

**AGENDA**  
**CITY OF FALLON – CITY COUNCIL**  
**55 West Williams Avenue**  
**Fallon, Nevada**  
**August 3, 2020 – 9:00 a.m.**

The Honorable City Council will meet in a regularly scheduled meeting on August 3, 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 three 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 action to amend a Notice of Award to A&K Earthmovers of Fallon, Nevada, in order to include Bid Option No. 2 of the Downtown Streetscape Phase IV Project, PWP-CH-2020-085, increasing the previously awarded amount by Two Hundred Ninety-Four Thousand Six Hundred Fifty Dollars and Thirty-Three Cents (\$294,650.33). **(For possible action)**
6. Consideration and possible approval of Fiscal Year 2021 Debt Management Policy, Indebtedness Report and Capital Improvement Plan. **(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)**

Pursuant to Governor Sisolak's Declaration of Emergency Directive 006 entered on March 22, 2020, and extended by Emergency Directive 016 entered on April 29, 2020, by Emergency Directive 018 entered on May 7, 2020, by Emergency Directive 021 entered on May 28, 2020, and by Emergency Directive 026 entered on June 29, 2020, this agenda has been posted on or before 9:00 a.m. on July 29, 2020 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, at (775) 423-5104 or [elee@fallonnevada.gov](mailto:elee@fallonnevada.gov). 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.



August 3, 2020

## Agenda Item 5

Consideration and possible action to amend a Notice of Award to A&K Earthmovers of Fallon, Nevada, in order to include Bid Option No. 2 of the Downtown Streetscape Phase IV Project, PWP-CH-2020-085, increasing the previously awarded amount by Two Hundred Ninety-Four Thousand Six Hundred Fifty Dollars and Thirty-Three Cents (\$294,650.33). **(For possible action)**

**CITY OF FALLON  
REQUEST FOR COUNCIL ACTION**

Agenda Item No. 5

DATE SUBMITTED: July 27, 2020

AGENDA DATE REQUESTED: August 3, 2020

TO: The Honorable City Council

FROM: Brian Byrd

SUBJECT TITLE: Consideration and possible action to amend a Notice of Award to A&K Earthmovers of Fallon, Nevada, in order to include Bid Option No. 2 of the Downtown Streetscape Phase IV Project, PWP-CH-2020-085, increasing the previously awarded amount by Two Hundred Ninety-Four Thousand Six Hundred Fifty Dollars and Thirty-Three Cents (\$294,650.33). **(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 amend a Notice of Award to A&K Earthmovers of Fallon, Nevada, in order to include Bid Option No. 2 of the Downtown Streetscape Phase IV Project, PWP-CH-2020-085, increasing the previously awarded amount by Two Hundred Ninety-Four Thousand Six Hundred Fifty Dollars and Thirty-Three Cents (\$294,650.33).

DESCRIPTION: On July 6, 2020, the City Council awarded a construction contract with A&K Earthmovers in order to complete the Downtown Streetscape Improvements Phase IV Project in the amount of \$1,649,874.67. The City Council approved a staff recommendation to award only the Base Bid and Bid Option No. 1 as funding for this project was limited.

On July 9, 2020, the Nevada Department of Transportation (NDOT) notified City staff that additional funding had been allocated for this project. NDOT has committed an additional \$280,000 of Federal TAP funds with a stipulation of the additional allocation being used exclusively to fund Bid Option No. 2 as described in the construction documents.

BACKGROUND: This project was released for public bid on April 29, 2020 and was advertised in the Lahontan Valley News in accordance with NRS 338.1385. The project generally includes: Demolition and removal of the existing roadway, landscaping, paving, sanitary sewer, storm drains, and waterlines. Construction elements of the project include: The installation of curb, gutter, sidewalk, paving, sanitary sewer, street lighting, storm drain manholes, on-street parking, and landscaping improvements.



FISCAL IMPACT: \$1,493,000 – Federal TAP Funds,  
\$557,285 – City of Fallon Funds

FUNDING SOURCE: Federal TAP Funds, City of Fallon funds which could include contributions from the General Fund and the City's Enterprise Funds

