

**AGENDA**  
**CITY OF FALLON – CITY COUNCIL**  
**55 West Williams Avenue**  
**Fallon, Nevada**  
**January 21, 2020 – 9:00 a.m.**

The Honorable City Council will meet in a regularly scheduled meeting on January 21, 2020 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. Approval of Warrants: **(For possible action)**
  - A) Accounts Payable
  - B) Payroll
  - C) Customer Deposit
5. Consideration and possible approval and adoption of Resolution No. 20-01: A resolution authorizing an installment purchase agreement in an amount not to exceed \$489,989 for the purpose of acquiring a vacuum truck to be used by the Electric, Water and Sewer Departments; directing the officers of the City to forward materials to the Department of Taxation of the State of Nevada; providing certain details in connection therewith; authorizing City staff to negotiate an installment purchase agreement not to exceed \$489,989; providing the effective date hereof; and for other matters properly related thereto. **(For possible action)**
6. Consideration and possible approval of Interlocal Cooperative Agreement Establishing Churchill Fallon Economic Development. **(For possible action)**
7. Public Comments **(For discussion only)**
8. Council and Staff Reports **(For discussion only)**

9. 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 January 15, 2020 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.



January 21, 2020

## Agenda Item 5

Consideration and possible approval and adoption of Resolution No. 20-01: A resolution authorizing an installment purchase agreement in an amount not to exceed \$489,989 for the purpose of acquiring a vacuum truck to be used by the Electric, Water and Sewer Departments; directing the officers of the City to forward materials to the Department of Taxation of the State of Nevada; providing certain details in connection therewith; authorizing City staff to negotiate an installment purchase agreement not to exceed \$489,989; providing the effective date hereof; and for other matters properly related thereto. **(For possible action)**



**CITY OF FALLON**  
**REQUEST FOR COUNCIL ACTION**  
Agenda Item No. 5

**Date Submitted:** December 31, 2019

**From:** City Clerk Treasurer Cordes

**Agenda Date Requested:** January 21, 2020

**To:** The Honorable City Council

**Subject Title:** Consideration and possible approval and adoption of Resolution No. 20-1: A resolution authorizing an installment purchase agreement in an amount not to exceed \$489,989 for the purpose of acquiring a vacuum truck to be used by the Electric, Water and Sewer Departments; directing the officers of the City to forward materials to the Department of Taxation of the State of Nevada; providing certain details in connection therewith; authorizing City staff to negotiate an installment purchase agreement not to exceed \$489,989; providing the effective date hereof; and for other matters properly related thereto.

**Type of Action Requested:** (Check One)

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

**Recommended Council Action:** Motion to approve Resolution No. 20-01: : A resolution authorizing an installment purchase agreement in an amount not to exceed \$489,989 for the purpose of acquiring a vacuum truck to be used by the Electric, Water and Sewer Departments; directing the officers of the City to forward materials to the Department of Taxation of the State of Nevada; providing certain details in connection therewith; authorizing City staff to negotiate an installment purchase agreement not to exceed \$489,989; providing the effective date hereof; and for other matters properly related thereto.

**Discussion:** This purchase is necessary to replace the vacuum truck utilized by the Electric, Water and Sewer Departments. The vacuum truck is essential to the efficient operation of the Electric, Water and Sewer Department, and is utilized during

electric outages, water leaks and sewer leaks. The existing truck has exceeded its useful life and can no longer be repaired economically. A new vacuum truck will allow for safer and more expedient responses to utility disruption.

As noted in the resolution, City staff will forward materials to the Department of Taxation of the State of Nevada for their consideration and approval. As noted in NRS 350.089, this resolution is not effective until approved by the Director of the Department of Taxation. The written approval of the Department of Taxation must be recorded in the minutes of the governing body, which will be accomplished at a future meeting.

**FISCAL IMPACT:** \$489,989 in principal payments and \$89,106.64 in interest payments.

**FUNDING SOURCE:** Electric Enterprise Fund, Water Enterprise Fund, and Sewer Enterprise Fund

**PREPARED BY:** City Clerk & Treasurer Gary C Cordes  
Robert Erquiaga, Legal and Administrative Director

**Presented By:** Robert Erquiaga, Legal and Administrative Director

Summary - a resolution authorizing an installment purchase agreement and the forwarding of materials to the State Department of Taxation.

