years of service, Richard McKnight with 20 years of service and Lowell Black with 24 years of service. The families of Bert Miller and Lowell Black are here with us today. The amount of time these volunteer firemen put in for our community is priceless. Some of us that are close to the fire department realize what that is, but a lot of people may not realize the time, effort, heart, and soul that these firefighters give, along with their families. When we think of the outpouring of love toward Bert during the events of last July, we recognize him and what his family has meant to our community and what that fire department has meant to us as a community. He also thanked Lowell Black for his years of service; acknowledging that he is working out of town now and he is missed in this community. Today, the Mayor and Council wanted to honor them with their hearts and minds, plus the outward recognition with plaques and flowers. It is a tremendous thing to be on call 24/7 for so many years. Plaques and flowers were presented, and photographs were taken.

Appointment to Boards: Appointment of Ezra Bernardo to the Fallon Convention and Tourism Authority

Mayor Tedford stated that Ezra Bernardo is being offered for confirmation to fill the position on the Fallon Convention and Tourism Authority left open when Pranav Morar resigned and moved out of the community. Mr. Bernardo is the General Manager of the Holiday Inn Express, has lived in Fallon for 24 years, and has the background and experience necessary to be an effective board member; when he met with Mr. Bernardo, he was very impressed with his knowledge of our local events. He added that Mr. Bernardo is married to Cheyanne and they have 4 kids: Brendan 13, Nathan 12, Evan 8, Braelyn 5. Mr. Bernardo has lived in Fallon since 3rd grade, he is originally from Lemoore, CA – his father's military service brought the family to Fallon. His hobby is coaching his kids' sports including t-ball, soccer, and basketball.

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

Councilwoman Frost stated that she thought Mr. Bernardo would do a great job and she was excited to fill the board vacancy.

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

No comments were noted.

Councilwoman Frost motioned to confirm the appointment of Ezra Bernardo to the Fallon Convention and Tourism Authority; 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.

Councilwoman Frost heard many positive comments about the Ceremony of Protocol and thanked City staff for their efforts on that event. She congratulated Mayor Tedford and Councilwoman Kent on their swearing in.

Councilman Richardson echoed Councilwoman Frost's comments, adding that Mayor Tedford did a wonderful job on his speech. He welcomed Councilwoman Kent aboard.

Councilwoman Kent thanked everyone for the nice ceremony.

At this time, Mayor Tedford administered the Oath of Office to Mr. Bernardo and photographs were taken.

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 9:19 a.m.

Mayor Ken Tedford

Attest:

Gary C. Cordes, City Clerk/Treasurer

November 4, 2019

Agenda Item 6

Presentation of Proclamation for No-Shave
November 2019 to support research, awareness, and
treatment of prostate and testicular cancer. **(For
discussion only)**

November 4, 2019

Agenda Item 7

Consideration and possible action to initiate procedures for the deannexation of 11.51 acres, more or less, from the City of Fallon, located at 100 Airport Road, at the request of the property owners, Greg and Eve Holmes. **(For possible action)**

**CITY OF FALLON
REQUEST FOR COUNCIL ACTION**

Agenda Item No. 7

DATE SUBMITTED: October 29, 2019

AGENDA DATE REQUESTED: November 4, 2019

TO: The Honorable City Council

FROM: Robert Erquiaga, Legal and Administrative Director

SUBJECT TITLE: Consideration and possible action to initiate procedures for the deannexation of 11.51 acres, more or less, from the City of Fallon, located at 100 Airport Road, at the request of the property owners, Greg and Eve Holmes. **(For possible action)**

TYPE OF ACTION REQUESTED: (Check One)

- | | |
|--|------------------------------------|
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Ordinance |
| <input checked="" type="checkbox"/> Formal Action/Motion | <input type="checkbox"/> Other |

RECOMMENDED COUNCIL ACTION: Motion to direct City staff to initiate procedures for the deannexation of 11.51 acres, more or less, from the City of Fallon, located at 100 Airport Road, at the request of the property owners, Greg and Eve Holmes.

DISCUSSION: Greg and Eve Holmes have requested that their property at 100 Airport Road be deannexed from the City of Fallon. The property, which consists of approximately 11.51 acres, was annexed into the City of Fallon in 1988. City staff has caused to be prepared an accurate map, made and certified by a competent surveyor, showing the area sought to be detached and the City boundaries contemplated to be diminished or contracted. If so directed by the City Council, City staff will initiate the procedures required by NRS Chapter 268, which includes, among other things, notice to the Churchill County Commission, action by the Churchill County Planning Commission and County Commission, publication of the City's Council intent to act on the matter, and final consideration and action at a future City Council meeting.

FISCAL IMPACT: Reduction in Property Tax Revenue

FUNDING SOURCE: N/A

PREPARED BY: Robert Erquiaga, Legal and Administrative Director

Greg & Eve Holmes
100 Airport Road
Fallon, NV. 8940
707-483-3676

September 6, 2019

To The Honorary City of Fallon Council

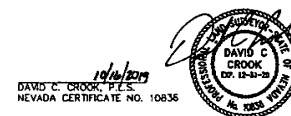
We, Greg & Eve Holmes are formally requesting to go before the City Council for possible deannexation of our property at 100 Airport Road APN# 001-081-11. We purchased the 11.5 acres property in December 2018 in hopes to build our single family home and put in a well and septic system, but due to agreements that were made upon annexing this property to City in 1988 we are unable to use this property for our home, the annexation agreement does not allow this, we found that extending the City's utilities to our land is to great of a financial hardship for our family. Thank you for your consideration.

Sincerely;

Greg & Eve Holmes

SURVEYOR'S CERTIFICATE

I, DAVID C. CROOK, A PROFESSIONAL LAND SURVEYOR LICENSED IN THE STATE OF NEVADA, AS AN AGENT FOR LUMOS AND ASSOCIATES, CERTIFY THAT THIS MAP CORRECTLY REPRESENTS THE LAND PROPOSED FOR DETACHMENT FROM THE CITY OF FALLON, STATE OF NEVADA, AND THAT THE MAP HAS BEEN PREPARED FROM RECORD INFORMATION.



NOTES

- THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY AND IS BASED ON RECORD INFORMATION ONLY. THE ACTUAL BOUNDARIES OF THE DETACHMENT AREA IS CONTAINED IN THE BOUNDARIES OF PARCEL 4, AS SHOWN AND SO DESIGNATED ON THE PARCEL MAP FOR ROBERT M. GETTO FAMILY TRUST, FILE NO. 433099 IN THE OFFICIAL RECORDS OF CHURCHILL COUNTY, NEVADA.
- TOTAL AREA TO BE DETACHED FROM THE CITY OF FALLON: 11.51 ACRES.
- THE RIGHT OF USE OF AIRPORT ROAD BY THE CITY OF FALLON IS DESCRIBED IN DEED BOOK 30, PAGE 87, DOC. NO. 75771, DATED APRIL 15, 1982, NO WIDTH IS SPECIFIED.
- AN EASEMENT TO THE CITY OF FALLON FOR WATER LINE USE, DEED BOOK 20, PAGE 412, DATED 11/15/1934, NO WIDTH IS GIVEN IN THIS AREA.

REFERENCE DOCUMENTS

- (R1) JACK ROSS PARCEL MAP, FILE NO. 144579 IN THE OFFICIAL RECORDS OF CHURCHILL COUNTY, NEVADA.
- (R2) PARCEL MAP FOR ROBERT M. GETTO FAMILY TRUST, FILE NO. 402750 IN THE OFFICIAL RECORDS OF CHURCHILL COUNTY, NEVADA.
- (R3) PARCEL MAP FOR ROBERT M. GETTO FAMILY TRUST, FILE NO. 403099 IN THE OFFICIAL RECORDS OF CHURCHILL COUNTY, NEVADA.
- (R4) QUITCLAIM DEED, DOCUMENT NO. 455723 IN THE OFFICIAL RECORDS OF CHURCHILL COUNTY, NEVADA.

CITY OF FALLON

APPROVED AND ACCEPTED BY THE CITY COUNCIL OF THE CITY OF FALLON COUNTY OF CHURCHILL, STATE OF NEVADA, THIS ____ DAY OF ____, 2019

MAYOR _____ DATE _____

ATTSEY: FALLON CITY CLERK _____ DATE _____

ENGINEER'S CERTIFICATE

I, DEREK ZARNEY, P.E., CERTIFY THAT I HAVE EXAMINED THIS MAP CONSISTING OF ONE SHEET, AND THAT PROVISIONS AND ORDINANCES APPLICABLE HAVE BEEN COMPLIED WITH AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

CITY ENGINEER _____ DATE _____

RECORDER'S CERTIFICATE

FILED FOR RECORD AT THE REQUEST OF LUMOS AND ASSOCIATES, INC. ON THIS DAY OF ____, 20__ AT ____ MINUTES PAST ____ O'CLOCK ____, IN BOOK ____, AT PAGE ____, OF OFFICIAL RECORDS OF CHURCHILL COUNTY, NEVADA.

RECORDING FEE: _____ BY: _____ RECORDER

FILE NUMBER: _____ BY: _____

MAP TO SUPPORT DETACHMENT OF CERTAIN PARCELS OF LAND FROM THE CITY OF FALLON, NEVADA

A PORTION OF THE NE 1/4 OF SECTION 30, TOWNSHIP 19 NORTH, RANGE 20 EAST, 122.4M

CITY OF FALLON CHURCHILL COUNTY STATE OF NEVADA



176 SOUTH MAIN STREET
FALLON, NV 89403
TEL: (775) 423-2139
LUMOSINC.COM

Drawn By: DCC
Sheet: 1 of 1
Job No.: 0915.SURVEY.DWG
Drawing No.: 0915.SURVEY.DWG

LEGEND

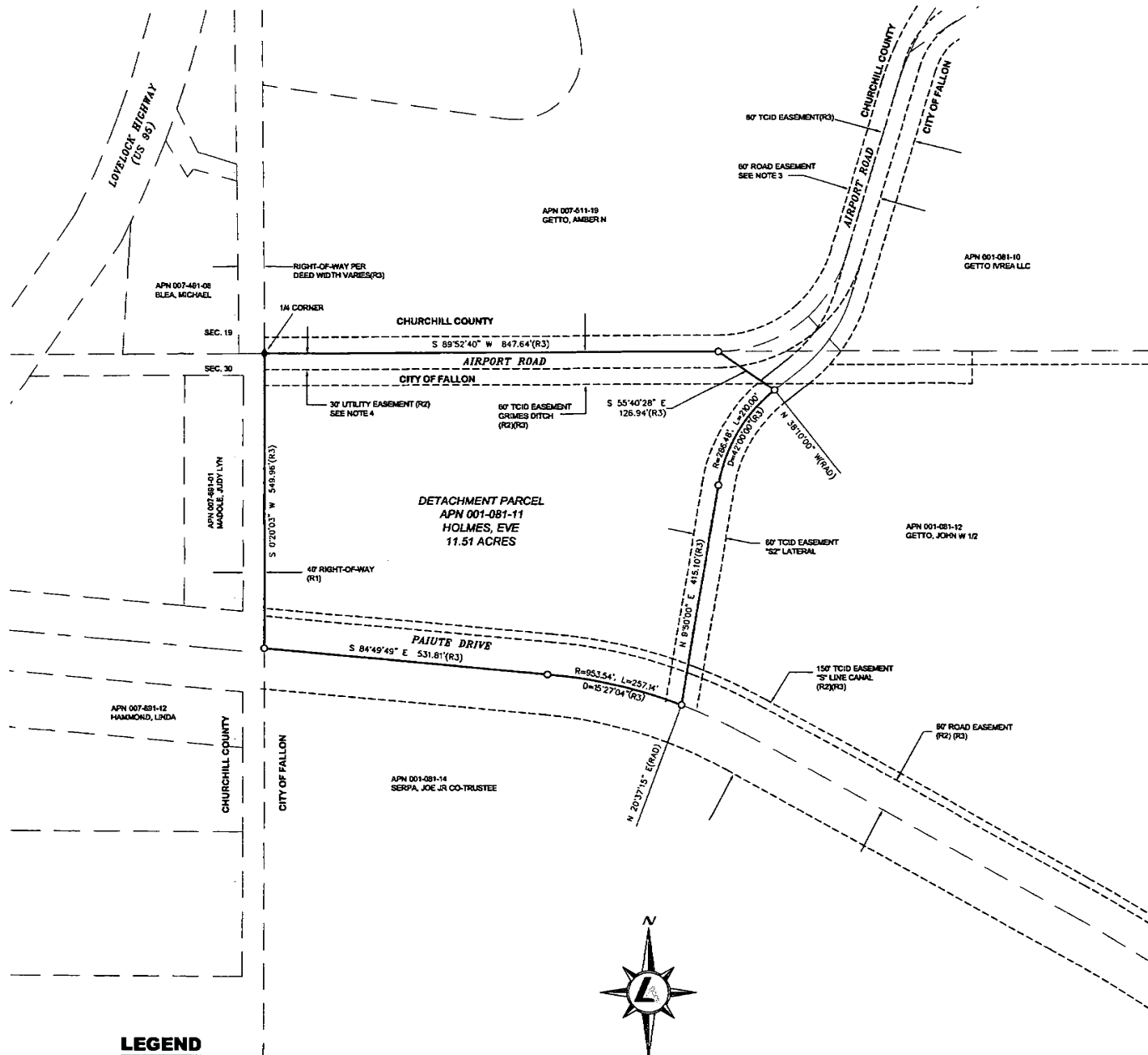
- SUBJECT PARCEL BOUNDARY
- DIMENSION POINT PER RECORD INFORMATION
- ◆ QUARTER CORNER
- (R3) RECORD COURSE AND DISTANCE PER REFERENCED DOCUMENT