PREPARED BY: Brian Byrd, Director of Public Works

DATE: July 27, 2020

TO BE PRESENTED TO THE COUNCIL BY: Brian Byrd

Item No.	Base Bid Item and Description	Unit	Engineer's Estimate			** Apparent Low Bidder **		Spanish Springs Construction		Sierra Nevada Construction	
			Unit Cost	Quantity	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
1	MOBILIZATION	LS	\$70,000.00	1	\$ 70,000.00	\$66,388.62	\$ 66,388.62	\$99,246.85	\$ 99,246.85	\$19,000.00	\$ 19,000.00
2	REMOVE EXISTING PCC MEDIAN CURB	LF	\$7.38	70	\$ 516.25	\$8.00	\$ 560.00	\$11.00	\$ 770.00	\$3.00	\$ 210.00
3	REMOVE EXISTING PCC CURB & GUTTER	LF	\$10.05	513	\$ 5,155.65	\$8.00	\$ 4,104.00	\$12.00	\$ 6,156.00	\$12.00	\$ 6,156.00
4	REMOVE EXISTING PCC SIDEWALK	SF	\$2.70	2,918	\$ 7,878.60	\$3.00	\$ 8,754.00	\$2.50	\$ 7,295.00	\$3.00	\$ 8,754.00
5	REMOVE EXISTING PCC PEDESTRIAN RAMP	EA	\$447.50	1	\$ 447.50	\$240.00	\$ 240.00	\$500.00	\$ 500.00	\$350.00	\$ 350.00
6	REMOVE COMPOSITE ROADWAY STRUCTURE	SF	\$0.98	52,444	\$ 51,132.90	\$0.50	\$ 26,222.00	\$1.60	\$ 83,910.40	\$0.90	\$ 47,199.60
7	MISCELLANEOUS REMOVALS	LS	\$19,250.00	1	\$ 19,250.00	\$32,000.00	\$ 32,000.00	\$14,000.00	\$ 14,000.00	\$7,000.00	\$ 7,000.00
8	PCC PEDESTRIAN RAMP	EA	\$2,625.00	13	\$ 34,125.00	\$2,100.00	\$ 27,300.00	\$2,350.00	\$ 30,550.00	\$3,000.00	\$ 39,000.00
9	PCC VALLEY GUTTER & SPANDREL	SF	\$26.25	619	\$ 16,248.75	\$24.00	\$ 14,856.00	\$22.00	\$ 13,618.00	\$27.00	\$ 16,713.00
10	TYPE 1 PCC MEDIAN CURB	LF	\$35.50	302	\$ 10,721.00	\$22.00	\$ 6,644.00	\$28.00	\$ 8,456.00	\$60.00	\$ 18,120.00
11	TYPE 1 PCC CURB & GUTTER	LF	\$43.25	1,220	\$ 52,765.00	\$28.00	\$ 34,160.00	\$38.00	\$ 46,360.00	\$52.00	\$ 63,440.00
12	PCC SIDEWALK	SF	\$14.50	7,435	\$ 107,807.50	\$12.00	\$ 89,220.00	\$11.00	\$ 81,785.00	\$13.50	\$ 100,372.50
13	PCC CROSSWALK	SF	\$27.25	509	\$ 13,870.25	\$28.00	\$ 14,252.00	\$23.00	\$ 11,707.00	\$36.00	\$ 18,324.00
14	PCC RESIDENTIAL DRIVEWAY APRON	SF	\$21.38	360	\$ 7,695.00	\$25.00	\$ 9,000.00	\$18.00	\$ 6,480.00	\$23.00	\$ 8,280.00
15	PCC COMMERCIAL DRIVEWAY APRON	SF	\$26.13	228	\$ 5,956.50	\$25.00	\$ 5,700.00	\$23.00	\$ 5,244.00	\$30.00	\$ 6,840.00
16	TYPE 2, CLASS B AGGREGATE BASE	CY	\$47.25	888	\$ 41,958.00	\$50.00	\$ 44,400.00	\$59.00	\$ 52,392.00	\$52.00	\$ 46,176.00
17	3" BITUMINOUS PLANT MIX PAVING	SF	\$2.30	47,953	\$ 110,411.78	\$2.30	\$ 110,291.90	\$2.40	\$ 115,087.20	\$2.00	\$ 95,906.00
18	OVEREXCAVATION OF UNSUITABLE MATERIAL	CY	\$55.75	915	\$ 51,011.25	\$25.00	\$ 22,875.00	\$78.00	\$ 71,370.00	\$10.00	\$ 9,150.00
19	BOLLARD W/ HANDICAP SIGN	EA	\$1,400.00	2	\$ 2,800.00	\$1,100.00	\$ 2,200.00	\$600.00	\$ 1,200.00	\$750.00	\$ 1,500.00
20	TRAFFIC SIGN AND BASE	EA	\$838.75	10	\$ 8,387.50	\$800.00	\$ 8,000.00	\$750.00	\$ 7,500.00	\$850.00	\$ 8,500.00
21	HANDICAP SYMBOL (TYPE II WATERBORNE)	EA	\$190.00	2	\$ 380.00	\$110.00	\$ 220.00	\$280.00	\$ 560.00	\$130.00	\$ 260.00
22	4" SOLID WHITE PAVEMENT STRIPING	LF	\$1.15	1,067	\$ 1,229.72	\$0.65	\$ 586.85	\$0.65	\$ 593.55	\$1.00	\$ 1,067.00
23	4" DOUBLE SOLID YELLOW PAVEMENT STRIPING	LF	\$1.54	940	\$ 1,447.60	\$1.10	\$ 1,034.00	\$1.00	\$ 940.00	\$1.50	\$ 1,410.00
24	12" SOLID WHITE (THERMOPLASTIC)	LF	\$23.75	11	\$ 261.25	\$16.00	\$ 176.00	\$16.00	\$ 176.00	\$10.00	\$ 110.00
25	24" SOLID WHITE (THERMOPLASTIC)	LF	\$25.00	210	\$ 5,250.00	\$27.50	\$ 5,775.00	\$32.00	\$ 6,720.00	\$14.00	\$ 2,940.00
26	YIELD MARKERS (THERMOPLASTIC)	EA	\$56.50	19	\$ 1,073.50	\$44.00	\$ 836.00	\$39.00	\$ 741.00	\$53.00	\$ 954.00
27	48" TYPE 1A STORM DRAIN MANHOLE	EA	\$11,162.50	3	\$ 33,487.50	\$5,500.00	\$ 16,500.00	\$9,700.00	\$ 29,100.00	\$10,000.00	\$ 30,000.00
28	JENSEN #243 D.I.	EA	\$3,860.00	4	\$ 15,440.00	\$3,675.00	\$ 14,700.00	\$3,990.00	\$ 15,960.00	\$4,500.00	\$ 18,000.00
29	#200 DROP INLET	EA	\$2,536.25	2	\$ 5,072.50	\$3,250.00	\$ 6,500.00	\$2,400.00	\$ 4,800.00	\$3,600.00	\$ 7,200.00
30	8" PVC SDR 35 STORM DRAIN PIPE	LF	\$96.00	152	\$ 14,352.00	\$72.00	\$ 10,944.00	\$190.00	\$ 27,360.00	\$78.00	\$ 11,856.00
31	12" PVC SDR 35 STORM DRAIN PIPE	LF	\$111.00	381	\$ 42,291.00	\$80.00	\$ 30,480.00	\$205.00	\$ 78,105.00	\$75.00	\$ 28,675.00
32	LANDSCAPING	LS	\$122,500.00	1	\$ 122,500.00	\$74,000.00	\$ 74,000.00	\$175,200.00	\$ 175,200.00	\$63,000.00	\$ 63,000.00
33	LIGHTING AND ELECTRICAL	LS	\$270,000.00	1	\$ 270,000.00	\$239,445.00	\$ 239,445.00	\$289,500.00	\$ 289,500.00	\$228,793.90	\$ 228,793.90
BASE BID - FEDERAL TAP AND CITY OF FALLON MATCH FUNDING:						\$ 1,311,411.00	\$ 928,320.37	\$ 1,292,444.00	\$ 1,292,444.00	\$ 1,317,107.00	\$ 1,317,107.00
34	MOBILIZATION	LS	\$7,000.00	1	\$ 7,000.00	\$6,500.00	\$ 6,500.00	\$29,822.00	\$ 29,822.00	\$10,000.00	\$ 10,000.00
35	48" TYPE 1A SANITARY SEWER MANHOLE	EA	\$9,862.50	5	\$ 49,312.50	\$11,000.00	\$ 55,000.00	\$7,100.00	\$ 35,500.00	\$9,500.00	\$ 47,500.00
36	8" PVC SDR 35 SANITARY SEWER PIPE	LF	\$136.25	1,012	\$ 137,885.00	\$135.00	\$ 136,620.00	\$220.00	\$ 222,640.00	\$140.00	\$ 141,680.00
37	4" PVC SDR 35 SANITARY SEWER LATERAL	LF	\$128.50	210	\$ 26,985.00	\$106.00	\$ 22,260.00	\$141.00	\$ 29,610.00	\$90.00	\$ 18,900.00
38	6" PVC SDR 35 SANITARY SEWER LATERAL	LF	\$124.50	240	\$ 29,880.00	\$120.00	\$ 28,800.00	\$146.00	\$ 35,040.00	\$85.00	\$ 15,600.00
39	1" WATER SERVICE LINE	LF	\$86.25	52	\$ 4,485.00	\$40.00	\$ 2,080.00	\$85.00	\$ 4,420.00	\$65.00	\$ 3,380.00
40	4" C900 WATERLINE	LF	\$105.00	52	\$ 5,460.00	\$56.00	\$ 2,912.00	\$94.00	\$ 4,888.00	\$80.00	\$ 4,160.00
41	6" C900 WATERLINE	LF	\$115.50	52	\$ 6,006.00	\$77.00	\$ 4,004.00	\$95.00	\$ 4,940.00	\$125.00	\$ 6,500.00
42	8" C900 WATERLINE	LF	\$95.75	1,065	\$ 101,973.75	\$92.00	\$ 97,980.00	\$96.00	\$ 102,240.00	\$82.00	\$ 87,330.00
43	4" GATE VALVE	EA	\$1,800.00	1	\$ 1,800.00	\$1,900.00	\$ 1,900.00	\$1,500.00	\$ 1,500.00	\$2,000.00	\$ 2,000.00
44	6" GATE VALVE	EA	\$2,087.50	1	\$ 2,087.50	\$2,350.00	\$ 2,350.00	\$1,700.00	\$ 1,700.00	\$2,300.00	\$ 2,300.00
45	8" GATE VALVE	EA	\$2,662.50	2	\$ 5,325.00	\$2,950.00	\$ 5,900.00	\$2,300.00	\$ 4,600.00	\$3,000.00	\$ 6,000.00
46	FIRE HYDRANT ASSEMBLY	EA	\$8,625.00	3	\$ 25,875.00	\$8,800.00	\$ 26,400.00	\$9,900.00	\$ 29,700.00	\$7,500.00	\$ 22,500.00
47	WATER METER	EA	\$4,250.00	8	\$ 34,000.00	\$4,500.00	\$ 36,000.00	\$4,800.00	\$ 38,400.00	\$5,000.00	\$ 40,000.00
48	CONTRACT ALLOWANCE	LS	\$50,000.00	1	\$ 50,000.00	\$50,000.00	\$ 50,000.00	\$50,000.00	\$ 50,000.00	\$50,000.00	\$ 50,000.00
BASE BID - CITY OF FALLON FUNDING ONLY:						\$ 488,574.75	\$ 478,706.00	\$ 595,000.00	\$ 595,000.00	\$ 457,850.00	\$ 457,850.00
BASE BID TOTAL:						\$ 1,619,985.75	\$ 1,407,026.37	\$ 1,887,444.00	\$ 1,887,444.00	\$ 1,371,007.00	\$ 1,371,007.00