**RESOLUTION NO. 20-01**

**A RESOLUTION AUTHORIZING AN INSTALLMENT PURCHASE AGREEMENT IN AN AMOUNT NOT TO EXCEED \$489,989 FOR THE PURPOSE OF ACQUIRING A VACCUUM TRUCK TO BE USED BY THE ELECTRIC, WATER AND SEWER DEPARTMENTS; DIRECTING THE OFFICERS OF THE CITY TO FORWARD MATERIALS TO THE DEPARTMENT OF TAXATION OF THE STATE OF NEVADA; PROVIDING CERTAIN DETAILS IN CONNECTION THEREWITH; AUTHORIZING THE CITY STAFF TO NEGOTIATE AN INSTALLMENT PURCHASE AGREEMENT NOT TO EXCEED \$489,989; AND PROVIDING THE EFFECTIVE DATE HEREOF; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.**

**WHEREAS**, the City Council of the City of Fallon, Nevada (the “Council,” “City,” and “State,” respectively) proposes to incur an installment purchase agreement of the City in an amount up to \$489,989 (the “Obligation”) under Chapter 350 of Nevada Revised Statutes (“NRS”), in order to finance the costs of acquiring a Vacuum Truck for use by the City’s Electric, Water and Sewer Departments (the “Purchase”); the Obligation to bear interest at a rate or rates which do not exceed by more than 3% the “Index of Twenty Bonds” most recently published in The Bond Buyer before bids are received for the Obligation or negotiated offers are accepted, and to mature within 10 years of the date of issuance thereof, in order to pay the costs of the Purchase (the “Proposal”); and

**WHEREAS**, the City Council has determined that legally available funds of the City will at least equal the amount required in each year for the payment of interest and principal on the Obligation; and

**WHEREAS**, NRS 350.087 requires that a notice of intention to act on a resolution to authorize an installment purchase agreement be published not less than 10 days prior to the consideration of a resolution authorizing an installment purchase agreement; and

**WHEREAS**, a notice of intention to act upon the resolution authorizing the Obligation has been duly published in a newspaper of general circulation in the City not less than

10 days prior to the date of a public hearing thereon, and such public hearing was held prior to adoption of this resolution; and

**WHEREAS**, all comments made at the public hearing have been duly considered by the Council and the minutes of such public hearing are attached hereto as Exhibit “C.”

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FALLON, NEVADA:**

Section 1. This resolution is hereby designated by the short title the “2020 Electric, Water and Sewer Enterprise Fund Vacuum Truck Installment Purchase Agreement Authorization Resolution” (the “Resolution”).

Section 2. The City Council hereby finds and determines that the public interest requires an installment purchase agreement to finance the costs of the Purchase, in an amount not to exceed \$489,989.

Section 3. The facts upon which the finding stated in Section 2 above are:

(a) The Purchase is necessary to replace the Vacuum Truck which is essential to the efficient operation of the City’s Electric, Water and Sewer Department in the City and which has exceeded its useful life.

(b) A Vacuum Truck is instrumental to the provision of utility services and are essential to the health, safety and welfare of the City and its citizens and therefor it is in the best interests of the City and its citizens if the Purchase is now accomplished;

(c) It is not feasible to finance the Purchase from other funds of the City, or by other methods of financing, because of restraints on the City’s budget for the current fiscal year, other demands on and needs for existing funds of the City, the imperative nature of the Purchase and other financial considerations.

Section 4. The City proposes to borrow a sum not to exceed \$489,989 at an annual interest rate estimated to be 3.18% to be repaid over a period of not more than 10 years. The Obligation shall be evidenced by the execution and delivery by the City of an installment

purchase agreement with a final maturity no later than 10 years after the date of execution and delivery of the Obligation (which term does not exceed the useful life of the Purchase), and the interest rate shall not exceed by more than 3 percent the “Index of Twenty Bonds” which is most recently published in The Bond Buyer before bids are received or a negotiated offer is accepted.

Section 5. The City Clerk and Treasurer of the City or his designee (the “Treasurer”) is hereby authorized to arrange for and negotiate an installment purchase agreement in an amount not to exceed \$489,989, and to carry out the Purchase, subject to ratification by City Council. The installment purchase agreement executed and delivered to effect the Project shall be issued on such other terms and conditions as the City Council determines, all as provided in NRS 350.087 to 350.095.

Section 6. The Obligation shall not be paid in whole or in part from a levy of a special tax exempt from the limitations on the levy of ad valorem tax. Payment of the Obligation is estimated to range from \$7,531.13 to \$58,147.82 per year, for a period not to exceed 10 years. The source of the revenue that is anticipated to be used to repay the Obligation is the Operating Revenues generated from the City’s Electric, Water and Sewer Fund. Existing levels of revenue are projected sufficient to afford repayment of the Obligation together with the maintenance and repair of the assets of the Electric, Water and Sewer Fund.