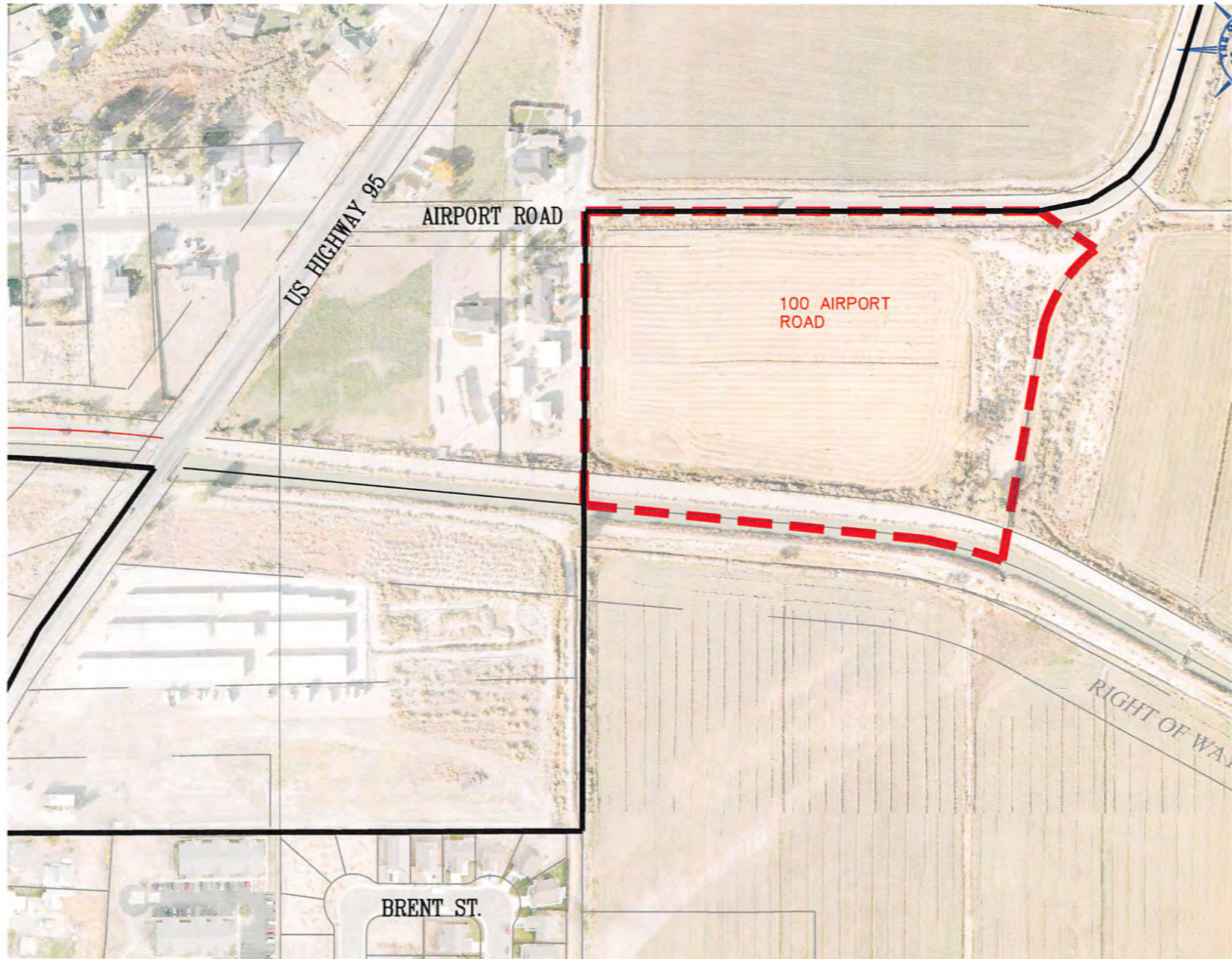


100' 50' 0 100' 200'
SCALE: 1"=100'

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS SURVEY IS IDENTICAL TO PARCEL MAP FOR ROBERT M. GETTO FAMILY TRUST, FILE NO. 403099 IN THE OFFICIAL RECORDS OF CHURCHILL COUNTY, NEVADA.
ALL DIMENSIONS ON THIS MAP ARE GROUND DISTANCES.





November 4, 2019

Agenda Item 8

Public hearing for Bill No. 782: An ordinance providing for the annexation of 7.35 acres, more or less, located at 1044 South Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of the City of Fallon, Nevada, and for other matters properly related thereto. **(For discussion only)**

**CITY OF FALLON
REQUEST FOR COUNCIL ACTION**

Agenda Item No. 8

DATE SUBMITTED: October 29, 2019

AGENDA DATE REQUESTED: November 4, 2019

TO: The Honorable City Council

FROM: Robert Erquiaga, Legal and Administrative Director

SUBJECT TITLE: Public hearing for Bill No. 782: An ordinance providing for the annexation of 7.35 acres, more or less, located at 1044 South Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of the City of Fallon, Nevada, and for other matters properly related thereto. **(For discussion only)**

TYPE OF ACTION REQUESTED: (Check One)

<input type="checkbox"/> Resolution	<input checked="" type="checkbox"/> Ordinance
<input type="checkbox"/> Formal Action/Motion	<input type="checkbox"/> Other

POSSIBLE COUNCIL ACTION: None in this agenda item, it is for the public hearing for Bill No. 782 only.

DISCUSSION: Bill No. 782 was introduced at the Council's properly noticed regular meeting on October 21, 2019. Notice of the deposit of copies of the proposed ordinance and the public hearing date was duly published in the Lahontan Valley News on October 23, 2019. The proposed ordinance, as amended by City staff, the Annexation Agreement and the Proof and Statement of Publication of the Notice of Deposit of Copies and Public Hearing to Adopt Bill No. 782 are attached to this coversheet. This agenda item represents the public's opportunity to comment on the proposed ordinance and to present relevant information and materials to the Council.

PREPARED BY: Robert Erquiaga, Legal and Administrative Director

AN ORDINANCE PROVIDING FOR THE ANNEXATION OF 7.35 ACRES, MORE OR LESS, LOCATED AT 1044 SOUTH ALLEN ROAD, OWNED BY GALLAGHER SAFE STORAGE, LLC, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF FALLON, NEVADA, AND FOR OTHER MATTERS PROPERLY RELATED THERETO.

WHEREAS, NRS 268.670 provides authority for the City Council, subject to the provisions of NRS 268.663, and after notifying the Board of County Commissioners of its intention, to annex contiguous territory if 100 percent of the owners of record of individual parcels of land sign a petition requesting the City Council to annex such area to the City; and

WHEREAS, Gallagher Safe Storage, LLC, the owners of record of 1044 South Allen Road, a parcel of land consisting of 7.35 acres, more or less, have presented a signed Petition requesting the City Council to annex such parcel to the City; and

WHEREAS, Gallagher Safe Storage, LLC, has caused an accurate map of said 7.35 acres, more or less, to be made under the supervision of a licensed surveyor and have filed a copy of said map with the City of Fallon; and

WHEREAS, the City of Fallon has provided notice to the Board of Churchill County Commissioners of its intention to annex such parcel; and

WHEREAS, 1044 South Allen Road is contiguous to the existing corporate limits of the City of Fallon as the parcel abuts directly on the boundary of the City of Fallon; and

WHEREAS, pursuant to NRS 268.663(1), the proposed annexation extends to the middle of Allen Road as the parcel to be annexed abuts upon one side of a county road or state highway and the territory which abuts upon the opposite side of the road or state highway is not within the boundaries of the City of Fallon; and

WHEREAS, Gallagher Safe Storage, LLC has requested that, upon annexation, zoning of the annexed parcel be set as C-2 General Commercial District as set forth in the Fallon Municipal Code; and

WHEREAS, Gallagher Safe Storage, LLC has entered into an Annexation Agreement with the City of Fallon; and

WHEREAS, the proposed annexation and the terms and conditions of the Annexation Agreement are in the best interests of the citizens of the City of Fallon.

NOW, THEREFORE, the City Council of the City of Fallon do ordain as follows:

SECTION I

That all those certain lots, pieces or parcels of land situate, lying and being in the County of Churchill, State of Nevada, more particularly described as follows, to wit:

All that certain lot, piece or parcel of land situate in the County of Churchill, State of Nevada, described as follows:

A parcel of land in the NE $\frac{1}{4}$ of NE $\frac{1}{4}$, Section Thirty-five (35), Township 19 North, Range Twenty-eight (28) East, M.D.B.&M., in the County of Churchill, State of Nevada, described as follows:

COMMENCING at the Northeast corner of Section Thirty-five (35), Township 19 North, Range Twenty-eight (28) East, MDB&M; thence North $89^{\circ}35'$ West along the North line of said Section Thirty-five (35) a distance of 30 feet; thence South $00^{\circ}20'$ West parallel with the East line of said Section Thirty-five (35) a distance of 275.2 feet to the true point of beginning; thence around the parcel as follows:

South $00^{\circ}20'$ West a distance of 323.3 feet to an existing fence; thence North $86^{\circ}09'$ West along said fence a distance of 498.18 feet to an existing fence corner; thence South $00^{\circ}20'$ West a distance of 158.25 feet to the center line of the existing channel of the New River Drain; thence North $75^{\circ}10'$ West along said channel a distance of 165.04 feet; thence North $30^{\circ}35'$ West along said channel a distance of 318.35 feet to the East line of a parcel described in deed to F. Taylor as found recorded in Book 24 of Deeds, Page 517 of the Churchill County Records, Fallon, Nevada; thence North $00^{\circ}25'$ East along said Taylor line a distance of 413 feet to the North line of said Section Thirty-five (35); thence South $89^{\circ}35'$ East along said line a distance of 348.5 feet to the Northwest corner of a parcel described in deed to W. Whitaker as found recorded in Book 34 of Deeds, Page 47 of the Churchill County Records, Fallon, Nevada; thence South $03^{\circ}01'$ West along said Whitaker West line a distance of 275.5 feet; thence South $89^{\circ}35'$ East a distance of 484.4 feet to the true POINT OF BEGINNING.

Excluding therefrom that certain lot, piece or parcel more particularly described as follows:

COMMENCING at the NE corner of Section 35, T.19N, R.28E, MDB&M; thence S $00^{\circ}15'$ W along the East line of said Section 35 a distance of 404.5 feet; thence N $89^{\circ}40'$ W a distance of 30 feet to the true point of beginning; thence around the parcel as follows:

S 00°15' W a distance of 118.00 feet; thence N 89°40' W a distance of 369.00 feet; thence N 00°15' E a distance of 118.00 feet; thence S 89°40' E a distance of 369.00 feet to the true POINT OF BEGINNING. Said parcel contains an area of approximately 7.35 acres.

Note: The above Metes and Bounds description appeared previously in that certain document recorded November 7, 2018 as Document No. 470704, Official Records. Said property is also described as Parcel 2 of the Parcel Map for Tom Gallagher recorded February 4, 1977 as Document No. 149824, Official Records, Churchill County, Nevada,

is hereby annexed to the City of Fallon, and the said territory hereinbefore described shall be deemed and held to be a part of said City of Fallon and the inhabitants thereof shall hereafter enjoy the privileges and benefits of such annexation and be subject to the ordinances and regulations of the City of Fallon.

SECTION II

That, pursuant to NRS 268.663(1), said annexation extends to the middle of Allen Road adjacent to the eastern boundary of the annexed parcel.

SECTION III

That zoning for the annexed parcel is hereby set as C-2 General Commercial District as set forth in the Fallon Municipal Code.

SECTION IV

That an accurate map of the annexed parcel, prepared under the supervision of a licensed Nevada surveyor, together with a certified copy of this Ordinance, shall be recorded in the office of the Churchill County Recorder prior to the effective date of the annexation as specified herein, and that a duplicate copy of the map and this Ordinance shall be filed with the Nevada Department of Taxation upon the recording of the documents with the Churchill County Recorder as set forth herein.

SECTION V

That this ordinance shall be in full force and effect from and after passage, approval and publication as required by law and completion of the requirements of NRS 268.600.

Proposed by: Councilwoman Kent

Passed and adopted this _____ day of _____, 2019.

Ayes: _____

Nays: _____

Absent: _____

KEN TEDFORD
Mayor

ATTEST: _____
GARY C. CORDES
City Clerk/Treasurer

I hereby affirm that this document submitted for recording does not contain a social security number.