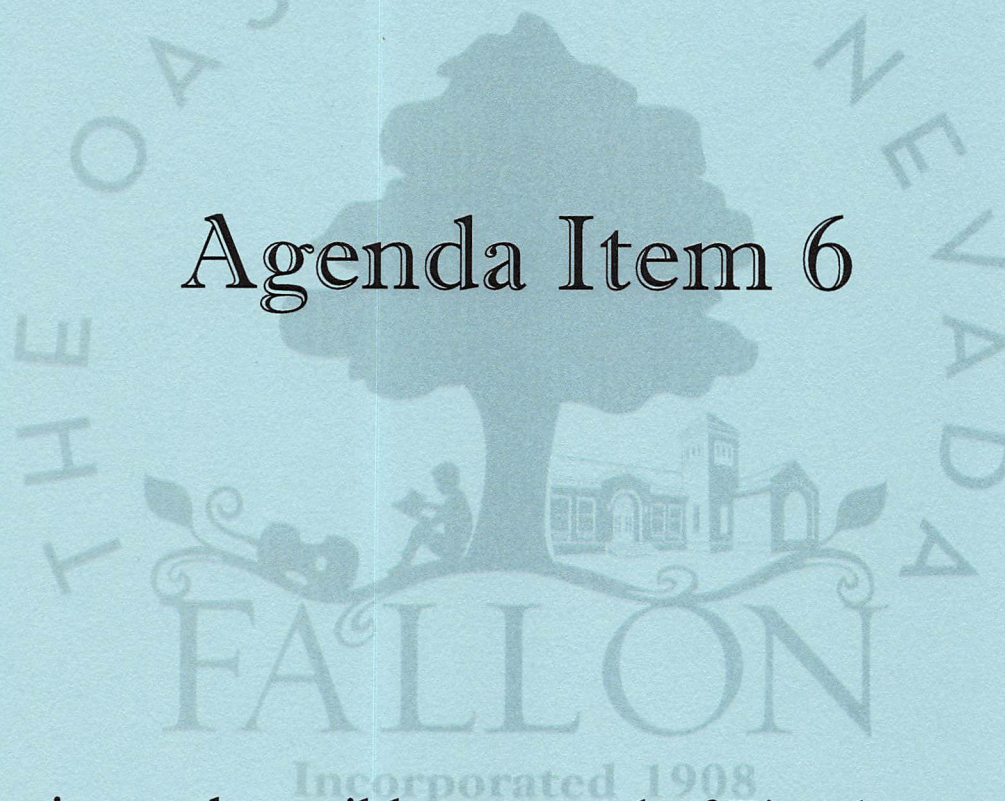
Item No.	Bid Option No. 1 Item and Description	Unit	Engineer's Estimate			** Apparent Low Bidder **		Spanish Springs Construction		Sierra Nevada Construction	
			Unit Cost	Quantity	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
O1.1	REMOVE EXISTING PCC MEDIAN CURB	LF	\$7.38	22	\$ 162.25	\$8.00	\$ 176.00	\$11.00	\$ 242.00	\$4.00	\$ 88.00
O1.2	REMOVE EXISTING PCC CURB & GUTTER	LF	\$10.05	70	\$ 703.50	\$8.00	\$ 560.00	\$12.00	\$ 840.00	\$12.00	\$ 840.00
O1.3	REMOVE EXISTING PCC SIDEWALK	SF	\$2.70	2,204	\$ 5,950.80	\$3.00	\$ 6,612.00	\$3.00	\$ 6,612.00	\$1.50	\$ 3,306.00
O1.4	REMOVE COMPOSITE ROADWAY STRUCTURE	SF	\$0.98	5,074	\$ 4,974.15	\$0.50	\$ 2,537.00	\$1.80	\$ 9,132.00	\$1.60	\$ 8,118.40
O1.5	MISCELLANEOUS REMOVALS	LS	\$5,000.00	1	\$ 5,000.00	\$6,500.00	\$ 6,500.00	\$14,000.00	\$ 14,000.00	\$2,500.00	\$ 2,500.00
O1.6	PCC PEDESTRIAN RAMP	EA	\$2,625.00	1	\$ 2,625.00	\$2,100.00	\$ 2,100.00	\$2,350.00	\$ 2,350.00	\$3,000.00	\$ 3,000.00
O1.7	TYPE 1 PCC MEDIAN CURB	LF	\$35.50	189	\$ 6,709.50	\$22.00	\$ 4,158.00	\$28.00	\$ 5,292.00	\$50.00	\$ 9,450.00
O1.8	TYPE 1 PCC CURB & GUTTER	LF	\$43.25	368	\$ 15,916.00	\$28.00	\$ 10,304.00	\$37.00	\$ 13,616.00	\$52.00	\$ 19,136.00
O1.9	PCC SIDEWALK	SF	\$14.50	2,224	\$ 32,248.00	\$12.00	\$ 26,688.00	\$11.00	\$ 24,464.00	\$16.00	\$ 35,584.00
O1.10	PCC CROSSWALK	SF	\$27.25	487	\$ 13,270.75	\$28.00	\$ 13,636.00	\$23.00	\$ 11,201.00	\$36.00	\$ 17,532.00
O1.11	PCC COMMERCIAL DRIVEWAY APRON	SF	\$26.13	1,001	\$ 26,151.13	\$25.00	\$ 25,025.00	\$23.00	\$ 23,023.00	\$20.00	\$ 20,020.00
O1.12	TYPE 2, CLASS B AGGREGATE BASE	CY	\$47.25	57	\$ 2,693.25	\$50.00	\$ 2,850.00	\$65.00	\$ 3,705.00	\$30.00	\$ 1,710.00
O1.13	3" BITUMINOUS PLANT MIX PAVING	SF	\$2.30	3,079	\$ 7,089.40	\$2.30	\$ 7,081.70	\$2.50	\$ 7,697.50	\$0.50	\$ 1,539.50
O1.14	OVEREXCAVATION OF UNSUITABLE MATERIAL	CY	\$55.75	60	\$ 3,345.00	\$25.00	\$ 1,500.00	\$78.00	\$ 4,680.00	\$10.00	\$ 600.00
O1.15	4" SOLID WHITE PAVEMENT STRIPING	LF	\$1.15	92	\$ 106.03	\$0.65	\$ 59.80	\$0.65	\$ 59.80	\$1.00	\$ 92.00
O1.16	JENSEN #243 D.I.	EA	\$3,860.00	1	\$ 3,860.00	\$3,950.00	\$ 3,950.00	\$3,990.00	\$ 3,990.00	\$4,000.00	\$ 4,000.00
O1.17	8" PVC SDR 35 STORM DRAIN PIPE	LF	\$96.00	10	\$ 960.00	\$72.00	\$ 720.00	\$190.00	\$ 1,900.00	\$100.00	\$ 1,000.00
O1.18	LANDSCAPING	LS	\$26,250.00	1	\$ 26,250.00	\$31,900.00	\$ 31,900.00	\$9,800.00	\$ 9,800.00	\$30,000.00	\$ 30,000.00
O1.19	LIGHTING AND ELECTRICAL	LS	\$100,000.00	1	\$ 100,000.00	\$96,500.00	\$ 96,500.00	\$99,394.50	\$ 99,394.50	\$102,116.10	\$ 102,116.10
BID OPTION NO. 1 - FEDERAL TAP AND CITY OF FALLON MATCH FUNDING:						\$ 258,007.76	\$ 242,948.30	\$ 242,000.00	\$ 242,000.00	\$ 261,000.00	\$ 261,000.00