Section 7. The officers of the City be and the same hereby are authorized and directed to take all action necessary to effectuate the provisions of this Resolution, including, without limitation, forwarding all necessary documents to the Executive Director, Department of Taxation, Carson City, Nevada, and, if necessary, amending the City’s capital improvement plan to include the Purchase, if necessary.

Section 8. The City Clerk and Treasurer is authorized to enter into the Obligation in the maximum aggregate principal amount of \$489,989 in such manner as he shall determine, and he is authorized to specify the terms and details of the Obligation, including, without limitation, the maturity date or dates, the interest rate or rates, the redemption features, if any, and the other terms and conditions thereof; all subject to ratification by the City Council.

Section 9. The officers of the City are hereby authorized to take all action necessary or appropriate to effectuate the provisions of this Resolution, including without limitation, assembling of financial and other information concerning the City, the Purchase and the Obligation, and negotiating the terms of the Obligation.



Section 10. The City Clerk and Treasurer shall, after negotiating the terms of the Obligation and after approval of the Obligation by the Executive Director of the Department of Taxation of the State of Nevada, present the proposed terms of the Obligation to the City Council for its approval.

Section 11. All resolutions, or parts thereof, in conflict with the provisions of this Resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be constructed to revive any resolution, or part thereof, heretofore repealed.

Section 12. If any section, paragraph, clause or other provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution.

Section 13. This Resolution shall become effective upon passage and approval, except for Section 8 of this Resolution which shall become effective upon the approval hereof, by the Executive Director of the Department of Taxation of the State of Nevada as provided in NRS 350.089, which approval shall be recorded in the minutes of the City Council at its next meeting following the approval by the Executive Director of the Department of Taxation.

**PASSED AND ADOPTED AND APPROVED BY AN AFFIRMATIVE  
VOTE OF AT LEAST TWO-THIRDS OF THE MEMBERS OF THE CITY COUNCIL  
OF THE CITY OF FALLON, NEVADA, THIS JANUARY 21, 2020.**

(SEAL)

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to Form:

By: \_\_\_\_\_  
City Attorney

STATE OF NEVADA                   )  
   )  
 CHURCHILL COUNTY                ) ss.  
   )  
 CITY OF FALLON                    )

I, Gary Cordes, the duly chosen and qualified City Clerk and Treasurer of the City of Fallon (the “City”), in the State of Nevada, do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution adopted by the City Council of the City (the “Council”) at a meeting held on January 21, 2020.

2. The adoption of the resolution was duly moved and seconded and the resolution was adopted by an affirmative vote of at least two-thirds majority of the members of Council as follows:

Those Voting Aye:	Karla Kent Kelly Frost James Richardson
Those Voting Nay:	_____
Those Absent:	_____
	_____

3. The original of the resolution has been approved and authenticated by the signatures of the Mayor of the City and myself as City Clerk and Treasurer and has been recorded in the regular official record of the City Council kept for that purpose in my office, which record has been duly signed by the officers and properly sealed.

4. All members of the City Council were given due and proper notice of the meeting. Pursuant to NRS 241.020, written notice of the meeting was given not later than 9:00 a.m. on the third working day before the meeting including in the notice the time, place, location, and agenda of the meeting:

(a) By posting a copy of the notice at least three working days before the meeting on the City’s website; The State of Nevada Public Notice Website, the principal office of the City Council, or if there is no principal office, at the building in which the meeting is to be held; and at least three (3) other separate,

prominent places within the jurisdiction of the City Council, to wit:

- (i) City Hall  
55 West Williams Avenue  
Fallon, Nevada;
- (ii) Churchill County Office Complex  
155 North Taylor  
Fallon, Nevada;
- (iii) District Court Building  
73 North Maine Street  
Fallon, Nevada; and
- (iv) Churchill County Public Library  
553 South Maine Street  
Fallon, Nevada.

and

(b) By mailing a copy of the notice to each person, if any, who has requested notices of meetings of the City Council in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

5. Upon request, the City Council provides at no charge, at least one copy of the agenda for its public meetings, any proposed ordinance or regulation which will be discussed at the public meeting, and any other supporting materials provided to the City Council for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

6. A copy of such notice so given of the meeting of the City Council on January 21, 2020 is attached to this certificate as Exhibit "A." A copy of the affidavit of publication of the notice of public hearing is attached hereto as Exhibit "B," and a copy of the minutes of the public hearing held on January 21, 2020, prior to adoption of the resolution is attached hereto as Exhibit "C."