Signed: _____
Derek Zimney, City Engineer

Assessor's Parcel #: 008-811-12

RECORDING REQUESTED BY AND RETURN TO:
City of Fallon
55 West Williams Avenue
Fallon, Nevada 89406

ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT is made and entered into this ____ day of November, 2019, by and between the CITY OF FALLON, a Municipal Corporation of the State of Nevada ("the City"), and GALLAGHER SAFE STORAGE, LLC, a limited-liability company of the County of Washoe, State of Nevada ("the Owner").

WITNESSETH

WHEREAS, the Owner is desirous of annexing a certain parcel of land ("the Property") into the City of Fallon, more particularly described as follows, to wit:

All that certain lot, piece or parcel of land situate in the County of Churchill, State of Nevada, described as follows:

A parcel of land in the NE ¼ of NE ¼, Section Thirty-five (35), Township 19 North, Range Twenty-eight (28) East, M.D.B.&M., in the County of Churchill, State of Nevada, described as follows:

COMMENCING at the Northeast corner of Section Thirty-five (35), Township 19 North, Range Twenty-eight (28) East, MDB&M; thence North 89°35' West along the North line of said Section Thirty-five (35) a distance of 30 feet; thence South 00°20' West parallel with the East line of said Section Thirty-five (35) a distance of 275.2 feet to the true point of beginning; thence around the parcel as follows:

South 00°20' West a distance of 323.3 feet to an existing fence; thence North 86°09' West along said fence a distance of 498.18 feet to an existing fence corner; thence South 00°20' West a distance of 158.25 feet to the center line of the existing channel of the New River Drain; thence North 75°10' West along said channel a distance of 165.04 feet; thence North 30°35' West along said channel a distance of 318.35 feet to the East line of a parcel described in deed

to F. Taylor as found recorded in Book 24 of Deeds, Page 517 of the Churchill County Records, Fallon, Nevada; thence North 00°25' East along said Taylor line a distance of 413 feet to the North line of said Section Thirty-five (35); thence South 89°35' East along said line a distance of 348.5 feet to the Northwest corner of a parcel described in deed to W. Whitaker as found recorded in Book 34 of Deeds, Page 47 of the Churchill County Records, Fallon, Nevada; thence South 03°01' West along said Whitaker West line a distance of 275.5 feet; thence South 89°35' East a distance of 484.4 feet to the true POINT OF BEGINNING.

Excluding therefrom that certain lot, piece or parcel more particularly described as follows:

COMMENCING at the NE corner of Section 35, T.19N, R.28E, MDB&M; thence S 00°15' W along the East line of said Section 35 a distance of 404.5 feet; thence N 89°40' W a distance of 30 feet to the true point of beginning; thence around the parcel as follows:

S 00°15' W a distance of 118.00 feet; thence N 89°40' W a distance of 369.00 feet; thence N 00°15' E a distance of 118.00 feet; thence S 89°40' E a distance of 369.00 feet to the true POINT OF BEGINNING. Said parcel contains an area of approximately 7.35 acres.

Note: The above Metes and Bounds description appeared previously in that certain document recorded November 7, 2018 as Document No. 470704, Official Records. Said property is also described as Parcel 2 of the Parcel Map for Tom Gallagher recorded February 4, 1977 as Document No. 149824, Official Records, Churchill County, Nevada.

WHEREAS, the City operates water, sewer and electric utility systems and the Property is contiguous to the existing boundaries of the corporate limits of the City, and otherwise a proper subject of annexation in accordance with the provisions of Nevada law; and

WHEREAS, the City has adequate utility system capacity to connect the Owner's property to the City's water, sewer and electric utility systems subject to certain extensions of water, sewer and electric lines; and

WHEREAS, the Fallon Municipal Code of Fallon, Nevada, 1977, as amended ("FMC") provides for certain improvements to be made by an applicant upon annexation of properties into the City, including, but not limited to, improvements relating to water lines, sewer lines, electric lines, streets, street lights, curbs, gutters, sidewalks and storm drains; and

WHEREAS, the FMC provides that upon annexation of properties into the City, all buildings and facilities constructed therefore must be served with City utilities including, but not limited to, water (including water treatment), sewer, electric, garbage collection and landfill services; and

WHEREAS, the Owner hereby requests that upon annexation the zoning of the Property be set as C-2 General Commercial District as set forth in the FMC.

NOW, THEREFORE, in consideration of the premises, including the herein stated financial obligations and covenants of the Owner, together with the mutual promises of the parties hereinafter stated, it is understood and agreed as follows, to wit:

1. The City will initiate and accomplish the procedures required by law for the annexation of the Property, in accordance with the provisions of NRS 268.636 et. seq.
2. The Owner agrees to connect all future improvements and buildings requiring water, sewer and electric service to City utilities, including payment of the utility connection fees in effect at the time of development of the Property.
3. The Owner agrees to provide all necessary easements on the Property for such utility connections.
4. The Owner shall pay to the City a fee of Three Thousand Dollars (\$3,000.00) at the time of annexation, said fee being the initial fee for one unit of water rights in lieu of the dedication of underground water rights. The Owner shall also pay such additional water right dedication fees as are required for future development of the Property that requires more than one unit of water rights or subsequent divisions or development of the Property as applicable.
5. The Owner shall, upon development of the Property, install curbs, gutters, sidewalks, streetlights and paving to the existing pavement along the frontage of the Property along Allen Road.
6. The Owner shall, upon development of the Property, extend the City's existing sewer system to the south boundary of the parcel on Allen Road.
7. The Owner shall install the improvements and connections required by this Annexation Agreement and the FMC in accordance with City of Fallon specifications at no cost to the City.
8. The Owner agrees that the zoning for the Property shall be set by the Fallon City Council and subject to the provisions of the FMC.
9. The Owner acknowledges and agrees that each of the aforesaid conditions imposed on Owner, whether of a financial or a performance nature, are conditions precedent to acceptance of the Property for annexation and to receipt of the above-described City municipal utility services.
10. In the event that Owner fails to fulfill the obligations and covenants as herein provided, the City shall have the right to take any action provided under law or equity to enforce the terms of this Annexation Agreement, including, but not limited to, completing

and/or performing any of such obligations on its own and charging Owner the costs therefore with the right to levy a lien on the Property as may be proper to collect any such expenditures incurred by the City.

11. The validity, construction and enforceability of this Annexation Agreement shall be governed in all respects by the laws of the State of Nevada applicable to agreements negotiated, executed and performed in Nevada by Nevada residents, whether one or more of the parties shall now be, or hereafter become, a resident of another state. In any action to enforce the terms of this Annexation Agreement, venue shall be the Tenth Judicial District Court in and for Churchill County, Nevada.

THIS AGREEMENT shall be recorded in the Official Records of Churchill County, Nevada and shall constitute a covenant running with the land and shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the day and year first written above.

OWNER

CITY OF FALLON

By: _____
Cyndia Gallagher
Gallagher Safe Storage, LLC

By: _____
Ken Tedford, Mayor

Attest: _____
Gary Cordes, City Clerk/Treasurer

STATE OF NEVADA)
 : ss.
County of Churchill)

On this _____ day of November, 2019, personally appeared before me, a Notary Public, in and for the county and state aforesaid, Cyndia Gallagher, known to me or who proved to me to be the person described herein and who executed the above and foregoing instrument; and who acknowledged to me that she executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first written above.

Notary Public

Ken Tedford
MAYOR



James D. Richardson
Councilman

Kelly Frost
Councilwoman

Karla K. Kent
Councilwoman

October 30, 2019

Ms. Pamela D. Moore, Deputy Clerk of the Board
Churchill County Commissioners
155 N. Taylor Street, Suite 110
Fallon, Nevada 89406

HAND DELIVERED

***Re: City of Fallon's Intent to Annex 7.35 Acres, More or Less,
Located at 1044 South Allen Road***

Dear Ms. Moore and Churchill County Commissioners:

This Notice is sent pursuant to NRS 268.670 for the purpose of placing the Churchill County Commissioners on notice of the City of Fallon's intent to annex approximately 7.35 acres of territory located at 1044 South Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of the City of Fallon. This matter will be considered by the Honorable City Council at their regular meeting on November 4, 2019. Attached to this Notice is a metes and bounds description of the territory to be annexed. Please feel free to contact the City if you have any questions or need any further information.