Item No.	Bid Option No. 2 Item and Description	Unit	Engineer's Estimate			** Apparent Low Bidder **		Spanish Springs Construction		Sierra Nevada Construction	
			ASK Environments								
			Unit Cost	Quantity	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
O2.1	REMOVE COMPOSITE ROADWAY STRUCTURE	SF	\$0.98	512	\$ 499.20	\$0.50	\$ 256.00	\$2.00	\$ 1,024.00	\$8.00	\$ 4,096.00
O2.2	MISCELLANEOUS REMOVALS	LS	\$5,000.00	1	\$ 5,000.00	\$7,500.00	\$ 7,500.00	\$14,000.00	\$ 14,000.00	\$2,000.00	\$ 2,000.00
O2.3	PCC PEDESTRIAN RAMP	EA	\$2,625.00	4	\$ 10,500.00	\$2,100.00	\$ 8,400.00	\$2,350.00	\$ 9,400.00	\$3,000.00	\$ 12,000.00
O2.4	TYPE 1 PCC MEDIAN CURB	LF	\$35.50	147	\$ 5,218.50	\$22.00	\$ 3,234.00	\$28.00	\$ 4,116.00	\$50.00	\$ 7,350.00
O2.5	TYPE 1 PCC CURB & GUTTER	LF	\$43.25	607	\$ 26,252.75	\$28.00	\$ 16,996.00	\$37.00	\$ 22,459.00	\$60.00	\$ 36,420.00
O2.6	PCC SIDEWALK	SF	\$14.50	4,163	\$ 60,363.50	\$12.00	\$ 49,956.00	\$11.00	\$ 45,793.00	\$13.50	\$ 56,200.50
O2.7	PCC CROSSWALK	SF	\$27.25	1,397	\$ 38,068.25	\$28.00	\$ 39,116.00	\$23.00	\$ 32,131.00	\$36.00	\$ 50,292.00
O2.8	PCC RESIDENTIAL DRIVEWAY APRON	SF	\$21.38	510	\$ 10,901.25	\$25.00	\$ 12,750.00	\$18.00	\$ 9,180.00	\$18.00	\$ 9,180.00
O2.9	PCC COMMERCIAL DRIVEWAY APRON	SF	\$26.13	228	\$ 5,956.50	\$25.00	\$ 5,700.00	\$13.00	\$ 5,244.00	\$25.00	\$ 5,700.00
O2.10	TYPE 2, CLASS B AGGREGATE BASE	CY	\$42.75	179	\$ 7,657.75	\$26.00	\$ 4,672.00	\$59.00	\$ 10,561.00	\$30.00	\$ 4,370.00
O2.11	BITUMINOUS PLANT MIX PAVING	SF	\$3.20	9,664	\$ 31,122.36	\$2.30	\$ 22,227.20	\$2.50	\$ 24,160.00	\$0.50	\$ 4,832.00
O2.12	OVEREXCAVATION OF UNSUITABLE MATERIAL	CY	\$5.75	100	\$ 5,750.00	\$25.00	\$ 2,500.00	\$78.00	\$ 7,800.00	\$10.00	\$ 1,000.00
O2.13	4" SOLID WHITE PAVEMENT STRIPING	EA	\$3,880.00	983	\$ 3,812,915	\$3,950.00	\$ 3,940,550	\$3,950.00	\$ 3,940,550	\$1,000.00	\$ 1,000.00
O2.14	JENSEN #243 D.I.	LF	\$116.00	5	\$ 580.00	\$72.00	\$ 360.00	\$120.00	\$ 600.00	\$400.00	\$ 2,000.00
O2.15	6" PVC SDR 35 STORM DRAIN PIPE	LF	\$98.00	10	\$ 980.00	\$74.00	\$ 740.00	\$190.00	\$ 1,900.00	\$1,550.00	\$ 1,550.00
O2.16	12" PVC SDR 35 STORM DRAIN PIPE	LF	\$111.00	5	\$ 555.00	\$120.00	\$ 600.00	\$190.00	\$ 950.00	\$500.00	\$ 2,500.00
O2.17	LANDSCAPING	LS	\$26,250.00	1	\$ 26,250.00	\$28,600.00	\$ 28,600.00	\$10,200.00	\$ 10,200.00	\$26,000.00	\$ 26,000.00
O2.18	LIGHTING AND ELECTRICAL	LS	\$50,000.00	1	\$ 50,000.00	\$83,359.48	\$ 83,359.48	\$87,463.05	\$ 87,463.05	\$99,576.50	\$ 99,576.50



August 3, 2020

## Agenda Item 6



Consideration and possible approval of Fiscal Year 2021  
Debt Management Policy, Indebtedness Report and Capital  
Improvement Plan. **(For Possible Action)**



**CITY OF FALLON  
REQUEST FOR COUNCIL ACTION**

Agenda Item No. 6

DATE SUBMITTED: July 27, 2020

AGENDA DATE REQUESTED: August 3, 2020

TO: The Honorable City Council

FROM: Sean Richardson, City Clerk-Treasurer

SUBJECT TITLE: Consideration and possible approval of Fiscal Year 2021 Debt Management Policy, Indebtedness Report and Capital Improvement Plan. (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 – Review & Discussion |

RECOMMENDED COUNCIL ACTION: Motion to approve Fiscal Year 2021 Debt Management Policy, Indebtedness Report and Capital Improvement Plan

DISCUSSION: NRS 350.013 requires the City to submit annually a statement of current and contemplated general obligation debt and special taxes, statement of debt management policy, and a plan for capital improvement with an update of information and exceptions.

Marty Johnson of JNA Consulting Group, LLC compiled both the Indebtedness Report as of June 30, 2020 and the Debt Management Policy Fiscal Year 2021. City staff compiled the Capital Improvement Plan included with the Debt Management Policy. The above listed information are required to be forwarded to the Department of Taxation by August 3, 2020.

The Debt Management Policy, Indebtedness Report and Capital Improvement Plan will be presented to the Churchill County Debt Management Commission on August 5, 2020 at 4 p.m. in the Churchill County Commission Chambers.

PREPARED BY: Sean Richardson, City Clerk-Treasurer

# City of Fallon

## Debt Management Policy Fiscal Year 2021

Prepared June 2020



---

**JNA Consulting Group, LLC**  
410 Nevada Way, Suite 200  
Boulder City, NV 89005  
702-294-5100 fax 702-294-5145

## EXECUTIVE SUMMARY

This Debt Management Policy was created to fulfill the requirements of NRS 350.013. The City is generally limited in the bonds it can issue by its statutory debt limit, the \$3.64 limit on overlapping tax rates and the amount of revenue available to pay debt service on bonds. The policy discusses the outstanding and proposed debt of the City, its ability to afford such debt and other items relating to the issuance of bonds by the City.

As of June 30, 2020, the City has no general obligation debt outstanding paid from property tax. The City has \$662,928 of medium-term general obligation debt outstanding. It has \$7,568,800 in general obligation revenue supported bonds outstanding. In addition, the City has \$900,219 in lease purchase obligations and \$5,862,000 in revenue debt outstanding which are not considered general obligation debt. The City is currently considering issuing approximately \$650,000 in medium-term general obligation debt during fiscal year 2022. The City has not yet determined the exact amount or timing of issuing this debt.

Most of the City debt is paid from revenues generated by its utility systems. The City presently has approximately \$54,525,552 of statutory debt limit available.