**IN WITNESS WHEREOF**, I have hereunto set my hand on this January 21,  
2020.

(SEAL)

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City Clerk and Treasurer



**EXHIBIT “A”**

**(Attach Copy of Notice of Meeting)**



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: Valerie Swirczek

**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**

Installment Purchase Agreement

**PO#:**

**Ad #:** 0000534423-01

of which a copy is hereto attached, was published  
in said newspaper for the full required period of  
1 time(s) commencing on **01/08/2020**,  
and ending on **01/08/2020**, all days inclusive.

*Bailee Liston*

Signed: \_\_\_\_\_

Date: 01/08/2020 State of Nevada, Carson City

**This is an Original Electronic Affidavit.**

**Price: \$ 98.93**

**Proof and Statement of Publication**

**Ad #:** 0000534423-01

**NOTICE OF HEARING AND INTENTION TO  
ACT ON A RESOLUTION TO AUTHORIZE AN  
INSTALLMENT PURCHASE AGREEMENT**

NOTICE is hereby given that the City Council of the City of Fallon, State of Nevada, will hold a public hearing at a regular meeting to be held on January 21, 2020 in the City Council Chambers, 55 West Williams Avenue, Fallon, Nevada at the hour of 9:00 a.m., to act upon a Resolution Authorizing an Installment Purchase Agreement in an amount not to exceed \$489,989, at an annual interest rate not to exceed 3.18%, to enable the City of Fallon to replace the Vacuum Truck (the "Proposed Installment Purchase Agreement"). The Vacuum Truck has exceeded its useful life and can no longer be repaired economically.

The Proposed Installment Purchase Agreement is to be repaid from legally available moneys in the City's Electric Enterprise Fund, Water Enterprise Fund and Sewer Enterprise Fund, estimated to be \$2,510.38 to \$19,382.61 in each fund per year not to exceed 10 years.

The form of the resolution authorizing the Proposed Installment Purchase Agreement, to be considered by the City Council after such hearing and other information concerning the Proposed Installment Purchase Agreement and the other purposes for which it is proposed to be used, may be examined in the office of the City Clerk and Treasurer, City Hall, 55 West Williams Avenue, Fallon, Nevada. All persons are invited to attend and to be heard regarding the proposed action. Prior to the hearing, written comments may be filed with the City Clerk and Treasurer at the aforementioned address and will be considered.

/s/ Gary C Cordes  
City Clerk Treasurer

**Pub: January 8, 2020**

**Ad#0000534423**

**EXHIBIT "B"**

**(Attach Affidavit of Publication and Notice of Public Hearing)**

**EXHIBIT "C"**

**(Minutes of Public Hearing)**

City of Fallon

City of Fallon Electric, Water and Sewer Enterprise Installment Purchase Agreement

Responses to Page 9, Section 4 of the Installment Purchase Agreement Financing Guidelines

Prepared By: Gary Cordes City Clerk & Treasurer

4A. The source of money to be used to repay the debt incurred by the Installment purchase agreement is Electric, Water and Sewer Enterprise Funds Operating Revenues

4B. The payments for principal and interest is budgeted in the City of Fallon Electric, Water and Sewer Enterprise Funds. The Source of Revenue in the City of Fallon Electric, Water and Sewer Enterprise Fund are operating revenues. The City budgets for its debt service requirements first and then determines its Enterprise Funds Budget with the remainder of any funds.

4C. The installment purchase agreement will mature in 10 years.

4D. The installment purchase agreement contains a provision that allows for redemption of the installment purchase agreement prior to maturity.

4E. The payments will be made semi-annually.

4F. At a future meeting the City Council will record the written approval of the Department of Taxation. The anticipated time to enter into the medium-term obligation is 1 week.

4G. See attached proposed amortization.

4H. See draft copy of the agreement attached of the non-funding clause. See attached agreement Section 4.01 Non-Appropriation.

4I. The non-funding clause will not be used. The Vacuum Truck is essential to the operation of the Electric, Water and Sewer Departments.

4J. Not applicable

4K. See attached amended copy of City of Fallon's Capital Improvement Plan.