Regards,

THE CITY OF FALLON

Ken Tedford
Mayor

cc: Jim Barbee, Churchill County Manager

08-81



TOWNSHIP		
19 N.		
RANGE		
28 E.		
SECTION		
35		

LEGEND

ZONING	ELLIPSE
BRACKET	PARCEL #
ROAD	EASEMENT

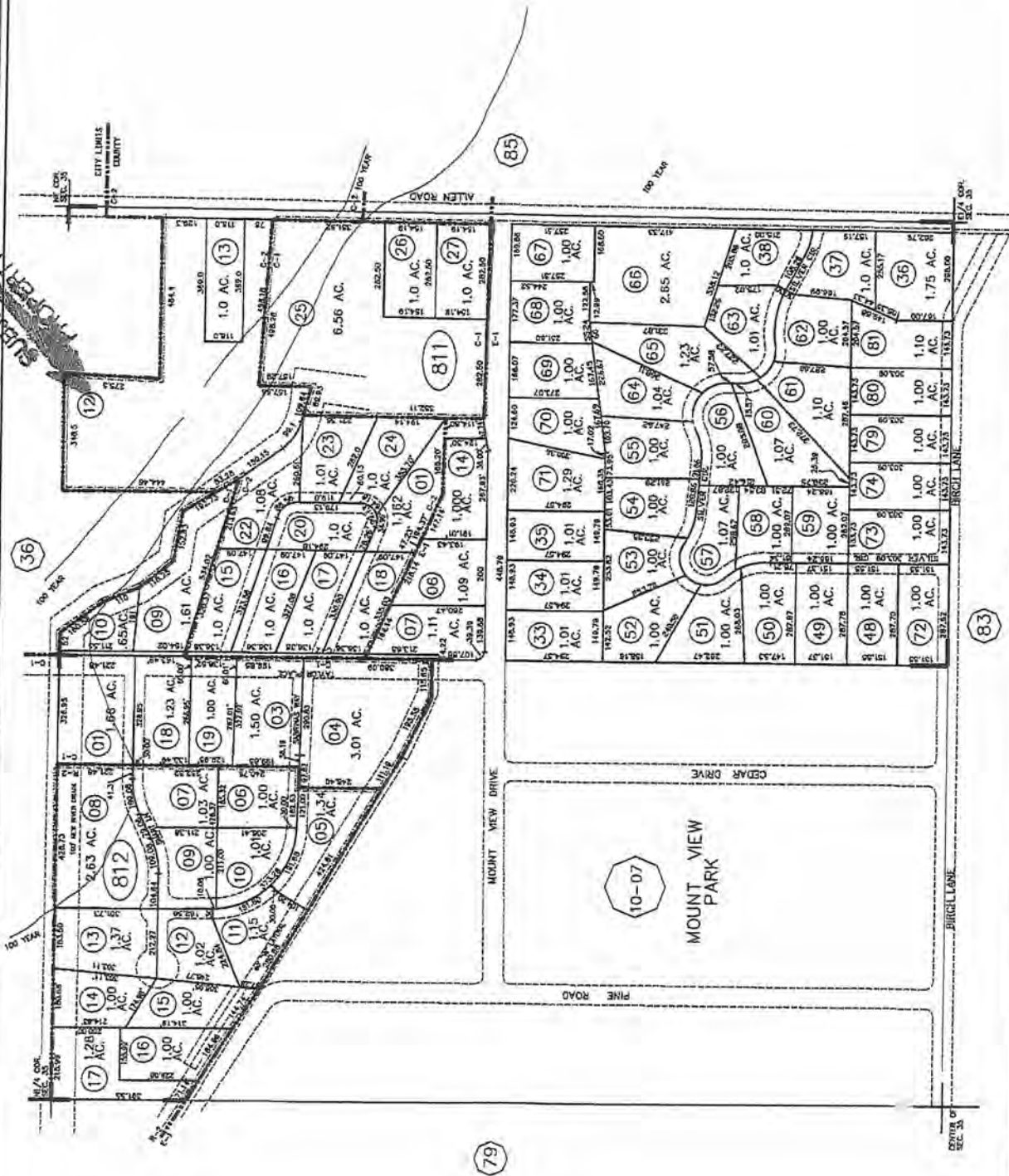
ZONES: C-1,
C-2, E-1, R-2

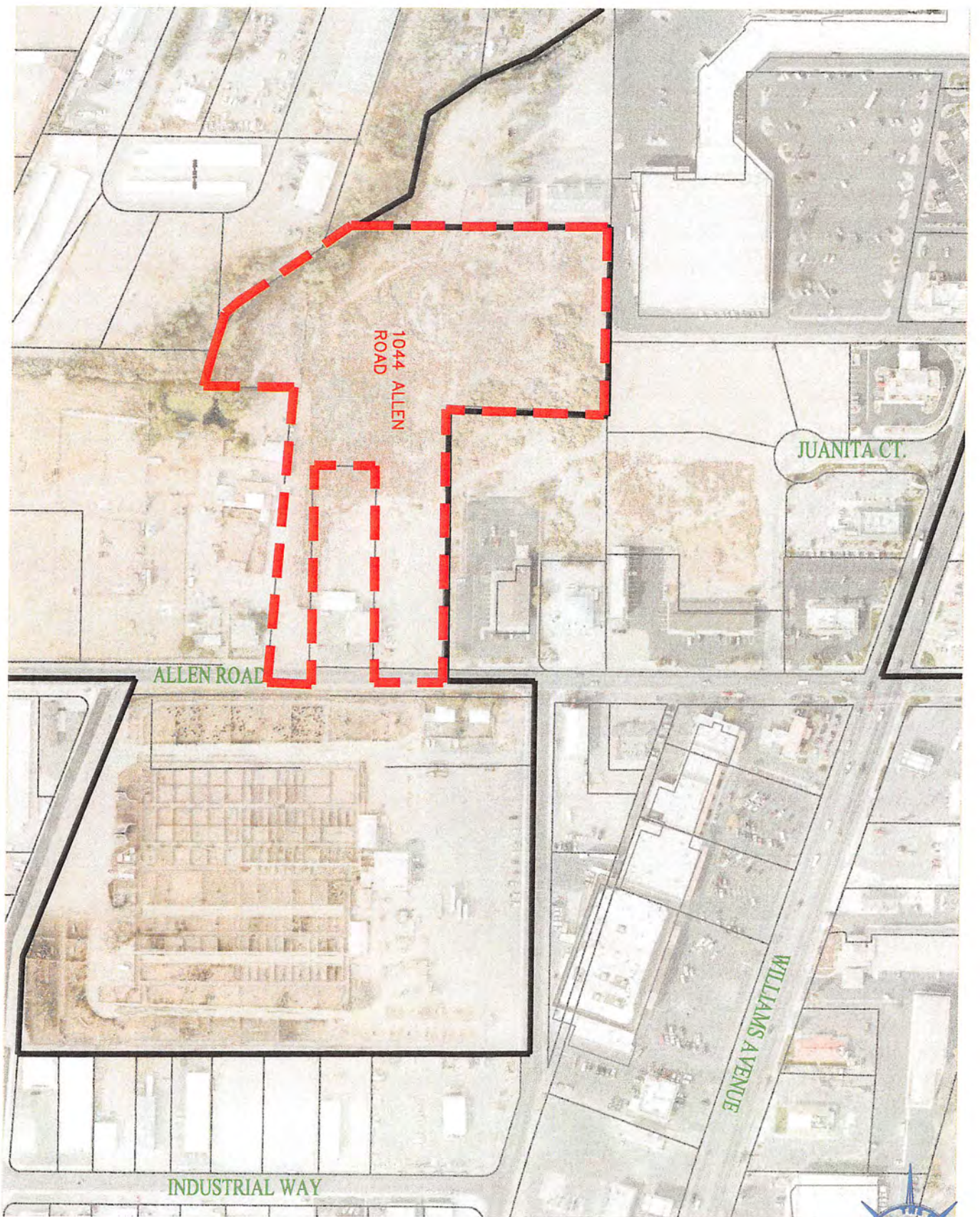
LAST REVISED:
OCTOBER 5, 2010

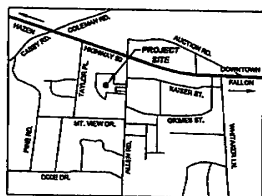
STATE OF NEVADA
COUNTY OF
CLATSOP
REMOVED BY:
ASSESSOR
FISCAL YEAR
2017/2018

1"=300'

08-81







VICINITY MAP
N.T.S.

MITCHES
APN: 001-261-11

HAZEN
APN: 004-012-06

CLARK
APN: 005-011-22

STRATTON & CO.
APN: 001-261-10

FALLON HOTELS, LLC
APN: 001-261-21

PARCEL 1
7.36 ACRES
APN: 008-011-12

CHRISTIANSON
APN: 005-011-23



BASIS OF BEARINGS

NORTH AMERICAN DATUM OF 1983 (NAD83) (NAD83/2011), NEVADA STATE PLANE WEST ZONE, AS DETERMINED WITH REAL TIME KINEMATIC (RTK) GPS OBSERVATIONS, OBSERVED ON SEPTEMBER 28, 2016, USING TRIMBLE R4 RECEIVER WITH CORRECTIONS FROM TRIMBLE 5700 RECEIVER ON CP #1 BEING A 1/2" REBAR WITH PLASTIC CAP STAMPED "10/16 CONTROL". DATA WAS POST PROCESSED USING THE NATIONAL GEODETIC ONLINE POSITIONING USER SERVICES (NPOS), COORDINATES WERE MODIFIED BY A CONVERSION FACTOR OF 1.000000040 AND CONVERTED TO U.S. SURVEY FEET. ALL DIMENSIONS ARE GROUND DISTANCES.

CP #1 GROUND COORDINATE
N = 16447291.033
E = 2584026.295
EL. = 3971.85

NOTES:

- ALL EASEMENTS IDENTIFIED AS LATERALS OR DRAINS, UNLESS SPECIFIED AS PRIVATE, ARE AS PER THE UNITED STATES RECLAMATION SERVICE, TRUCKEE CARRISON PROPERTY AND STRUCTURE MAPS AS PROVIDED TO OUR OFFICE BY THE TRUCKEE CARRISON REFORMATION DISTRICT.
- ON ACCORDANCE WITH NEBS 247 & 258, TO OBTAIN AN OFFICIAL COPY OF THIS MAP, CONTACT THE CHURCHILL COUNTY RECORDER.
- TOTAL AREA SURVEYED: 7.36 ACRES

LEGEND

- FOUND SURVEY POINT AS DESCRIBED
- SET SURVEY POINT, 5/8" REBAR WITH CAP OR NAIL, WE GRASS TAG P.L.S. 18051
- SURVEY POINT NOT FOUND OR SET
- FOUND SECTION CORNER AS DESCRIBED
- RECORD INFORMATION PER PARCEL MAP FILE # 140624
- PUBLIC UTILITY EASEMENT
- TIE EASEMENT
- ROADWAY CENTERLINE
- PARCEL BOUNDARY
- ADJOINING PARCEL LINE
- EXISTING CITY LIMITS BOUNDARY
- PROPOSED CITY LIMITS BOUNDARY

RECORDER'S CERTIFICATE

FILE NO. _____
FILED FOR RECORD AT THE REQUEST OF _____
ON THE _____ DAY OF _____, 2016
AT _____ MINUTES PAST _____
IN THE MAP FILES OF CHURCHILL COUNTY, NEVADA.
FEE: _____
CHURCHILL COUNTY RECORDER _____
DEPUTY _____

OWNER

GALLAGHER SAFE STORAGE, LLC
8725 BLUE HILLS DRIVE
RENO, NEVADA 89502
APN: 008-011-12
ZONE: C2

OWNERS' CERTIFICATE

THIS IS TO CERTIFY THAT THE UNDERSIGNED, GALLAGHER SAFE STORAGE, LLC, IS THE OWNER OF THE TRACT OF LAND REPRESENTED ON THIS PLAT AND HAVE COMPLETED TO THE PREPARATION AND RECORDATION OF THE PLAT AND THAT THE SAME IS EXECUTED IN COMPLIANCE WITH AND SUBJECT TO THE PROVISIONS OF NEBS 275, PERMANENT UTILITY AND ROAD EASEMENTS AS SHOWN AND HEREBY DEDICATED TO THE CITY OF FALLON FOR THE CONSTRUCTION AND MAINTENANCE OF ROADWAY AND UTILITY SYSTEMS TOGETHER WITH THE RIGHT OF ACCESS THERE TO FOREVER.

OWNERS NAME _____ OWNERS NAME _____

STATE OF NEVADA } S.S.
COUNTY OF CHURCHILL }

ON _____ PERSONALLY APPEARED BEFORE ME, A NOTARY PUBLIC,
OWNERS NAME _____
WHO ACKNOWLEDGED THAT THEY EXECUTED THE ABOVE INSTRUMENT.

NOTARY PUBLIC _____

SURVEYOR'S CERTIFICATE

- I, GRANT R. ALEXANDER, A PROFESSIONAL LAND SURVEYOR LICENSED IN THE STATE OF NEVADA CERTIFY THAT:
- (1) THIS PLAT REPRESENTS THE RESULTS OF A SURVEY CONDUCTED UNDER MY DIRECT SUPERVISION AT THE INSTANCE OF GALLAGHER SAFE STORAGE, LLC.
- (2) THE LANDS SURVEYED LIE WITHIN THE 14 SEC. 26, T. 19, N. R. 2, E. M.D.B. & M. AND THE SURVEY WAS COMPLETED ON SEPTEMBER 28, 2016.
- (3) THIS PLAT COMPLIED WITH THE APPLICABLE STATE STATUTES AND ANY LOCAL ORDINANCES IN EFFECT ON THE DATE THAT THE GOVERNING BODY GAVE ITS FINAL APPROVAL.
- (4) THE MONUMENTS DEPICTED ON THE PLAT ARE OF THE CHARACTER SHOWN, OCCUPY THE POSITIONS INDICATED AND ARE OF SUFFICIENT NUMBER AND DURABILITY.
- (5) THE PARCEL SHOWN HEREON TRULY REPRESENTS THE LAND PROPOSED FOR ANNEXATION TO THE CITY OF FALLON, NEVADA.

GRANT R. ALEXANDER, P.L.S. 18051



CITY OF FALLON

APPROVED AND ACCEPTED BY THE CITY COUNCIL OF THE CITY OF FALLON, COUNTY OF CHURCHILL, STATE OF NEVADA, THIS _____ DAY OF _____, 2016.

Mayor _____ Attest: FALLON CITY CLERK _____



BATTLE BORN VENTURES, LLC
600 CLESON WAY
SPARKS, NEVADA 89431
PHONE: (775) 813-4034
FAX: (775) 358-4476
www.battlebornventures.com

Land Surveyors - Civil Engineers

GALLAGHER SAFE STORAGE, LLC
ANNEXATION MAP TO SUPPORT THE
ANNEXATION OF CERTAIN LANDS TO THE
CITY OF FALLON, NEVADA

A PARCEL OF LAND SITUATE WITHIN A PORTION OF THE NE 1/4 OF THE NE 1/4, SECTION 26, TOWNSHIP 19 NORTH, RANGE 2 EAST, M.D.B. & M., CITY OF FALLON, CHURCHILL COUNTY, NEVADA.

SHEET 1 of 1 SHEETS
W.D. : 2016.09
BY : E. LEE
DATE : APRIL 2019
SCALE : 1" = 60'

LVN

Lahontan Valley News
& Fallon Eagle Standard

580 Mallory Way, Carson City, NV 89701
P.O. Box 1888 Carson City, NV 89702
(775) 881-1201 FAX: (775) 887-2408

Customer Account #: 1066221

Legal Account
CITY OF FALLON,
55 W. WILLIAMS AVE.
FALLON, NV 89406
Attn: Kaitlin Ritchie

Bailee Liston says:
That (s)he is a legal clerk of the
Lahontan Valley News,
a newspaper published Wednesday
at Fallon, in the State of Nevada.

Copy Line
Bill 782

PO#:

Ad #: 0000500421-01
of which a copy is hereto attached, was published
in said newspaper for the full required period of
1 time(s) commencing on 10/23/2019,
and ending on 10/23/2019, all days inclusive.

Bailee Liston

Signed: _____
Date: 10/23/2019 State of Nevada, Carson City

This is an Original Electronic Affidavit.
Price: \$ 77.37

Proof and Statement of Publication

Ad #: 0000500421-01

City of Fallon

Notice of Deposit of Copies and Public Hearing to Adopt Bill No. 782

Notice is hereby given that the Honorable City Council of the City of Fallon will hold a Public Hearing on Monday, November 4, 2019 at 9:00 a.m. in the City Council Chambers, City Hall, 55 West Williams Avenue, Fallon, Nevada 89406, to consider adoption of Bill No. 782.

The Bill, if adopted as an Ordinance, will accomplish the following: An ordinance providing for the annexation of 7.35 acres, more or less, located at 1044 South Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of the City of Fallon, Nevada, and for other matters properly related thereto.

Notice is hereby further given that copies of the Bill have been deposited with the City Clerk, City Hall, 55 West Williams Avenue, Fallon, Nevada 89406, for public examination and distribution upon request.

Date: October 21, 2019

Gary C. Cordes
City Clerk/Treasurer

Pub: October 23, 2019

Ad#0000500421

November 4, 2019

Agenda Item 9

Consideration and possible adoption of Bill No. 782 as Ordinance No. 763: An ordinance providing for the annexation of 7.35 acres, more or less, located at 1044 South Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of the City of Fallon, Nevada, and for other matters properly related thereto. **(For possible action)**

**CITY OF FALLON
REQUEST FOR COUNCIL ACTION**

Agenda Item No. 9

DATE SUBMITTED: October 29, 2019

AGENDA DATE REQUESTED: November 4, 2019

TO: The Honorable City Council

FROM: Robert Erquiaga, Legal and Administrative Director

SUBJECT TITLE: Consideration and possible adoption of Bill No. 782 as Ordinance No. 763:
An ordinance providing for the annexation of 7.35 acres, more or less, located at 1044 South
Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of
the City of Fallon, Nevada, and for other matters properly related thereto. **(For possible action)**

TYPE OF ACTION REQUESTED: (Check One)

<input type="checkbox"/> Resolution	<input checked="" type="checkbox"/> Ordinance
<input type="checkbox"/> Formal Action/Motion	<input type="checkbox"/> Other

RECOMMENDED COUNCIL ACTION: Motion to adopt Bill No. 782 as Ordinance No. 763:
An ordinance providing for the annexation of 7.35 acres, more or less, located at 1044 South
Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of
the City of Fallon, Nevada, and for other matters properly related thereto.