## TABLE OF CONTENTS

	<u>Page</u>
Affordability of Existing, Authorized and Proposed General Obligation Debt.....	1
Outstanding, Authorized, and Proposed General Obligation Debt.....	1
General Obligation Bonds.....	2
Outstanding Medium-Term General Obligation Bonds.....	2
Proposed Medium-Term Bonds.....	3
Outstanding General Obligation Water Revenue Supported Debt.....	4
Outstanding General Obligation Sewer Revenue Supported Debt.....	6
Outstanding Revenue Debt Paid from Electrical Fund Pledged Revenues.....	8
Proposed Electric Revenue Refunding Bond.....	10
General Obligation Debt Limit.....	11
General Obligation Debt Comparisons.....	12
Method of Sale.....	13
Operational Costs of Future Capital Projects.....	13
Capital Improvement Plan.....	14
Chief Financial Officer of the City.....	14
APPENDIX A - GENERAL OBLIGATION REVENUE BONDS DEBT SERVICE SCHEDULES	
APPENDIX B - FIVE-YEAR CAPITAL IMPROVEMENT PLAN	

## TABLES

	<u>Page</u>
Outstanding Debt and Other Obligations. ....	1
Medium-Term General Obligation Debt Outstanding Debt Service. ....	2
Available Revenues and Coverage Schedule. ....	3
Water System Revenue Secured Bonds Outstanding Debt Service. ....	4
Pledged Revenue and Coverage Schedule Water Revenue Fund. ....	5
Sewer Revenue Secured Bonds Outstanding Debt Service. ....	6
Pledged Revenue and Coverage Schedule Sewer Revenue Fund. ....	7
Electrical Revenue Secured Bonds Outstanding Debt Service. ....	8
Pledged Revenue and Coverage Schedule Electrical Revenue Fund. ....	9
2020 Electric Revenue Refunding Bonds Pro-Forma Debt Service & Savings. ....	10
General Obligation Debt Limit. ....	11
General Obligation Debt Comparison. ....	12

**Affordability of Existing, Authorized and Proposed General Obligation Debt**

NRS 350.013 1.(c)(1) A discussion of its ability to afford existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt;

NRS 350.013 1.(c)(6) A discussion of its sources of money projected to be available to pay existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt;

**Outstanding, Authorized, and Proposed General Obligation Debt**

As of June 30, 2020, the City has no general obligation debt paid from property tax outstanding. The City has \$662,928 of medium-term general obligation debt outstanding. All medium-term debt consists of interfund loans between City funds. The City has \$7,568,800 in general obligation revenue supported bonds outstanding. In addition, the City has \$900,219 in lease purchase obligations outstanding which is not considered general obligation debt and \$5,862,000 in revenue bonds which are not general obligation debt.

The following table lists the outstanding debt of the City.

**Outstanding Debt and Other Obligations**  
June 30, 2020

	<b>Date Issued</b>	<b>Maturity Date</b>	<b>Original Amount</b>	<b>Amount Outstanding</b>
<b><u>MEDIUM-TERM (INTERFUND) GENERAL OBLIGATION DEBT</u></b>				
Interfund Loan - General Fund	07/01/12	07/01/22	\$77,183	\$15,439
Interfund Loan - Electrical Fund	07/01/12	07/01/22	119,192	23,840
Medium-Term Obligation	07/01/12	07/01/22	327,710	65,542
Interfund Loan - General Fund	02/17/15	02/17/25	206,029	103,014
Interfund Loan - General Fund	02/17/15	02/17/25	256,382	128,192
Interfund Loan - Sanitation Fund	02/17/15	02/17/25	159,075	29,535
Interfund Loan - Landfill Fund	02/17/15	02/17/25	134,736	17,366
Interfund Loan - Sewer Fund	06/16/15	06/16/25	660,000	<u>280,000</u>
<b>TOTAL MEDIUM-TERM GENERAL OBLIGATION DEBT</b>				<b>\$662,928</b>
<b><u>GENERAL OBLIGATION REVENUE SUPPORTED BONDS</u></b>				
Sewer Bonds (Bond Bank)	11/04/15	12/16/35	\$7,285,000	\$6,195,000
Water Refunding Bond (SRF) #1	01/06/16	01/01/22	996,086	603,757
Water Refunding Bond (SRF) #2	01/06/16	01/01/27	1,156,126	<u>770,043</u>
<b>TOTAL GENERAL OBLIGATION REVENUE SUPPORTED DEBT</b>				<b>\$7,568,800</b>
<b>TOTAL GENERAL OBLIGATION DEBT</b>				<b>\$8,231,728</b>
<b><u>REVENUE BONDS</u></b>				
Electric System Revenue Bonds	11/02/17	11/01/32	\$6,333,000	<u>\$5,862,000</u>
<b>TOTAL REVENUE DEBT</b>				<b>\$5,862,000</b>

- table continued on following page -



	Date Issued	Maturity Date	Original Amount	Amount Outstanding
<b>OTHER OBLIGATIONS</b>				
Lease Purchase - Sanitation Fund	10/28/16	10/20/22	\$405,763	\$176,207
Lease Purchase - Sanitation Fund	10/28/16	08/15/26	172,735	117,859
Lease Purchase - General Fund	06/15/17	07/01/22	265,792	116,165
Lease Purchase	04/14/20	02/01/30	489,989	<u>489,989</u>
TOTAL OTHER DEBT				\$900,219

SOURCE: The City's 2021 Final Budget, compiled by JNA Consulting Group, LLC

Appendix A contains individual debt service schedules for each of the outstanding bond issues.

### General Obligation Bonds

The City currently has no outstanding general obligation debt paid by the levy of a specific property tax.

### Outstanding Medium-Term General Obligation Bonds

The City currently has \$662,928 of outstanding medium-term general obligation debt repaid by revenues from various City funds. The following table details the payments on the bonds.

#### Medium-Term General Obligation Debt Outstanding Debt Service

Fiscal Year Ended June 30	Principal	Interest <sup>1</sup>	Total
2021	\$194,031	\$2,096	\$196,127
2022	182,173	1,048	183,221
2023	112,241	0	112,241
2024	99,741	0	99,741
2025	<u>74,742</u>	<u>0</u>	<u>74,742</u>
TOTAL	\$662,928	\$3,145	\$666,073

<sup>1</sup> Most interfund loans are at 0%.

SOURCE: The City; compiled by JNA Consulting Group, LLC

The table below shows the coverage of the outstanding medium-term general obligation debt service by available revenues.

**Available Revenues and Coverage Schedule**

	<b>2019 Audited</b>	<b>2020 Estimated</b>	<b>2021 Budgeted</b>
Available Revenues <sup>1</sup>	7,661,168	6,892,737	5,932,723
Annual Debt Service	275,631	276,809	196,127
Coverage	27.80	24.90	30.25

<sup>1</sup> Medium-Term debt is paid from all legally available funds, including the general fund, electric fund, water fund, water treatment fund, sewer fund, sanitation fund, and landfill fund.

SOURCE: The City; compiled by JNA Consulting Group, LLC

**Proposed Medium-Term Bonds**

The City is considering issuing approximately \$650,000 in medium-term general obligation debt to be paid from all available funds of the City. The City has not yet determined the exact amount it will issue or exactly when it will be issued.

DRAFT

**Outstanding General Obligation Water Revenue Supported Debt**

The City currently has \$1,373,800 of outstanding general obligation debt secured by a lien on the net pledged revenues of its water system. The following table details the payments on the bonds.

**Water System Revenue Secured Bonds  
Outstanding Debt Service**

<b>Fiscal Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$206,378	\$29,492	\$235,870
2022	211,314	24,862	236,176
2023	216,369	20,122	236,491
2024	221,545	15,268	236,813
2025	226,844	10,299	237,143
2026	173,391	5,210	178,601
2027	<u>117,959</u>	<u>1,977</u>	<u>119,936</u>
<b>TOTAL</b>	<b>\$1,373,800</b>	<b>\$107,230</b>	<b>\$1,481,030</b>

SOURCE: The City; compiled by JNA Consulting Group, LLC

DRAFT



The table below shows the coverage of the outstanding debt service by the pledged revenues.

**Pledged Revenue and Coverage Schedule  
Water Revenue Fund**

	<b>2019 Audited</b>	<b>2020 Estimated</b>	<b>2021 Budgeted</b>
Operating Revenues	\$1,616,902	\$1,620,760	\$1,600,000
System Operating Expenses <sup>1</sup>	(985,858)	(1,039,673)	(1,091,656)
Nonoperating Income	<u>81,380</u>	<u>100,608</u>	<u>100,000</u>
Total Pledged Revenues	712,424	681,695	608,344
Annual Debt Service	235,278	235,569	235,870
Coverage	3.03	2.89	2.58

<sup>1</sup> Operating expenses exclude depreciation and allocated administrative expenses.