**Medium Term Obligation Repayment Worksheet**

Entity Name: City of Fallon  
Fund Identification: Electric Enterprise Fund  
  
Purpose of Request: Acquisition of a Vacuum Truck  
  
Principal Amount of Obligation : \$163,330  
  
Interest @ 3.18% for 10 years \$29,702  
  
Total Amount to be Repaid \$193,032

Method of Repayment:	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Electric Enterprise Fund Budget	\$2,510.38	\$19,382.61	\$19,246.93	\$19,175.58	\$19,100.58	\$19,026.86	\$18,957.57	\$18,910.50	\$18,890.37	\$18,896.81	\$18,933.70	<u>\$193,031.89</u>

**Medium Term Obligation Repayment Worksheet**

Entity Name: City of Fallon  
Fund Identification: Water Enterprise Fund  
  
Purpose of Request: Acquisition of a Vacuum Truck  
  
Principal Amount of Obligation : \$163,330  
  
Interest @ 6.5% for 5 years \$29,702  
  
Total Amount to be Repaid \$193,032

Method of Repayment:	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Water Enterprise Fund Budget	\$2,510.38	\$19,382.61	\$19,246.93	\$19,175.58	\$19,100.58	\$19,026.86	\$18,957.57	\$18,910.50	\$18,890.37	\$18,896.81	\$18,933.70	<u>\$193,031.89</u>

**Medium Term Obligation Repayment Worksheet**

Entity Name: City of Fallon  
Fund Identification: Sewer Enterprise Fund  
  
Purpose of Request: Acquisition of a Vacuum Truck  
  
Principal Amount of Obligation : \$163,330  
  
Interest @ 6.5% for 5 years \$29,702  
  
Total Amount to be Repaid \$193,032

Method of Repayment:	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Sewer Enterprise Fund Budget	\$2,510.38	\$19,382.61	\$19,246.93	\$19,175.58	\$19,100.58	\$19,026.86	\$18,957.57	\$18,910.50	\$18,890.37	\$18,896.81	\$18,933.70	<u>\$193,031.89</u>

**Investment in Vac Truck**  
**10 year Taxable Lease**

	<b>Prin</b>	<b>Interest</b>	<b>Total Payment</b>
FY 2020	\$ -	\$ 7,531.13	\$ 7,531.13
FY 2021	\$ 43,254.00	\$ 14,893.82	\$ 58,147.82
FY 2022	\$ 44,238.00	\$ 13,502.79	\$ 57,740.79
FY 2023	\$ 45,450.00	\$ 12,076.75	\$ 57,526.75
FY 2024	\$ 46,690.00	\$ 10,611.73	\$ 57,301.73
FY 2025	\$ 47,974.00	\$ 9,106.57	\$ 57,080.57
FY 2026	\$ 49,313.00	\$ 7,559.70	\$ 56,872.70
FY 2027	\$ 50,763.00	\$ 5,968.49	\$ 56,731.49
FY 2028	\$ 52,342.00	\$ 4,329.12	\$ 56,671.12
FY 2029	\$ 54,053.00	\$ 2,637.44	\$ 56,690.44
FY 2030	\$ 55,912.00	\$ 889.10	\$ 56,801.10
	<u>\$ 489,989.00</u>	<u>\$ 89,106.64</u>	<u>\$ 579,095.64</u>

**Shared Equally by Electric, Water & Sewer**

	<b>Prin</b>	<b>Interest</b>	<b>Total Payment</b>
FY 2020	\$ -	\$ 2,510.38	\$ 2,510.38
FY 2021	\$ 14,418.00	\$ 4,964.61	\$ 19,382.61
FY 2022	\$ 14,746.00	\$ 4,500.93	\$ 19,246.93
FY 2023	\$ 15,150.00	\$ 4,025.58	\$ 19,175.58
FY 2024	\$ 15,563.33	\$ 3,537.24	\$ 19,100.58
FY 2025	\$ 15,991.33	\$ 3,035.52	\$ 19,026.86
FY 2026	\$ 16,437.67	\$ 2,519.90	\$ 18,957.57
FY 2027	\$ 16,921.00	\$ 1,989.50	\$ 18,910.50
FY 2028	\$ 17,447.33	\$ 1,443.04	\$ 18,890.37
FY 2029	\$ 18,017.67	\$ 879.15	\$ 18,896.81
FY 2030	\$ 18,637.33	\$ 296.37	\$ 18,933.70
	<u>\$ 163,329.67</u>	<u>\$ 29,702.21</u>	<u>\$ 193,031.88</u>

FIVE YEAR CAPITAL IMPROVEMENT PLAN  
(Per NRS 354.5945)