DISCUSSION: This agenda item represents the Council's opportunity to consider the proposed
ordinance as they see fit. The Council is free to adopt the Bill as introduced or to amend the Bill,
in any respect, prior to its adoption. The proposed ordinance, as amended by City staff, is
attached to this coversheet.

PREPARED BY: Robert Erquiaga, Legal and Administrative Director

AN ORDINANCE PROVIDING FOR THE ANNEXATION OF 7.35 ACRES, MORE OR LESS, LOCATED AT 1044 SOUTH ALLEN ROAD, OWNED BY GALLAGHER SAFE STORAGE, LLC, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF FALLON, NEVADA, AND FOR OTHER MATTERS PROPERLY RELATED THERETO.

WHEREAS, NRS 268.670 provides authority for the City Council, subject to the provisions of NRS 268.663, and after notifying the Board of County Commissioners of its intention, to annex contiguous territory if 100 percent of the owners of record of individual parcels of land sign a petition requesting the City Council to annex such area to the City; and

WHEREAS, Gallagher Safe Storage, LLC, the owners of record of 1044 South Allen Road, a parcel of land consisting of 7.35 acres, more or less, have presented a signed Petition requesting the City Council to annex such parcel to the City; and

WHEREAS, Gallagher Safe Storage, LLC, has caused an accurate map of said 7.35 acres, more or less, to be made under the supervision of a licensed surveyor and have filed a copy of said map with the City of Fallon; and

WHEREAS, the City of Fallon has provided notice to the Board of Churchill County Commissioners of its intention to annex such parcel; and

WHEREAS, 1044 South Allen Road is contiguous to the existing corporate limits of the City of Fallon as the parcel abuts directly on the boundary of the City of Fallon; and

WHEREAS, pursuant to NRS 268.663(1), the proposed annexation extends to the middle of Allen Road as the parcel to be annexed abuts upon one side of a county road or state highway and the territory which abuts upon the opposite side of the road or state highway is not within the boundaries of the City of Fallon; and

WHEREAS, Gallagher Safe Storage, LLC has requested that, upon annexation, zoning of the annexed parcel be set as C-2 General Commercial District as set forth in the Fallon Municipal Code; and

WHEREAS, Gallagher Safe Storage, LLC has entered into an Annexation Agreement with the City of Fallon; and

WHEREAS, the proposed annexation and the terms and conditions of the Annexation Agreement are in the best interests of the citizens of the City of Fallon.

NOW, THEREFORE, the City Council of the City of Fallon do ordain as follows:

SECTION I

That all those certain lots, pieces or parcels of land situate, lying and being in the County of Churchill, State of Nevada, more particularly described as follows, to wit:

All that certain lot, piece or parcel of land situate in the County of Churchill, State of Nevada, described as follows:

A parcel of land in the NE $\frac{1}{4}$ of NE $\frac{1}{4}$, Section Thirty-five (35), Township 19 North, Range Twenty-eight (28) East, M.D.B.&M., in the County of Churchill, State of Nevada, described as follows:

COMMENCING at the Northeast corner of Section Thirty-five (35), Township 19 North, Range Twenty-eight (28) East, MDB&M; thence North $89^{\circ}35'$ West along the North line of said Section Thirty-five (35) a distance of 30 feet; thence South $00^{\circ}20'$ West parallel with the East line of said Section Thirty-five (35) a distance of 275.2 feet to the true point of beginning; thence around the parcel as follows:

South $00^{\circ}20'$ West a distance of 323.3 feet to an existing fence; thence North $86^{\circ}09'$ West along said fence a distance of 498.18 feet to an existing fence corner; thence South $00^{\circ}20'$ West a distance of 158.25 feet to the center line of the existing channel of the New River Drain; thence North $75^{\circ}10'$ West along said channel a distance of 165.04 feet; thence North $30^{\circ}35'$ West along said channel a distance of 318.35 feet to the East line of a parcel described in deed to F. Taylor as found recorded in Book 24 of Deeds, Page 517 of the Churchill County Records, Fallon, Nevada; thence North $00^{\circ}25'$ East along said Taylor line a distance of 413 feet to the North line of said Section Thirty-five (35); thence South $89^{\circ}35'$ East along said line a distance of 348.5 feet to the Northwest corner of a parcel described in deed to W. Whitaker as found recorded in Book 34 of Deeds, Page 47 of the Churchill County Records, Fallon, Nevada; thence South $03^{\circ}01'$ West along said Whitaker West line a distance of 275.5 feet; thence South $89^{\circ}35'$ East a distance of 484.4 feet to the true POINT OF BEGINNING.

Excluding therefrom that certain lot, piece or parcel more particularly described as follows:

COMMENCING at the NE corner of Section 35, T.19N, R.28E, MDB&M; thence S $00^{\circ}15'$ W along the East line of said Section 35 a distance of 404.5 feet; thence N $89^{\circ}40'$ W a distance of 30 feet to the true point of beginning; thence around the parcel as follows:

S 00°15' W a distance of 118.00 feet; thence N 89°40' W a distance of 369.00 feet; thence N 00°15' E a distance of 118.00 feet; thence S 89°40' E a distance of 369.00 feet to the true POINT OF BEGINNING. Said parcel contains an area of approximately 7.35 acres.

Note: The above Metes and Bounds description appeared previously in that certain document recorded November 7, 2018 as Document No. 470704, Official Records. Said property is also described as Parcel 2 of the Parcel Map for Tom Gallagher recorded February 4, 1977 as Document No. 149824, Official Records, Churchill County, Nevada,

is hereby annexed to the City of Fallon, and the said territory hereinbefore described shall be deemed and held to be a part of said City of Fallon and the inhabitants thereof shall hereafter enjoy the privileges and benefits of such annexation and be subject to the ordinances and regulations of the City of Fallon.

SECTION II

That, pursuant to NRS 268.663(1), said annexation extends to the middle of Allen Road adjacent to the eastern boundary of the annexed parcel.

SECTION III

That zoning for the annexed parcel is hereby set as C-2 General Commercial District as set forth in the Fallon Municipal Code.

SECTION IV

That an accurate map of the annexed parcel, prepared under the supervision of a licensed Nevada surveyor, together with a certified copy of this Ordinance, shall be recorded in the office of the Churchill County Recorder prior to the effective date of the annexation as specified herein, and that a duplicate copy of the map and this Ordinance shall be filed with the Nevada Department of Taxation upon the recording of the documents with the Churchill County Recorder as set forth herein.

SECTION V

That this ordinance shall be in full force and effect from and after passage, approval and publication as required by law and completion of the requirements of NRS 268.600.

Proposed by: Councilwoman Kent

Passed and adopted this ____ day of _____, 2019.

Ayes: _____

Nays: _____

Absent: _____

KEN TEDFORD
Mayor

ATTEST: _____
GARY C. CORDES
City Clerk/Treasurer

I hereby affirm that this document submitted for recording does not contain a social security number.

Signed: _____
Derek Zimney, City Engineer

Assessor's Parcel #: 008-811-12

RECORDING REQUESTED BY AND RETURN TO:
City of Fallon
55 West Williams Avenue
Fallon, Nevada 89406

ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT is made and entered into this _____ day of November, 2019, by and between the CITY OF FALLON, a Municipal Corporation of the State of Nevada ("the City"), and GALLAGHER SAFE STORAGE, LLC, a limited-liability company of the County of Washoe, State of Nevada ("the Owner").

WITNESSETH

WHEREAS, the Owner is desirous of annexing a certain parcel of land ("the Property") into the City of Fallon, more particularly described as follows, to wit:

All that certain lot, piece or parcel of land situate in the County of Churchill, State of Nevada, described as follows:

A parcel of land in the NE ¼ of NE ¼, Section Thirty-five (35), Township 19 North, Range Twenty-eight (28) East, M.D.B.&M., in the County of Churchill, State of Nevada, described as follows:

COMMENCING at the Northeast corner of Section Thirty-five (35), Township 19 North, Range Twenty-eight (28) East, MDB&M; thence North 89°35' West along the North line of said Section Thirty-five (35) a distance of 30 feet; thence South 00°20' West parallel with the East line of said Section Thirty-five (35) a distance of 275.2 feet to the true point of beginning; thence around the parcel as follows:

South 00°20' West a distance of 323.3 feet to an existing fence; thence North 86°09' West along said fence a distance of 498.18 feet to an existing fence corner; thence South 00°20' West a distance of 158.25 feet to the center line of the existing channel of the New River Drain; thence North 75°10' West along said channel a distance of 165.04 feet; thence North 30°35' West along said channel a distance of 318.35 feet to the East line of a parcel described in deed

to F. Taylor as found recorded in Book 24 of Deeds, Page 517 of the Churchill County Records, Fallon, Nevada; thence North 00°25' East along said Taylor line a distance of 413 feet to the North line of said Section Thirty-five (35); thence South 89°35' East along said line a distance of 348.5 feet to the Northwest corner of a parcel described in deed to W. Whitaker as found recorded in Book 34 of Deeds, Page 47 of the Churchill County Records, Fallon, Nevada; thence South 03°01' West along said Whitaker West line a distance of 275.5 feet; thence South 89°35' East a distance of 484.4 feet to the true POINT OF BEGINNING.

Excluding therefrom that certain lot, piece or parcel more particularly described as follows:

COMMENCING at the NE corner of Section 35, T.19N, R.28E, MDB&M; thence S 00°15' W along the East line of said Section 35 a distance of 404.5 feet; thence N 89°40' W a distance of 30 feet to the true point of beginning; thence around the parcel as follows:

S 00°15' W a distance of 118.00 feet; thence N 89°40' W a distance of 369.00 feet; thence N 00°15' E a distance of 118.00 feet; thence S 89°40' E a distance of 369.00 feet to the true POINT OF BEGINNING. Said parcel contains an area of approximately 7.35 acres.

Note: The above Metes and Bounds description appeared previously in that certain document recorded November 7, 2018 as Document No. 470704, Official Records. Said property is also described as Parcel 2 of the Parcel Map for Tom Gallagher recorded February 4, 1977 as Document No. 149824, Official Records, Churchill County, Nevada.

WHEREAS, the City operates water, sewer and electric utility systems and the Property is contiguous to the existing boundaries of the corporate limits of the City, and otherwise a proper subject of annexation in accordance with the provisions of Nevada law; and

WHEREAS, the City has adequate utility system capacity to connect the Owner's property to the City's water, sewer and electric utility systems subject to certain extensions of water, sewer and electric lines; and

WHEREAS, the Fallon Municipal Code of Fallon, Nevada, 1977, as amended ("FMC") provides for certain improvements to be made by an applicant upon annexation of properties into the City, including, but not limited to, improvements relating to water lines, sewer lines, electric lines, streets, street lights, curbs, gutters, sidewalks and storm drains; and

WHEREAS, the FMC provides that upon annexation of properties into the City, all buildings and facilities constructed therefore must be served with City utilities including, but not limited to, water (including water treatment), sewer, electric, garbage collection and landfill services; and

WHEREAS, the Owner hereby requests that upon annexation the zoning of the Property be set as C-2 General Commercial District as set forth in the FMC.

NOW, THEREFORE, in consideration of the premises, including the herein stated financial obligations and covenants of the Owner, together with the mutual promises of the parties hereinafter stated, it is understood and agreed as follows, to wit:

1. The City will initiate and accomplish the procedures required by law for the annexation of the Property, in accordance with the provisions of NRS 268.636 et. seq.
2. The Owner agrees to connect all future improvements and buildings requiring water, sewer and electric service to City utilities, including payment of the utility connection fees in effect at the time of development of the Property.
3. The Owner agrees to provide all necessary easements on the Property for such utility connections.
4. The Owner shall pay to the City a fee of Three Thousand Dollars (\$3,000.00) at the time of annexation, said fee being the initial fee for one unit of water rights in lieu of the dedication of underground water rights. The Owner shall also pay such additional water right dedication fees as are required for future development of the Property that requires more than one unit of water rights or subsequent divisions or development of the Property as applicable.
5. The Owner shall, upon development of the Property, install curbs, gutters, sidewalks, streetlights and paving to the existing pavement along the frontage of the Property along Allen Road.
6. The Owner shall, upon development of the Property, extend the City's existing sewer system to the south boundary of the parcel on Allen Road.
7. The Owner shall install the improvements and connections required by this Annexation Agreement and the FMC in accordance with City of Fallon specifications at no cost to the City.
8. The Owner agrees that the zoning for the Property shall be set by the Fallon City Council and subject to the provisions of the FMC.
9. The Owner acknowledges and agrees that each of the aforesaid conditions imposed on Owner, whether of a financial or a performance nature, are conditions precedent to acceptance of the Property for annexation and to receipt of the above-described City municipal utility services.
10. In the event that Owner fails to fulfill the obligations and covenants as herein provided, the City shall have the right to take any action provided under law or equity to enforce the terms of this Annexation Agreement, including, but not limited to, completing

and/or performing any of such obligations on its own and charging Owner the costs therefore with the right to levy a lien on the Property as may be proper to collect any such expenditures incurred by the City.