SOURCE: The City; compiled by JNA Consulting Group, LLC

**Outstanding General Obligation Sewer Revenue Supported Debt**

The City currently has \$6,195,000 of outstanding general obligation debt secured by a lien on the net pledged revenues of its sewer system. The following table details the payments on the bonds.

**Sewer Revenue Secured Bonds  
Outstanding Debt Service**

<b>Fiscal Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$305,000	\$245,913	\$550,913
2022	320,000	230,663	550,663
2023	335,000	214,663	549,663
2024	350,000	197,913	547,913
2025	365,000	187,413	552,413
2026	375,000	176,463	551,463
2027	395,000	157,713	552,713
2028	410,000	137,963	547,963
2029	430,000	121,563	551,563
2030	445,000	104,363	549,363
2031	460,000	91,013	551,013
2032	475,000	76,638	551,638
2033	490,000	61,200	551,200
2034	510,000	41,600	551,600
2035	<u>530,000</u>	<u>21,200</u>	<u>551,200</u>
<b>TOTAL</b>	<b>\$6,195,000</b>	<b>\$2,066,275</b>	<b>\$8,261,275</b>

SOURCE: The City; compiled by JNA Consulting Group, LLC

The table below shows the coverage of the outstanding debt service by the pledged revenues.

**Pledged Revenue and Coverage Schedule  
Sewer Revenue Fund**

	<b>2019 Audited</b>	<b>2020 Estimated</b>	<b>2021 Budgeted</b>
Operating Revenues	\$2,294,442	\$2,344,053	\$2,345,000
System Operating Expenses <sup>1</sup>	(732,516)	(760,354)	(771,764)
Nonoperating Income	<u>37,752</u>	<u>37,752</u>	<u>0</u>
Total Pledged Revenues	1,599,678	1,621,451	1,573,236
Annual Debt Service	549,163	550,413	550,913
Coverage	2.91	2.95	2.86

<sup>1</sup> Operating expenses exclude depreciation and allocated administrative expenses.

SOURCE: The City; compiled by JNA Consulting Group, LLC

**Outstanding Revenue Debt Paid from Electrical Fund Pledged Revenues**

The City currently has \$5,862,000 of outstanding general obligation debt secured by a lien on the net pledged revenues of its electrical system. The following table details the payments on the bonds.

**Electrical Revenue Secured Bonds  
Outstanding Debt Service**

<b>Fiscal Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$382,000	\$153,117	\$535,117
2022	393,000	142,655	535,655
2023	403,000	131,909	534,909
2024	414,000	120,879	534,879
2025	425,000	109,553	534,553
2026	437,000	97,916	534,916
2027	449,000	85,955	534,955
2028	461,000	73,670	534,670
2029	473,000	61,061	534,061
2030	486,000	48,115	534,115
2031	499,000	34,817	533,817
2032	513,000	21,155	534,155
2033	<u>527,000</u>	<u>7,115</u>	<u>534,115</u>
<b>TOTAL</b>	<b>\$5,862,000</b>	<b>\$1,087,911</b>	<b>\$6,949,911</b>

SOURCE: The City; compiled by JNA Consulting Group, LLC



The table below shows the coverage of the outstanding debt service by the pledged revenues.

**Pledged Revenue and Coverage Schedule  
Electrical Revenue Fund**

	<b>2019 Audited</b>	<b>2020 Estimated</b>	<b>2021 Budgeted</b>
Operating Revenues	\$11,258,578	\$11,096,832	\$11,100,000
System Operating Expenses <sup>1</sup>	(6,965,393)	(7,016,940)	(7,220,503)
Nonoperating Income	<u>258,641</u>	<u>165,000</u>	<u>100,000</u>
Total Pledged Revenues	4,551,826	4,244,892	3,979,497
Annual Debt Service	268,655	535,296	535,117
Coverage	16.94	7.93	7.44

<sup>1</sup> Operating expenses exclude depreciation and allocated administrative expenses.

SOURCE: The City; compiled by JNA Consulting Group, LLC

**Proposed Electric Revenue Refunding Bond**

On July 20, 2020, the City Council adopted a bond ordinance authorizing the refunding all of the City's outstanding 2017B Electric Revenue Bonds for debt service savings. The refunding bonds are expected to close on August 4, 2020. Below is a pro-forma amortization of the refunding bonds and the annual debt service savings to be achieved.

**2020 Electric Revenue Refunding Bonds  
Pro-Forma Debt Service & Savings**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest<sup>1</sup></b>	<b>Total</b>	<b>Savings</b>
2021	\$20,000	\$54,909	\$74,909	\$23,731
2022	431,000	71,082	502,082	33,573
2023	436,000	65,316	501,316	33,592
2024	442,000	59,478	501,478	33,401
2025	448,000	53,559	501,559	32,993
2026	454,000	47,561	501,561	33,355
2027	460,000	41,483	501,483	33,472
2028	466,000	35,325	501,325	33,345
2029	472,000	29,087	501,087	32,973
2030	478,000	22,770	500,770	33,344
2031	484,000	16,372	500,372	33,444
2032	491,000	9,889	500,889	33,266
2033	<u>498,000</u>	<u>3,312</u>	<u>501,312</u>	<u>32,803</u>
<b>TOTAL</b>	<b>\$5,580,000</b>	<b>\$510,141</b>	<b>\$6,090,141</b>	<b>\$423,293</b>

<sup>1</sup> Interest rate estimated at 1.33%.

SOURCE: JNA Consulting Group, LLC

### General Obligation Debt Limit

*NRS 350.013 1.(c)(2) A discussion of its capacity to incur authorized and proposed future general obligation debt without exceeding the applicable debt limit;*

The City is limited by state statutes as to the amount of general obligation debt it can have outstanding. The limit is equal to 20 percent of the City's total assessed valuation. As of June 30, 2020, the City has no general obligation debt paid from property tax outstanding and none proposed. It has \$7,568,800 of general obligation revenue supported debt outstanding and \$662,928 of medium-term general obligation debt outstanding. Based on the fiscal year 2020 assessed value, the City's available general obligation debt limit is approximately \$54,525,552.

#### General Obligation Debt Limit Based on Fiscal Year 2020 Assessed Value

Total Assessed Value	\$209,190,932
General Obligation Debt Limit (30%)	\$62,757,280
Less: Outstanding General Obligation Debt	<u>8,231,728</u>
Available General Obligation Debt Limit	\$54,525,552
Proposed General Obligation Debt	<u>650,000</u>

Other factors also limit the amount of debt the City can issue. These factors include, but are not limited to, voter approval, overlapping tax rates, available revenues, market conditions, and types of projects to be funded.

### General Obligation Debt Comparisons

NRS 350.013 1.(c)(3) A discussion of its general obligation debt that is payable from property taxes per capita as compared with such debt of other municipalities in this state;

NRS 350.013 1.(c)(4) A discussion of its general obligation debt that is payable from property taxes as a percentage of assessed valuation of all taxable property within the boundaries of the municipality;

The following table shows a comparison of the City's outstanding general obligation debt with other comparable local governments.

**General Obligation Debt Comparison**  
June 30, 2020

District	General Obligation Debt	Population <sup>1</sup>	FY 2020 Assessed Value <sup>2</sup>	GO Debt Per Capita	GO Debt as a % of Assessed Value
Carson City	\$160,200,974	56,057	\$1,666,547,892	2,857.82	9.61%
<b>Fallon</b>	<b>8,231,728</b>	<b>9,125</b>	<b>209,190,932</b>	<b>902.11</b>	<b>3.94%</b>
Fernley	63,982,910	19,790	805,036,099	3,233.09	7.95%
Las Vegas	494,690,000	644,113	19,988,652,419	768.02	2.47%
Mesquite	13,080,187	22,557	869,272,617	579.87	1.50%
Reno	83,257,431	248,806	8,909,628,008	334.63	0.93%
Sparks	32,838,339	100,140	3,155,373,495	<u>327.92</u>	<u>1.04%</u>
			Average:	\$502.61	1.49%

<sup>1</sup> 2020 population from the Cities' budgets.