FUND:	Water Enterprise Fund	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Capital Improvement:	Maine Street Access Project	\$ 450,000	\$ -	\$ -	\$ -	\$ -
	Portion of Vac Truck	\$ -	\$ 125,000	\$ -	\$ -	\$ -
	Replace Stuck and Broken Meters	\$ -	\$ 177,000	\$ -	\$ -	\$ -
	Equipment Trailer	\$ -	\$ 18,000	\$ -	\$ -	\$ -
	Skid Steer & Attachments	\$ -	\$ 75,000	\$ -	\$ -	\$ -
	Allocation of Repeaters	\$ -	\$ 14,285	\$ -	\$ -	\$ -
	Radio Read Meters	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
	Maine Street Phase IV	\$ -	\$ 70,000	\$ -	\$ -	\$ -
	Work Truck	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ -
	Trench Roller	\$ -	\$ 35,000	\$ -	\$ -	\$ -
	Mud/Sludge Pump	\$ -	\$ 80,000	\$ -	\$ -	\$ -
	Loader	\$ -	\$ -	\$ -	\$ 200,000	\$ -
	Portion of Vac Truck	\$ 163,330	\$ -	\$ -	\$ -	\$ -
Capital Tax Rate:						
Operating Tax Rate:						
Duration of Tax Rate:						
Source of Funding:	Revenues, Grants, Medium Term Financing	\$ 613,330	\$ 644,285	\$ 100,000	\$ 300,000	\$ 50,000
Completion Date:	Annually					
Summary:						
Fund Total		\$ 613,330	\$ 644,285	\$ 100,000	\$ 300,000	\$ 50,000

FIVE YEAR CAPITAL IMPROVEMENT PLAN  
(Per NRS 354.5945)



FUND:	Electric Enterprise Fund	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Capital Improvement:	Maine Street Access Project	\$ 327,000		\$ -	\$ -	\$ -
	Electric Metering Upgrade	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -
	Electric Substation, Direct Bury Replace, Substation Transformer Spare	\$ 5,233,000	\$ -	\$ -	\$ -	\$ -
	Pennington Youth Center	\$ 5,407,800	\$ -	\$ -	\$ -	\$ -
	Upgrade Phase I Maine Street	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
	Allocation of Repeaters	\$ -	\$ 1,740,817	\$ 1,000,000	\$ 1,259,183	\$ -
	Avian Line Upgrades	\$ -	\$ 100,000	\$ -	\$ -	\$ -
	Old Post Office Parking Lot Improvement	\$ -	\$ 125,000	\$ -	\$ -	\$ -
	Bucket Truck	\$ -	\$ -	\$ 150,000	\$ -	\$ -
	System Improvements	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
	Mini Excavator with attachments	\$ -	\$ 75,000	\$ -	\$ -	\$ -
	Public Works Building	\$ -	\$ 300,000	\$ -	\$ -	\$ -
	Portion of Vac Truck	\$ 163,330	\$ -	\$ -	\$ -	\$ -
Capital Tax Rate:						
Operating Tax Rate:						
Duration of Tax Rate:						
Source of Funding:	Revenues, Grants, Medium Term Financing	\$ 12,231,130	\$ 2,690,817	\$ 1,500,000	\$ 1,609,183	\$ 350,000
Completion Date:	Annually					
Summary:						
Fund Total		\$ 12,231,130	\$ 2,690,817	\$ 1,500,000	\$ 1,609,183	\$ 350,000

FIVE YEAR CAPITAL IMPROVEMENT PLAN  
(Per NRS 354.5945)



FUND:	Sewer Enterprise Fund	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
<b>Capital Improvement:</b>	Maine Street Access Project	\$ 585,000	\$ -	\$ -	\$ -	\$ -
	Sewer Projects	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
	Maine Street Phase IV	\$ -	\$ 60,000	\$ -	\$ -	\$ -
	Sewer Rod Cart	\$ -	\$ 75,000	\$ -	\$ -	\$ -
	Work Truck	\$ -	\$ 35,000	\$ -	\$ -	\$ -
	SBR Additional Capacity	\$ -	\$ -	\$ 700,000	\$ -	\$ -
	Sewer Camera Upgrade	\$ -	\$ -	\$ 40,000	\$ -	\$ -
	Overlay of road surface around facility	\$ -	\$ 12,000	\$ -	\$ -	\$ -
	Portion of Vac Truck	\$ 163,330	\$ -	\$ -	\$ -	\$ -
<b>Capital Tax Rate:</b>						
<b>Operating Tax Rate:</b>						
<b>Duration of Tax Rate:</b>						
<b>Source of Funding:</b>	Revenues, Grants, Medium Term Financing	\$ 998,330	\$ 432,000	\$ 990,000	\$ 250,000	\$ 250,000
<b>Completion Date:</b>	Annually					
<b>Summary:</b>						
<b>Fund Total</b>		\$ 998,330	\$ 432,000	\$ 990,000	\$ 250,000	\$ 250,000