11. The validity, construction and enforceability of this Annexation Agreement shall be governed in all respects by the laws of the State of Nevada applicable to agreements negotiated, executed and performed in Nevada by Nevada residents, whether one or more of the parties shall now be, or hereafter become, a resident of another state. In any action to enforce the terms of this Annexation Agreement, venue shall be the Tenth Judicial District Court in and for Churchill County, Nevada.

THIS AGREEMENT shall be recorded in the Official Records of Churchill County, Nevada and shall constitute a covenant running with the land and shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the day and year first written above.

OWNER

CITY OF FALLON

By: _____

Cyndia Gallagher
Gallagher Safe Storage, LLC

By: _____

Ken Tedford, Mayor

Attest: _____

Gary Cordes, City Clerk/Treasurer

STATE OF NEVADA)
 : ss.
County of Churchill)

On this _____ day of November, 2019, personally appeared before me, a Notary Public, in and for the county and state aforesaid, Cyndia Gallagher, known to me or who proved to me to be the person described herein and who executed the above and foregoing instrument; and who acknowledged to me that she executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first written above.

Notary Public

Ken Tedford
MAYOR



James D. Richardson
Councilman

Kelly Frost
Councilwoman

Karla K. Kent
Councilwoman

October 30, 2019

Ms. Pamela D. Moore, Deputy Clerk of the Board
Churchill County Commissioners
155 N. Taylor Street, Suite 110
Fallon, Nevada 89406

HAND DELIVERED

***Re: City of Fallon's Intent to Annex 7.35 Acres, More or Less,
Located at 1044 South Allen Road***

Dear Ms. Moore and Churchill County Commissioners:

This Notice is sent pursuant to NRS 268.670 for the purpose of placing the Churchill County Commissioners on notice of the City of Fallon's intent to annex approximately 7.35 acres of territory located at 1044 South Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of the City of Fallon. This matter will be considered by the Honorable City Council at their regular meeting on November 4, 2019. Attached to this Notice is a metes and bounds description of the territory to be annexed. Please feel free to contact the City if you have any questions or need any further information.

Regards,

THE CITY OF FALLON

Ken Tedford
Mayor

cc: Jim Barbee, Churchill County Manager

TOWNSHIP	RANGE	SECTION
19 N.	28 E.	35

LEGEND

ZONING
ELLIPSE
BRACKET
PARCEL #
ROAD
EASEMENT

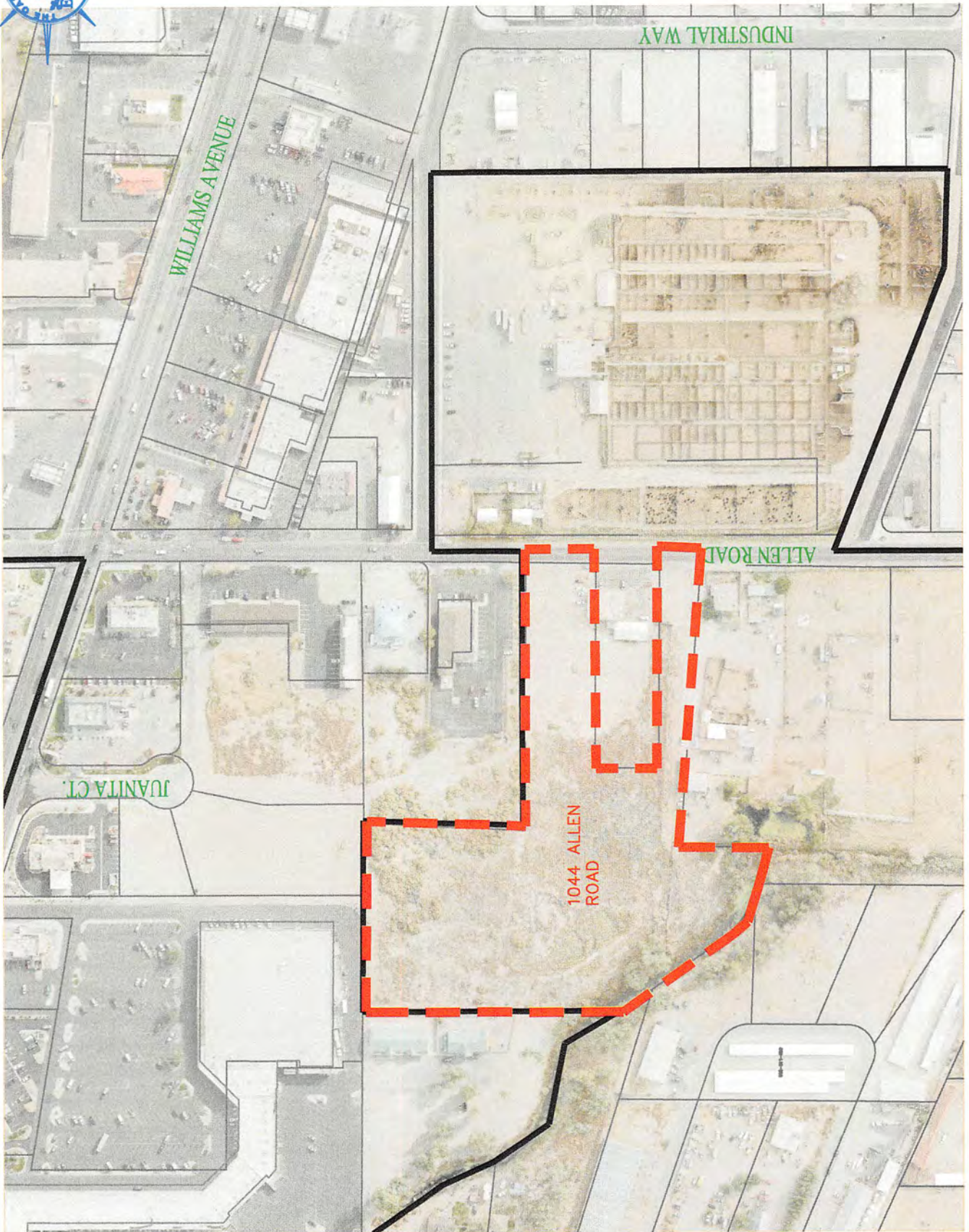
ZONES: C-1,
C-2, E-1, R-2

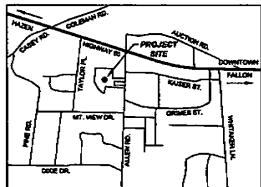
LAST REVISED:
OCTOBER 5, 2010

STATE OF NEVADA
COUNTY OF
CHURCHILL
REVISED BY:
ASSESSOR
FISCAL YEAR
2017/2018

1"=300'
08-81







VICINITY MAP
N.T.S.

HUTCHENS
APN: 001-261-11

HADEN
APN: 008-811-05

CLARK
APN: 003-811-22

CHRISTENSEN
APN: 008-811-21

PARCEL 1
7.36 ACRES
APN: 008-811-12

STRATACACHE INC.
APN: 001-261-10

FALLON HOTELS, LLC
APN: 001-261-21

PCNY EXPRESS
SALINUM SERIES A
APN: 001-261-15

WORK
APN: 008-811-25

ROCK WARE
APN: 008-811-13

OWNER

GALLAGHER SAFE STORAGE, LLC
8725 BLUE HILLS DRIVE
RENO, NEVADA 89522
APN: 008-811-12
ZONE: C2

OWNERS' CERTIFICATE

THIS IS TO CERTIFY THAT THE UNDERSIGNED, GALLAGHER SAFE STORAGE, LLC, IS THE OWNER OF THE TRACT OF LAND REPRESENTED ON THIS PLAT AND HAVE CONSENTED TO THE PREPARATION AND RECORDATION OF THE PLAT AND THAT THE SAME IS EXECUTED IN COMPLIANCE WITH AND SUBJECT TO THE PROVISIONS OF N.E.S. 278. PERMANENT UTILITY AND ROAD EASEMENTS AS SHOWN ARE HEREBY DEDICATED TO THE CITY OF FALLON FOR THE CONSTRUCTION AND MAINTENANCE OF ROADWAY AND UTILITY SYSTEMS TOGETHER WITH THE RIGHT OF ACCESS THERE TO FOREVER.

OWNERS NAME

OWNERS NAME

STATE OF NEVADA
COUNTY OF CHURCHILL

} S.S.

ON _____ PERSONALLY APPEARED BEFORE ME, A NOTARY PUBLIC,

OWNERS NAME

WHO ACKNOWLEDGED THAT THEY EXECUTED THE ABOVE INSTRUMENT.

NOTARY PUBLIC

SURVEYOR'S CERTIFICATE

I, GRANT R. ALEXANDER, A PROFESSIONAL LAND SURVEYOR LICENSED IN THE STATE OF NEVADA CERTIFY THAT:

- (1) THIS PLAT REPRESENTS THE RESULTS OF A SURVEY CONDUCTED UNDER MY DIRECT SUPERVISION AT THE INSTANCE OF GALLAGHER SAFE STORAGE, LLC.
- (2) THE LANDS SURVEYED LIE WITHIN NE 1/4 SEC. 25, T. 18 N., R. 2E, E.A.M.D.B. & M. AND THE SURVEY WAS COMPLETED ON SEPTEMBER 26, 2018.
- (3) THIS PLAT COMPLIES WITH THE APPLICABLE STATE STATUTES AND ANY LOCAL ORDINANCES IN EFFECT ON THE DATE THAT THE GOVERNING BODY GAVE ITS FINAL APPROVAL.
- (4) THE MONUMENTS DEPICTED ON THE PLAT ARE OF THE CHARACTER SHOWN, OCCUPY THE POSITIONS INDICATED AND ARE OF SUFFICIENT NUMBER AND DURABILITY.
- (5) THE PARCEL SHOWN HEREON TRULY REPRESENTS THE LAND PROPOSED FOR ANNEXATION TO THE CITY OF FALLON, NEVADA.

GRANT R. ALEXANDER, P.L.S. 18051



CITY OF FALLON

APPROVED AND ACCEPTED BY THE CITY COUNCIL OF THE CITY OF FALLON, COUNTY OF CHURCHILL, STATE OF NEVADA, THIS _____ DAY OF _____, 2018.

MAYOR

ATTEST: FALLON CITY CLERK

RECORDER'S CERTIFICATE

FILE NO.
FILED FOR RECORD AT THE REQUEST OF
ON THE _____ DAY OF _____, 20
AT _____ MONTHS PAST _____ M.
IN THE MAP FILES OF CHURCHILL COUNTY, NEVADA.
REC:
CHURCHILL COUNTY RECORDER
IDENTITY



Land Surveyors - Civil Engineers

GALLAGHER SAFE STORAGE, LLC
ANNEXATION MAP TO SUPPORT THE
ANNEXATION OF CERTAIN LANDS TO THE
CITY OF FALLON, NEVADA
A PARCEL OF LAND SITUATE WITHIN A PORTION OF THE NE 1/4 OF
THE 1/4, SECTION 35, TOWNSHIP 18 NORTH, RANGE 28 EAST,
M.D.B. & M., CITY OF FALLON, CHURCHILL COUNTY, NEVADA.

SHEET 1 of 1 SHEETS

W.D. # : 2018_09
BY : E. LEE
DATE : APR 2019
SCALE : 1" = 60'

BASIS OF BEARINGS

NORTH AMERICAN DATUM OF 1983/2011 (NAD83/2011), NEVADA STATE PLANE WEST ZONE, AS DETERMINED WITH REAL TIME KINEMATIC (RTK) GPS OBSERVATIONS, OBSERVED ON SEPTEMBER 26, 2018, USING TRIMBLE R2 RECEIVER WITH CORRECTIONS FROM TRIMBLE 5700 RECEIVER ON DP #1 BEING A 1/2" REBAR WITH PLASTIC CAP STAMPED "SVY CONTROL". DATA WAS POST PROCESSED USING THE NATIONAL GEODETIC ONLINE POSITIONING USER SERVICES (OPUS). COORDINATES WERE MODIFIED BY A COMBINATION FACTOR OF 1.00289486 AND CONVERTED TO U.S. SURVEY FEET. ALL DIMENSIONS ARE GROUND DISTANCES.