<sup>2</sup> Excludes redevelopment agencies; includes net proceeds of minerals.

SOURCE: Nevada Department of Taxation, Local Government Finance, *Property Tax Rates for Nevada Local Governments, Fiscal Year 2019-2020*; and the cities; compiled by JNA Consulting Group, LLC



## Method of Sale

*NRS 350.013 1.(c)(5) Policy regarding the manner in which the municipality expects to sell its debt;*

Bonds can generally be sold at a competitive sale, negotiated sale or be privately placed.

Competitive Sale - Offering documents are sent to any firm interested in purchasing the bonds. A day and time are chosen for the sale and bonds are generally awarded to the firm offering the lowest true interest cost on the bonds (the "TIC"). The TIC is the discount rate which results in a present value of the future debt service payments equal to amount bid for the bonds.

Negotiated Sale - One firm, or group of firms, is chosen in advance to offer the bonds for sale. At the time of sale, interest rates and other terms of the bonds are negotiated with the underwriter.

Private Placement - A purchaser, usually an individual or bank, is identified and the bonds are placed directly. Interest rates and other terms of the bonds are negotiated with the purchaser.

NRS 350 generally requires bonds issued by the City to be sold at competitive sale. For most City general obligation bonds a competitive sale will usually result in the lowest TIC on the bonds. There are certain circumstances under which the City would consider a negotiated sale or private placements. Such circumstances include, but are not limited to:

- 1) Bonds issued with a variable rate of interest
- 2) Bonds rated below A- or not rated
- 3) Very small or very large bond issues
- 4) Unstable or highly volatile markets
- 5) Bonds with unusual security or structure

The City will follow the requirements of NRS 350.155 in choosing a method of sale for its bonds. If the City determines that a negotiated sale is warranted for a general obligation bond or a bond secured by an excise tax, it will distribute a request for proposal to underwriting firms. The selection of an underwriter(s) will be based on a determination of the firm that demonstrates its ability to obtain the overall best interest rate for City. Consideration in making this determination will be given to the firm's experience with similar financings, proposed compensation structure and marketing plan.

## Operational Costs of Future Capital Projects

*NRS 350.013 1.(c)(7) A discussion of its operational costs and revenue sources, for the ensuing 5 fiscal years, associated with each project included in its plan for capital improvement submitted pursuant to paragraph (d), if those costs and revenues are expected to affect the property tax rate.*

The City has prepared a Capital Improvement Plan which is attached as Appendix B. There are no contemplated projects which would require the City to issue general obligation bonds nor levy a specific property tax. Operational costs will be paid for from operating funds for the water and sewer systems and are not expected to impact the property tax rate.

### **Capital Improvement Plan**

*NRS 350.013 1.(d) Either:*

*(1) Its plan for capital improvement for the ensuing 5 fiscal years, which must include any contemplated issuance of general obligation debt during this period and the sources of money projected to be available to pay the debt; or*

*(2) A statement indicating that no changes are contemplated in its plan for capital improvement for the ensuing 5 fiscal years.*

The City's five-year capital improvement plan is attached as Appendix B.

### **Chief Financial Officer of the City**

*NRS 350.013 1.(e) A statement containing the name, title, mailing address and telephone number of the chief financial officer of the municipality.*

The chief financial officer of the City is:

Sean Richardson  
City Clerk/Treasurer  
55 West Williams Avenue  
Fallon, Nevada 89406  
775-423-5105  
775-423-8874 fax

**APPENDIX A**

**GENERAL OBLIGATION REVENUE BONDS  
DEBT SERVICE SCHEDULES**



**2012 General Fund Interfund Obligation  
Outstanding Debt Service**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Annual Debt Service</b>
2021	\$7,718	\$309	\$8,027
2022	<u>7,721</u>	<u>154</u>	<u>7,875</u>
Total	\$15,439	\$463	\$15,902

**2012 Electric Fund Interfund Obligation  
Outstanding Debt Service**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Annual Debt Service</b>
2021	\$11,919	\$477	\$12,396
2022	<u>11,921</u>	<u>238</u>	<u>12,159</u>
Total	\$23,840	\$715	\$24,555

**2012 Sanitation Fund Interfund Obligation  
Outstanding Debt Service**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Annual Debt Service</b>
2021	\$32,771	\$1,311	\$34,082
2022	<u>32,771</u>	655	<u>33,426</u>
Total	\$65,542	\$1,966	\$67,508

**2015 General Fund Interfund Obligation  
Outstanding Debt Service**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Annual Debt Service</b>
2021	\$46,241	\$0	\$46,241
2022	46,241	0	46,241
2023	46,241	0	46,241
2024	46,241	0	46,241
2025	<u>46,242</u>	<u>0</u>	<u>46,242</u>
Total	\$231,206	\$0	\$231,206

**2015 Sanitation Fund Interfund Obligation  
Outstanding Debt Service**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Annual Debt Service</b>
2021	\$15,908	\$0	\$15,908
2022	<u>13,627</u>	<u>0</u>	<u>13,627</u>
Total	\$29,535	\$0	\$29,535

**2015 Landfill Fund Interfund Obligation  
Outstanding Debt Service**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Annual Debt Service</b>
2021	\$13,474	\$0	\$13,474
2022	<u>3,892</u>	<u>0</u>	<u>3,892</u>
Total	\$17,366	\$0	\$17,366

**2015 Sewer Fund Interfund Obligation  
Outstanding Debt Service**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Annual Debt Service</b>
2021	\$66,000	\$0	\$66,000
2022	66,000	0	66,000
2023	66,000	0	66,000
2024	53,500	0	53,500
2025	<u>28,500</u>	<u>0</u>	<u>28,500</u>
Total	\$280,000	\$0	\$280,000



**2015 Sewer General Obligation Revenue Bonds  
Outstanding Debt Service**

Date	Principal	Coupon	Interest	Total Payment	Annual Payment
08/01/2020			\$122,956	\$122,956	
02/01/2021	\$305,000	5.000%	122,956	427,956	\$550,913
08/01/2021			115,331	115,331	
02/01/2022	320,000	5.000%	115,331	435,331	550,663
08/01/2022			107,331	107,331	
02/01/2023	335,000	5.000%	107,331	442,331	549,663
08/01/2023			98,956	98,956	
02/01/2024	350,000	3.000%	98,956	448,956	547,913
08/01/2024			93,706	93,706	
02/01/2025	365,000	3.000%	93,706	458,706	552,413
08/01/2025			88,231	88,231	
02/01/2026	375,000	5.000%	88,231	463,231	551,463
08/01/2026			78,856	78,856	
02/01/2027	395,000	5.000%	78,856	473,856	552,713
08/01/2027			68,981	68,981	
02/01/2028	410,000	4.000%	68,981	478,981	547,963
08/01/2028			60,781	60,781	
02/01/2029	430,000	4.000%	60,781	490,781	551,563
08/01/2029			52,181	52,181	
02/01/2030	445,000	3.000%	52,181	497,181	549,363
08/01/2030			45,506	45,506	
02/01/2031	460,000	3.125%	45,506	505,506	551,013
08/01/2031			38,319	38,319	
02/01/2032	475,000	3.250%	38,319	513,319	551,638
08/01/2032			30,600	30,600	
02/01/2033	490,000	4.000%	30,600	520,600	551,200
08/01/2033			20,800	20,800	
02/01/2034	510,000	4.000%	20,800	530,800	551,600
08/01/2034			10,600	10,600	
02/01/2035	<u>530,000</u>	<u>4.000%</u>	<u>10,600</u>	<u>540,600</u>	<u>551,200</u>
TOTAL	\$6,195,000		\$2,066,275	\$8,261,275	\$8,261,275