January 21, 2020

## Agenda Item 6

Consideration and possible approval of Interlocal Cooperative Agreement Establishing Churchill Fallon Economic Development.  
**(For possible action)**

**CITY OF FALLON  
REQUEST FOR COUNCIL ACTION**

Agenda Item No.   6  

DATE SUBMITTED: January 15, 2020

AGENDA DATE REQUESTED: January 21, 2020

TO: The Honorable City Council

FROM: Robert Erquiaga, Legal and Administrative Director

SUBJECT TITLE: Consideration and possible approval of Interlocal Cooperative Agreement Establishing Churchill Fallon Economic Development. **(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 Interlocal Cooperative Agreement with Churchill County in order to establish Churchill Fallon Economic Development.

DISCUSSION: The City and Churchill County have discussed and prepared the attached Interlocal Cooperative Agreement which sets forth a collaborative partnership in order to attract new businesses to our community. The Agreement provides for the recruitment and hiring of an Independent Contractor who will be primarily responsible for the active recruitment of businesses to locate or relocate to Fallon and Churchill County. Funding that was historically sent to CEDA for the Executive Director will now be used to compensate the Independent Contractor under this Agreement, and funding will also come from the Governor's Office of Economic Development. This Agreement provides for direct oversight by the City and County and emphasizes the active recruitment of potential businesses that could locate or relocate to Fallon and Churchill County.

FISCAL IMPACT: No additional funding beyond what was being provided to CEDA is anticipated

FUNDING SOURCE: Various including funding from the Governor's Office of Economic Development

PREPARED BY: Robert Erquiaga, Legal and Administrative Director

## **AGREEMENT**

### **INTERLOCAL COOPERATIVE AGREEMENT ESTABLISHING CHURCHILL FALLON ECONOMIC DEVELOPMENT**

This Cooperative Agreement made and entered into between Churchill County and the City of Fallon (hereinafter Member Entities), each of which is a political subdivision of the State of Nevada, is set forth below:

#### **WITNESSETH:**

WHEREAS, the governing body of each of the parties has duly adopted a Resolution endorsing and authorizing the hiring of an independent subcontractor (hereinafter referred to as "Contractor") to promote regional economic development in Churchill County and the City of Fallon and:

WHEREAS, the Contractor shall be hired to seek out businesses whose activities are compatible with the communities of the Member Entities and make efforts to locate or re-locate those activities to the Member Entities region:

WHEREAS, Nevada Revised Statutes (NRS) 277.080 to 277.170, inclusive of the Interlocal Cooperation Act, provides that any power, privilege or authority exercised or capable of exercise by the public agency of the State of Nevada may be exercised jointly with any other public agency of the state, and:

WHEREAS, the provisions of this Act allow for the establishment of a joint or cooperative undertaking.

NOW, THEREFORE, pursuant to the authority and direction of the resolution hereinabove referred to, and pursuant to the authority of NRS 277.080 to 277.170, inclusive, and in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

#### **ARTICLE I**

##### **Agreement to Jointly Hire Independent Contractor**

The Member Entities hereby agree to jointly subcontract with a Contractor for the purposes of regional economic development, which Contractor shall be hired pursuant to and subject to the terms and conditions set forth herein.

**ARTICLE II**  
**Purpose for Hiring Contractor**

The purposes for which the Contractor shall be hired:

1. To promote efforts to attract appropriate business interests which will contribute directly to economic growth of the Member Entities.
2. To learn and promote the unique attributes of the communities of the Member Entities to encourage businesses to locate in those communities.
3. To work cooperatively with other economic development entities including, but not limited to, the Governor's Office on Economic Development ("GOED") and regional economic development authorities.
4. To regularly report Contractor's activities with the Churchill County Commission and City of Fallon City Council and Mayor, or their designees.
5. To introduce prospective businesses interested in locating within the Member Entities to the Member Entities and coordinate site visits.
6. To administer any grants from GOED or other sources which may fund the operations of Contractor.

**ARTICLE III**  
**General Obligations of Independent Contractor**

1. The Contractor shall be solely responsible for carrying out the activities of economic development for the benefit of the Member Entities, including, but not limited to, establishing contacts with businesses, hiring of support staff, arranging travel accommodations, record keeping, calendaring site visits in coordination with the Member Entities, attending pertinent conferences and events and satisfying any and all reporting requirements to state and local agencies.
2. The Contractor shall be paid as an independent contractor and shall be responsible for all expenses incurred in performance of the duties of Contractor with the exception of travel expenses which will be reimbursed by the Member Entities as more fully describe hereinafter.
3. Contractor shall be responsible to pay any and all income taxes, state or federal, and any and all self-employment taxes.
4. In the event Contractor elects to contribute to an unemployment and/or worker's compensation plan, such contributions shall be the sole responsibility of Contractor.