CP #1 GROUND COORDINATE
N - 14647291.023
E - 5564026.593
EL - 3871.02

NOTES:

1. ALL EASEMENTS IDENTIFIED AS LATERALS OR DRAINS, UNLESS SPECIFIED AS PRIVATE, ARE AS PER THE "UNITED STATES RECLAMATION SERVICE, TRUCKEE CARSON, PROPERTY AND STRUCTURE MAPS" AS PROVIDED TO OUR OFFICE BY THE TRUCKEE CARSON IRRIGATION DISTRICT.
2. IN ACCORDANCE WITH NRS 267 & 220, TO OBTAIN AN OFFICIAL COPY OF THIS MAP, CONTACT THE CHURCHILL COUNTY RECORDER.
3. TOTAL AREA SURVEYED: 7.36 ACRES

LEGEND

- FOUND SURVEY POINT AS DESCRIBED
- SET SURVEY POINT, 5/8" REBAR WITH CAP OR NAIL W/ BRASS TAG P.L.S. 18051
- SURVEY POINT NOT FOUND OR SET
- FOUND SECTION CORNER AS DESCRIBED
- RECORDED INFORMATION PER PARCEL MAP FILE # 148224
- PUBLIC UTILITY EASEMENT
- TIED EASEMENT
- ROADWAY CENTERLINE
- PARCEL BOUNDARY
- ADJOINING PARCEL LINES
- EXISTING CITY LIMITS BOUNDARY
- PROPOSED CITY LIMITS BOUNDARY



580 Mallory Way, Carson City, NV 89701
P.O. Box 1888 Carson City, NV 89702
(775) 881-1201 FAX: (775) 887-2408

Customer Account #: 1066221

Legal Account

CITY OF FALLON,
55 W. WILLIAMS AVE.
FALLON, NV 89406
Attn: Kaitlin Ritchie

Bailee Liston says:

That (s)he is a legal clerk of the
Lahontan Valley News,
a newspaper published Wednesday
at Fallon, in the State of Nevada.

Copy Line

Bill 782

PO#:

Ad #: 0000500421-01

of which a copy is hereto attached, was published
in said newspaper for the full required period of
1 time(s) commencing on **10/23/2019**,
and ending on **10/23/2019**, all days inclusive.

Bailee Liston

Signed: _____

Date: 10/23/2019 State of Nevada, Carson City

This is an Original Electronic Affidavit.

Price: \$ 77.37

Proof and Statement of Publication

Ad #: 0000500421-01

City of Fallon

**Notice of Deposit of Copies and
Public Hearing to Adopt Bill No. 782**

Notice is hereby given that the Honorable City Council of the City of Fallon will hold a Public Hearing on Monday, November 4, 2019 at 9:00 a.m. in the City Council Chambers, City Hall, 55 West Williams Avenue, Fallon, Nevada 89406, to consider adoption of Bill No. 782.

The Bill, if adopted as an Ordinance, will accomplish the following: An ordinance providing for the annexation of 7.35 acres, more or less, located at 1044 South Allen Road, owned by Gallagher Safe Storage, LLC, and contiguous to the corporate limits of the City of Fallon, Nevada, and for other matters properly related thereto.

Notice is hereby further given that copies of the Bill have been deposited with the City Clerk, City Hall, 55 West Williams Avenue, Fallon, Nevada 89406, for public examination and distribution upon request.

Date: October 21, 2019

Gary C. Cordes
City Clerk/Treasurer

Pub: October 23, 2019

Ad#0000500421

November 4, 2019

Agenda Item 10

Public hearing for discussion of possible project(s) to be funded through the Community Development Block Grant Program for fiscal year 2020-2021 and consideration and possible approval and ranking of project application(s) to be submitted through the CDBG program. **(For possible action)**

**CITY OF FALLON
REQUEST FOR COUNCIL ACTION**

Agenda Item No. 10

DATE SUBMITTED: October 29, 2019

AGENDA DATE REQUESTED: November 4, 2019

TO: The Honorable City Council

FROM: Brian Byrd

SUBJECT TITLE: Public hearing for discussion of possible project(s) to be funded through the Community Development Block Grant Program for fiscal year 2020-2021 and consideration and possible approval and ranking of project application(s) to be submitted through the CDBG program. **(For possible action)**

TYPE OF ACTION REQUESTED:

<input type="checkbox"/> Resolution	<input type="checkbox"/> Ordinance
<input checked="" type="checkbox"/> Formal Action/Motion	<input type="checkbox"/> Other

RECOMMENDED COUNCIL ACTION: Discuss public input received on possible project(s) for the Community Development Block Grant Program for fiscal year 2020-2021 and approve and rank project application(s) to be submitted through the CDBG program.

DESCRIPTION: The City proposes to submit one or more project to be funded through the Community Development Block Grant Program, for fiscal year 2020-2021. This agenda item allows discussion on public input that was received pertaining to the construction of a new Fixed Base Operation facility at the Fallon Municipal Airport as well as request approval for the Fixed Base Operation facility to be the project selected for application through the CDBG program.

BACKGROUND: The CDBG Program is administered by the Department of Housing and Urban Development and is Authorized by Title I of the Housing and Community Development Act. The primary objective of the Community Development Block Grant Program is the development of viable communities by providing decent housing, suitable living environments, and expanding economic opportunities principally for persons of low and moderate income.

The Governor's Office of Economic Development anticipates the amount of 2020 allocations at \$3,336,990 for rural Nevada. This Public Hearing is the third and final hearing in the CDBG process. A Public Hearing Notice, which was posted on October 21, 2019, referenced the Fixed Base Operation facility as the only project listed as a priority for application.

FISCAL IMPACT: N/A

FUNDING SOURCE: N/A

PREPARED BY: Brian Byrd, Public Works Director

DATE: October 29, 2019

TO BE PRESENTED TO THE COUNCIL BY: Brian Byrd

November 4, 2019

Agenda Item 11

Consideration and possible approval of an amended Engagement Letter with Eide Bailly to provide for additional audit fees in the amount of Four Thousand Five Hundred Dollars (\$4,500.00) in order to complete the single audit of the City's major federal award programs compliance. **(For possible action)**

**CITY OF FALLON
REQUEST FOR COUNCIL ACTION**

Agenda Item No. 11

DATE SUBMITTED: October 29, 2019

AGENDA DATE REQUESTED: November 4, 2019

TO: The Honorable City Council

FROM: Gary C. Cordes, City Clerk/Treasurer

SUBJECT TITLE: Consideration and possible approval of an amended Engagement Letter with Eide Bailly to provide for additional audit fees in the amount of Four Thousand Five Hundred Dollars (\$4,500.00) in order to complete the single audit of the City's major federal award programs compliance. **(For possible action)**

TYPE OF ACTION REQUESTED: (Check One)

<input type="checkbox"/> Resolution	<input type="checkbox"/> Ordinance
<input checked="" type="checkbox"/> Formal Action/Motion	<input type="checkbox"/> Other

RECOMMENDED COUNCIL ACTION: Motion to approve an amended Engagement Letter with Eide Bailly to provide for additional audit fees in the amount of Four Thousand Five Hundred Dollars (\$4,500.00) in order to complete the single audit of the City's major federal award programs compliance.

DISCUSSION: The City Council previously appointed Eide Bailly as auditors for the City of Fallon for the fiscal year ending June 30, 2019. The original Engagement Letter included total audit fees in the not to exceed amount of Seventy-Nine Thousand Five Hundred Dollars (\$79,500.00), which was approved by the City Council at its meeting on March 4, 2019. Discussion was held at March 4th meeting regarding the possibility of the need for an additional single audit of the City's major federal award programs compliance and that additional fees may be required to complete the additional audit work. The attached amended Engagement Letter provides for additional audit fees in the amount of Four Thousand Five Hundred Dollars (\$4,500.00) in order to complete the audit of the City's major federal award programs compliance. If approved, the total audit fees for the fiscal year ending June 30, 2019 audit will be the not to exceed amount of Eighty-Four Thousand Dollars (\$84,000.00).

FISCAL IMPACT: Additional \$4,500.00 for a total audit fee of not to exceed \$84,000.00

FUNDING SOURCE: General Fund

PREPARED BY: Robert Erquiaga, Legal and Administrative Director



October 18, 2019

City of Fallon Audit Committee
City of Fallon, Nevada
55 West Williams Avenue
Fallon, NV 89406

The following represents our understanding of the services we will provide to the City of Fallon, Nevada (the City).

You have requested that we audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fallon, Nevada as of June 30, 2019, and for the year then ended, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. In addition, we will audit the City's compliance over major federal award programs for the period ended June 30, 2019. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs.

Accounting principles generally accepted in the United States of America require that certain information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Schedule of Changes in the City's Total OPEB Liability and Related Ratios – City of Fallon Employee Health Benefit Plan (COFEHBP)
- Schedule of Changes in the City's Total OPEB Liability and Related Ratios – State of Nevada Public Employee's Benefit Plan (PEBP)

- Schedule of Proportionate Share of Net Pension Liability
- Schedule of Contributions

We will subject the following RSI to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the RSI to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following RSI in relation to the basic financial statements as a whole:

- Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual – General Fund
- Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) Schedule of Revenues, Expenditures and Changes in Fund Balances
- Notes to Required Supplementary Information

Supplementary information other than RSI will accompany the City's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

- The combining and individual fund statements and schedules, including budgetary comparisons
- The schedule of fees imposed subject to the provisions of NRS 354.5989 – limitations of fees for business licenses

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole. Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

- Introductory Section
- Statistical Section

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is

management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and in accordance any state or regulatory audit requirements. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance (whether caused by errors, fraudulent financial reporting, misappropriation of assets, detected abuse, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America and state or regulatory audit requirements.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's

internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of City's basic financial statements. Our report will be addressed to the governing body of City. We cannot provide assurance that any unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraphs, or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of City's major federal award programs compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the entity has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major federal award programs. Our procedures will consist of determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. However, our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Other Services

We will also assist in preparing the financial statements of the City in conformity with U.S. generally accepted accounting principles, schedule of expenditures of federal awards, and related notes of the City in conformity with U.S. generally accepted accounting principles and Uniform Guidance based on information provided by you. We will also provide other nonattest services related to completion of the auditee's portion of the Data Collection Form and preparation of proposed adjusting journal entries. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received, including federal awards and funding increments received prior to December 26, 2014 (if any), and those received in accordance with the Uniform Guidance (generally received after December 26, 2014);
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
6. For the design, implementation, and maintenance of internal control over federal awards;
7. For establishing and maintaining effective internal control over federal awards that provides reasonable assurance that the nonfederal entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
8. For identifying and ensuring that the entity complies with federal statutes, regulations, and the terms and conditions of federal award programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
9. For disclosing accurately, currently, and completely, the financial results of each federal award in accordance with the requirements of the award;
10. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
11. For taking prompt action when instances of noncompliance are identified;
12. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
13. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;

14. For submitting the reporting package and data collection form to the appropriate parties;
15. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
16. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, and relevant to federal award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
17. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole;
18. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
19. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
20. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
21. For the accuracy and completeness of all information provided;
22. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
23. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With respect to financial statement preparation services, schedule of expenditures of federal awards preparation services, and any other nonattest services we perform including completion of the auditee's portion of the Data Collection Form and proposed adjusting journal entries, the City's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the schedule of expenditures of federal awards and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Fees and Timing

Teri Gage is the engagement partner for the audit services specified in this letter. Responsibilities include supervising services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. We expect to begin our audit in June 2019.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. Invoices are payable upon presentation. Our fee for the audit will not exceed \$84,000 (which includes travel expenses). We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use City's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

In addition, we will be compensated for any time and expenses, including time and expenses of legal counsel, we may incur in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings as a result of our Firm's performance of these services. You and your attorney will receive, if lawful, a copy of every subpoena we are asked to respond to on your behalf and will have the ability to control the extent of the discovery process to control the costs you may incur.

Should our relationship terminate before our audit procedures are completed and a report issued, you will be billed for services to the date of termination. All bills are payable upon receipt. A service charge of 1% per month, which is an annual rate of 12%, will be added to all accounts unpaid 30 days after

billing date. If collection action is necessary, expenses and reasonable attorney's fees will be added to the amount due.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

We may use third party service providers and/or affiliated entities (including Eide Bailly Shared Services Private Limited) (collectively, "service providers") in order to facilitate delivering our services to you. Our use of service providers may require access to client information by the service provider. We will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the confidentiality of client information accessed by such service provider and any work performed by such service provider.

The audit documentation for this engagement is the property of Eide Bailly LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Eide Bailly LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulators. The regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least eight years from the date of our report.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to the City Council and management of the City the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;

- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

Government Auditing Standards require that we provide, upon request, a copy of our most recent external peer review report and any subsequent review reports to the party contracting for the audit. Accordingly, we will provide a copy of our most recent peer review report at your request.

DISPUTE RESOLUTION

The following procedures shall be used to resolve any disagreement, controversy or claim that may arise out of any aspect of our services or relationship with you, including this engagement, for any reason ("Dispute"). Specifically, we agree to first mediate.

Mediation

All Disputes between us shall first be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator. The mediator will be selected by mutual agreement, but if we cannot agree on a mediator, one shall be designated by the American Arbitration Association ("AAA").

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute. Mediation will be conducted with the parties in person in Elko, Nevada.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Either party may commence suit on a Dispute after the mediator declares an impasse.