5. Contractor shall provide regular updates, in a form and manner requested by the Member Entities, or their Representative as defined below, regarding Contractor's activities, new business contacts and achievements.

#### **ARTICLE IV**

##### **General Obligations of Member Entities**

1. The Member Entities shall pay Contractor monthly on the \_\_\_ day of the month.
2. The Member Entities shall select a "Representative" from each entity to provide direction to the Contractor and the Representatives shall be the initial point of contact for Contractor on all matters regarding the activities of Contractor.
3. The Member Entities shall provide, at their own expense, a working space, in the City of Fallon or Churchill County, to support Contractor in administration of his duties. The working space shall be selected by the Member Entities.
4. The Member Entities shall cause an IRS 1099 to be issued to Contractor on or before January 31 of each year in which Contractor provides services.
5. The contract for services rendered by Contractor shall be considered for approval or rejection by both the City Council of the City of Fallon and the County Commission of the County of Churchill. Only upon the approval of both governing boards shall the contract for services be accepted.
6. For the purposes of efficiency, the City Council of the City of Fallon and the County Commission of the County of Churchill, may allow the Representatives to screen candidates to perform the services of the Contractor and present their selections to the governing boards.

#### **ARTICLE V**

##### **Specific Performance Obligations of Contractor**

1. Contractor shall use best efforts to identify and contact businesses outside the boundaries of Churchill County and the City of Fallon with the purpose of locating new businesses to the region.
2. Contractor shall make best efforts to develop a comprehensive understanding of the resources, governmental structure, development standards, utilities, zoning, history, land ownership, and all other aspects of the communities of the Member Entities.
3. Contractor shall use the developed understanding of the Member Entities' communities to target businesses that would benefit from the unique attributes of the communities.



4. Contractor shall work closely with the Member Entities and their Representatives to develop relationships with businesses interested in locating to the communities of the Member Entities.

5. Contractor shall work within the guidelines provided by both the Member Entities and GOED and focus on meeting the economic development criteria established by both the Member Entities and GOED.

6. Contractor shall communicate any identified prospective business to Member Entities' Representatives within 72 hours of identification.

7. Contractor shall develop relationships with other economic development entities in the State of Nevada, or other states, for the purpose of sharing information regarding possible placement of new business in the State of Nevada.

8. Contractor shall purchase a cell phone dedicated to field communications serving the purpose of economic development for the benefit of the Member Entities.

9. Prior to traveling, Contractor shall submit a travel plan, including expected contacts and costs of travel to the Member Entities or their Representatives. The Member Entities shall review the plan and approve, deny or approve with modifications the plan and if approved, in full or in part, the Member Entities shall pay the requested costs of travel from the travel expense account.

## **ARTICLE VI**

### **Specific Obligations of Member Entities**

1. The Member Entities shall pay to Contractor an annual sum to be determined by the Member Entities as compensation for services provided by Contractor. Payment shall be made monthly in in equal parts.

2. The Member Entities shall establish a travel expense account to cover anticipated annual travel expenses.

3. The Member Entities or their Representatives shall review all travel expenditures submitted by Contractor and either approve, deny or approve with modifications any amounts requested by Contractor.

4. The Member Entities shall be responsible for the hiring, evaluation and firing of Contractor.

## **ARTICLE VII**

The term of this Cooperative Agreement shall be for a period of ten (10) years from the date of the original execution.

## **ARTICLE VIII**

This Cooperative Agreement may be terminated in whole or in part prior to the expiration of such term by the adoption of a resolution to that effect by any governing body as to its participation in this Agreement.

## **ARTICLE IX**

Upon complete termination of this Agreement as provided in Article VII and VIII, all monies set aside by the Member Entities for participation of this Agreement shall be returned to the Member Entities according to the ratio which the total amount of all contributions made by each entity bears to the total contribution made by all of the entities.

This Agreement shall be effective upon the adoption of a resolution by each of the Member Entities named hereof and when so adopted, each such counterpart of the Agreement shall be deemed to be an original hereof.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

By: \_\_\_\_\_  
Mayor, City of Fallon

By: \_\_\_\_\_  
Chairman, Churchill County  
Board of Commissioners