INDEMNITY

You agree that none of Eide Bailly LLP, its partners, affiliates, officers or employees (collectively "Eide Bailly") shall be responsible for or liable to you for any misstatements in your financial statements that we may fail to detect as a result of knowing representations made to us, or the concealment or intentional withholding of information from us, by any of your owners, directors, officers or employees, whether or not they acted in doing so in your interests or for your benefit, and to hold Eide Bailly harmless from any claims, losses, settlements, judgments, awards, damages and attorneys' fees from any such misstatement, provided that the services performed hereunder were performed in accordance with professional standards, in all material respects.

If a claim is brought against you by a third-party that arises out of or is in any way related to the services provided under this engagement, you agree to indemnify Eide Bailly LLP, its partners, affiliates, officers and employees, against any losses, including settlement payments, judgments, damage awards, punitive or exemplary damages, and the costs of litigation (including attorneys' fees) associated with the services

performed hereunder provided that the services were performed in accordance with professional standards, in all material respects.


ASSIGNMENTS PROHIBITED

You agree that you will not and may not assign, sell, barter or transfer any legal rights, causes of actions, claims or Disputes you may have against Eide Bailly LLP, its partners, affiliates, officers and employees, to any other person or party, or to any trustee, receiver or other third party.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements compliance over major federal award programs including our respective responsibilities.

We appreciate the opportunity to be your certified public accountants and look forward to working with you and your staff.

Respectfully,


Teri Gage
Partner

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the City of Fallon, Nevada by:

Name: _____

Title: _____

Date: _____

CC: City of Fallon, Nevada Council Members

November 4, 2019

Agenda Item 12

Consideration and possible approval of a Permit for Use of Fallon Rail Freight Loading Facility Newlands Project, Nevada granting permission for Premier Chemical, LLC to use the Fallon Secured Rail Freight Loading Facility. **(For possible action)**

**CITY OF FALLON
REQUEST FOR COUNCIL ACTION**

Agenda Item No. 12

DATE SUBMITTED: October 29, 2019

AGENDA DATE REQUESTED: November 4, 2019

TO: The Honorable City Council

FROM: Michael F. Mackedon, City Attorney

SUBJECT TITLE: Consideration and possible approval of a Permit for Use of Fallon Rail Freight Loading Facility Newlands Project, Nevada granting permission for Premier Chemical, LLC to use the Fallon Secured Rail Freight Loading Facility. **(For possible action)**

TYPE OF ACTION REQUESTED: (Check One)

- | | |
|--|------------------------------------|
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Ordinance |
| <input checked="" type="checkbox"/> Formal Action/Motion | <input type="checkbox"/> Other |

RECOMMENDED COUNCIL ACTION: Motion to approve Permit for Use of Fallon Rail Freight Loading Facility Newlands Project, Nevada granting permission for Premier Chemical, LLC to use the Fallon Secured Rail Freight Loading Facility.

DISCUSSION: Premier Chemical, LLC ("Premier") has requested and been in discussions with City staff in order to extend their permit to use the Fallon Secured Rail Freight Loading Facility. If approved, the attached permit would grant Premier a term of use of two (2) years from September 1, 2019.

FISCAL IMPACT: Revenue of FIFTY CENTS (\$0.50) per ton of material shipped from the Freight Yard, provided that Premier shall pay the City a minimum of at least ONE THOUSAND DOLLARS (\$1,000.00) per month during the term of the permit

FUNDING SOURCE: N/A

PREPARED BY: Robert Erquiaga, Legal and Administrative Director

**PERMIT FOR USE OF FALLON RAIL FREIGHT LOADING FACILITY
NEWLANDS PROJECT, NEVADA**

The CITY OF FALLON ("Fallon"), Nevada, a political subdivision of the State of Nevada, hereby grants to PREMIER CHEMICAL, LLC ("Premier), a private corporation, permission to use the Fallon Secured Rail Freight Loading Facility ("Freight Yard"), located at 380 North Taylor Street in Fallon, Churchill County, Assessor APN 01-011-10, comprising of approximately 6.35 acres.

The term of use granted is two (2) years from the date of September 1, 2019:

1. The fee to be charged to Premier for use of the Freight Yard shall be FIFTY CENTS (\$0.50) per ton of material shipped from the Freight Yard, provided that Premier shall pay Fallon a minimum of at least ONE THOUSAND DOLLARS (\$1,000.00) per month during the term of the lease. In the event of the early termination of this lease for any reason, Premier shall nevertheless, be obligated to pay a full year's payment i.e. TWELVE THOUSAND DOLLARS (\$12,000.00) if accumulated monthly payments made by Premier for the year do not amount to TWELVE THOUSAND DOLLARS (\$12,000.00). Payment shall be by check or electronic equivalent, payable to the Fallon City Clerk, 55 West Williams Avenue, Fallon, Nevada 89406. Payment shall be made by the 20th day of each month and accompanied by weight slips from a scale verified by the State of Nevada.
2. The permission granted herein and hereby consists of a nonexclusive right to use the Freight Yard only for the purpose of operating and maintaining a secured rail freight loading and transportation facility. This Permit or any interest therein is not transferable or assignable but is granted exclusively to Premier.
3. Fallon shall have the right annually to conduct an audit of Premier's shipping records to verify the accuracy of information furnished and payments made to Fallon. Corrected amounts due to Fallon as a result of any audit, if accepted by Premier, shall be made by check to Fallon within ten (10) days of receipt by Premier of the results of such audit. In the event Premier shall dispute the results of any such audit, Premier shall notify Fallon of the dispute within 30 days of receipt by Premier of the results of the audit. If Fallon and Premier cannot resolve the disputed matter to their mutual satisfaction within seven (70) days of the date Premier receives the results of the audit the Permit shall be deemed terminated without further action by either party and either party may pursue all available legal remedies, provided that all such claims or cause of action shall be commenced and maintained exclusively in a court of competent jurisdiction located in Churchill County, Nevada.. Any overpayments to Fallon, discovered as a result of an audit shall be credited against the next payment due to Fallon, or if such discovery is made after termination of this Agreement, such overpayment shall be made by check to Premier within 20 days of the result of such audit.
4. Unless otherwise agreed by Fallon on a situation specific basis as requested by Premier due to unusual circumstances (equipment breakdown, act of God, etc.) the permitted hours that Premier may utilize the loading facility shall be from 6:00 a.m. to 9:00 p.m., seven

days a week year-round. Fallon reserves the right to schedule and coordinate shipments by Premier with shipments by other shippers using the loading facility.

5. Premier shall provide an agent who shall be present at the loading facility at all times during loading of Premier's products. Such agent may be the trucking contractor employed by Premier to deliver product from Gabbs, NV to the loading facility. Premier's agent shall have access to the loading facility at all times. Premier agent shall report to Fallon, within 24 hours of its occurrence, any event, including but not limited to, all out of ordinary problems, issues, or complaints that may, or do occur as a result of the use by Premier or Premier's agent of the Freight Yard. Premier shall furnish to Fallon the name of its agent and shall immediately notify Fallon of any changes. Premier shall have the right to locate a mobile office unit at the site to which electricity, telephone and water will be available at Premier's expense. Fallon shall have the right to designate the location of such unit. Such unit shall comply with all applicable ordinances.

6. Premier shall comply with all applicable Federal, State, and local laws and regulations, existing or hereinafter promulgated, relating to any and all aspects of its operation in or on the Freight Yard.

7. Premier shall not use the Freight Yard for the purpose of using, disposing, transporting, and storing hazardous material. "Hazardous Material" means any substance listed as hazardous under CERCLA of 1980 as amended 42 U.S.C. §9601, et seq. and the regulations promulgated pursuant to that Act.

8. Premier shall comply with all applicable environmental laws and regulations whether Federal, State, or local, including without limitation, all dust control and emission standards required for Premier's operation at the Freight Yard. Premier shall have the right (but not the obligation) to install equipment as may be necessary to achieve compliance with environmental standards, provided Premier has obtained permission to do so by Fallon, which permission shall not be unreasonably withheld.

9. Premier, may, from time to time, install equipment necessary for loading material on to rail cars provided Premier has received permission from Fallon which shall not be unreasonably withheld.

10. Premier shall conduct its operation in an orderly manner so as to cause the least disturbance to the public and neighboring property owners and residents.

11. Premier shall not allow the Freight Yard to accumulate unsightly debris or to be used to store equipment or any other objects or material not a part of its usual and necessary business of receiving material and unloading material for shipping by railroad car. Premier shall not be liable for or responsible for any cleanup of debris or equipment not belonging to Premier or Premier's agent, and not arising from Premier's or Premier's agent's use of the Freight Yard, whether or not lawfully placed at the Freight Yard. Provided, however, that Premier will promptly notify Fallon of the accumulation of debris or the presence of personal property and/or equipment on the Freight yard for which Premier is not responsible and to allow Fallon to

promptly remediate any condition within the Freight Yard inconsistent with its intended use as a freight loading facility or which is a nuisance to the public.

12. Premier shall be responsible for any and all loss or damage to the loading facility or products or equipment located therein caused by Premier's agent or any Premier personnel or by Premier's contract hauler, and Premier shall fully indemnify and hold Fallon free and harmless of and from any loss, liability or damage caused by Premier personnel or its contract hauler at the loading facility. Fallon shall be responsible for any and all loss or damage to Premier's property or injury to Premier's agent caused by Fallon or its agents or any third party permitted to use the facility and shall fully indemnify and hold Premier free and harmless from any such loss.

13. Fallon makes no representation or warranties to Premier regarding the fitness or condition of the Freight Yard and Premier accepts the condition of the Freight Yard "as is".

14. Premier shall insure that the Freight Yard Facility is secured at all times when personnel operating the Freight Yard Facility are not on site. Premier shall maintain all gates and fencing at the facility. Premier shall not make any alterations or modifications to the grounds or facilities existing as of the effective date of this Permit without prior written consent from Fallon which shall not be unreasonably withheld.

15. Fallon reserves the right of its employees or agents to have the right of ingress and egress to and from the Freight Yard at all times for the purposes of exercising, enforcing and protecting the provisions of the Permit, including, but not limited to, conducting inspections of the Freight Yard.

16. Premier shall at all times during the existence of this contract maintain a comprehensive general liability insurance policy naming Fallon as an additional insured with terms of coverage that require the insurer to protect, indemnify and defend the insured parties (Premier and Fallon) against all suits or claims with policy limits of not less than \$1,000,000.00 for injury, accident or death per occurrence and not less than \$2,000,000 aggregate and property damage coverage of not less than \$300,000.00. Such policy shall be issued by a company authorized by the Nevada Insurance Commissioner to do business in Nevada. Premier shall at all times furnish Fallon with a Certificate of Liability Insurance. Failure to maintain valid insurance may result in the immediate termination of the Permit.

17. Fallon shall have no responsibility nor liability with respect to train operations nor for ordering or dispatching rail cars that may be needed from time to time by Premier. In this connection, all contractual arrangements with the railroad for furnishing of cars and operation of trains to accommodate the needs of Premier shall be the responsibility of Premier.

18. In the event Premier is in default in connection with any obligation of Premier contained herein, Fallon shall notify Premier in writing of such default specifying with particularity the nature of the claimed default. Premier shall have 30 days to remedy such default or, if the claimed default is of such a nature that it cannot be remedied within 30 days, Premier shall, within said time frame, furnish evidence of the commencement of steps being

taken to cure such default, which curing action shall be pursued diligently to completion. In the event Premier disputes the validity of such claimed default, notice of such dispute shall be furnished to Fallon within said 30-day period. If the default cannot be resolved by the parties within 70 days, the permit shall be deemed terminated without further action by either party and the parties may pursue all legal remedies provided that all such claims or cause of action shall be commenced and maintained exclusively in a Court of competent jurisdiction located in Churchill County, Nevada. In the event of a default of Premier hereunder, remaining uncured, Fallon may terminate this contract by giving Premier notice of termination hereof, which shall be effective 30 days after Premier shall have received the notice of termination. Thereafter, Premier shall not have the right to use the Freight Yard, but shall have the obligation to pay all amounts due to Fallon hereunder and to honor all obligations which occurred prior to termination,

19. Notwithstanding any other covenant or term contained herein, Premier may terminate this Permit by providing Fallon with not less than 30 days' notice of its intent to terminate and provided that Premier shall have paid Fallon all amounts owed to Fallon by Premier pursuant to paragraph one of this Permit. Voluntary termination by Premier as herein provided shall not relive Premier of its general obligations under the terms of this Permit.

20. The effective date of this Permit shall be September 1, 2019, notwithstanding the date the respective parties may have signed the Permit. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement

21. Notices to either party shall be given by certified mail, return receipt requested, to the following addresses, until changed in writing:

Fallon – c/o City Clerk
55 West Williams Avenue
Fallon, Nevada 89406

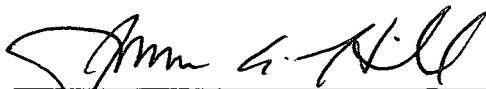
Premier Chemical, LLC
75 Giles Place
Waynesville, NC 28786
Attn: Vice President - Manufacturing

Notices shall be deemed received within three (3) days of being mailed postage prepaid to the correct address of the party.

CITY OF FALLON

PREMIER CHEMICAL, LLC

By: _____
Title: _____
Date: _____


By: JAMES A. HILL
Title: PRESIDENT
Date: 10/1/19