**2016A&B Water General Obligation Revenue Bonds  
Outstanding Debt Service**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Payment</b>	<b>Annual Payment</b>
07/01/2020	\$102,579	2.230%	\$15,318	\$117,897	
01/01/2021	103,799		14,174	117,973	\$235,870
07/01/2021	105,033		13,017	118,050	
01/01/2022	106,281		11,846	118,127	236,176
07/01/2022	107,545		10,661	118,206	
01/01/2023	108,824		9,461	118,285	236,491
07/01/2023	110,118		8,248	118,366	
01/01/2024	111,427		7,020	118,447	236,813
07/01/2024	112,752		5,778	118,530	
01/01/2025	114,092		4,521	118,613	237,143
07/01/2025	115,449		3,249	118,698	
01/01/2026	57,942		1,961	59,903	178,601
07/01/2026	58,631		1,315	59,946	
01/01/2027	<u>59,328</u>		<u>662</u>	<u>59,990</u>	<u>119,936</u>
TOTAL	\$1,373,800		\$107,230	\$1,481,030	\$1,481,030

**2017 Electric Revenue Bonds  
Outstanding Debt Service**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Payment</b>	<b>Annual Payment</b>
11/01/2020	\$382,000	2.700%	\$79,137	\$461,137	
05/01/2021			73,980	73,980	\$535,117
11/01/2021	393,000		73,980	466,980	
05/01/2022			68,675	68,675	535,655
11/01/2022	403,000		68,675	471,675	
05/01/2023			63,234	63,234	534,909
11/01/2023	414,000		63,234	477,234	
05/01/2024			57,645	57,645	534,879
11/01/2024	425,000		57,645	482,645	
05/01/2025			51,908	51,908	534,553
11/01/2025	437,000		51,908	488,908	
05/01/2026			46,008	46,008	534,916
11/01/2026	449,000		46,008	495,008	
05/01/2027			39,947	39,947	534,955
11/01/2027	461,000		39,947	500,947	
05/01/2028			33,723	33,723	534,670
11/01/2028	473,000		33,723	506,723	
05/01/2029			27,338	27,338	534,061
11/01/2029	486,000		27,338	513,338	
05/01/2030			20,777	20,777	534,114
11/01/2030	499,000		20,777	519,777	
05/01/2031			14,040	14,040	533,817
11/01/2031	513,000		14,040	527,040	
05/01/2032			7,115	7,115	534,155
11/01/2032	<u>527,000</u>		<u>7,115</u>	<u>534,115</u>	<u>534,115</u>
TOTAL	\$5,862,000		\$1,087,911	\$6,949,911	\$6,949,911

**2016A Sanitation Equipment Lease  
Outstanding Debt Service**

Date	Principal	Coupon	Interest	Total Payment	Annual Payment
08/15/2020	\$34,285	2.750%	\$2,423	\$36,708	
02/15/2021	34,757		1,951	36,708	\$73,417
08/15/2021	35,235		1,474	36,708	
02/15/2022	35,719		989	36,708	73,417
08/15/2022	<u>36,210</u>		<u>498</u>	<u>36,708</u>	<u>36,708</u>
TOTAL	\$176,207		\$7,335	\$183,541	\$183,541

**2016B Sanitation Equipment Lease  
Outstanding Debt Service**

Date	Principal	Coupon	Interest	Total Payment	Annual Payment
08/15/2020	\$8,195	3.330%	\$1,962	\$10,158	
02/15/2021	8,332		1,826	10,158	\$20,315
08/15/2021	8,470		1,687	10,158	
02/15/2022	8,611		1,546	10,158	20,315
08/15/2022	8,755		1,403	10,158	
02/15/2023	8,901		1,257	10,158	20,315
08/15/2023	9,049		1,109	10,158	
02/15/2024	9,199		958	10,158	20,315
08/15/2024	9,353		805	10,158	
02/15/2025	9,508		649	10,158	20,315
08/15/2025	9,667		491	10,158	
02/15/2026	9,828		330	10,158	20,315
08/15/2026	<u>9,991</u>		<u>166</u>	<u>10,158</u>	<u>10,158</u>
TOTAL	\$117,859		\$14,190	\$132,048	\$132,048



**2017 General Fund Equipment Lease  
Outstanding Debt Service**

Date	Principal	Coupon	Interest	Total Payment	Annual Payment
07/01/2020		6.500%			
08/01/2020	4,561		594	5,156	
09/01/2020	4,585		571	5,156	
10/01/2020	4,608		548	5,156	
11/01/2020	4,632		524	5,156	
12/01/2020	4,656		500	5,156	
01/01/2021	4,679		476	5,156	
02/01/2020	4,703		453	5,156	
03/01/2021	4,727		428	5,156	
04/01/2021	4,752		404	5,156	
05/01/2021	4,776		380	5,156	
06/01/2021	4,800		356	5,156	\$56,714
07/01/2021	4,825		331	5,156	
08/01/2021	4,850		306	5,156	
09/01/2021	4,874		281	5,156	
10/01/2021	4,899		257	5,156	
11/01/2021	4,924		231	5,156	
12/01/2021	4,950		206	5,156	
01/01/2022	4,975		181	5,156	
02/01/2022	5,000		155	5,156	
03/01/2022	5,026		130	5,156	
04/01/2022	5,052		104	5,156	
05/01/2022	5,077		78	5,156	
06/01/2022	5,103		52	5,156	61,870
07/01/2022	<u>5,130</u>		<u>26</u>	<u>5,156</u>	<u>5,156</u>
TOTAL	\$116,165		\$7,575	\$123,740	\$123,740

**2020 Equipment Lease<sup>1</sup>  
Outstanding Debt Service**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Payment</b>	<b>Annual Payment</b>
08/01/2020	\$21,433	2.980%	\$4,340	\$25,773	
02/01/2021	21,728		6,981	28,709	\$54,482
08/01/2021	22,026		6,658	28,684	
02/01/2022	22,324		6,330	28,654	57,337
08/01/2022	22,621		5,997	28,618	
02/01/2023	22,922		5,660	28,582	57,200
08/01/2023	23,226		5,318	28,544	
02/01/2024	23,537		4,972	28,509	57,054
08/01/2024	23,853		4,622	28,475	
02/01/2025	24,176		4,266	28,442	56,917
08/01/2025	24,508		3,906	28,414	
02/01/2026	24,848		3,541	28,389	56,803
08/01/2026	25,200		3,171	28,371	
02/01/2027	25,568		2,795	28,363	56,734
08/01/2027	25,953		2,414	28,367	
02/01/2028	26,352		2,027	28,379	56,746
08/01/2028	26,766		1,635	28,401	
02/01/2029	27,196		1,236	28,432	56,833
08/01/2029	27,643		831	28,474	
02/01/2030	<u>28,109</u>		<u>419</u>	<u>28,528</u>	57,002
<b>TOTAL</b>	<b>\$489,989</b>		<b>\$77,118</b>	<b>\$567,107</b>	<b>\$567,107</b>

<sup>1</sup> Debt service on the 2020 Equipment Lease is allocated equally between the Electric Fund, the Water Fund, and the Sewer Fund.

**APPENDIX B**

**FIVE-YEAR CAPITAL IMPROVEMENT  
PLAN**



Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/27/20

		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	General Fund - Admin					
<b>Capital Improvement:</b>	City Hall Break Room & Ladies Restroom		350,000			
	Municipal Court Remodel			450,000		
	Douglass House Upstair Renovation				650,000	
<b>Funding Source:</b>	Property Tax - Gen. Revenues					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>	GENERAL FUND - GENERAL GOVT FUNCTION	-	350,000	450,000	650,000	-

		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	General Fund - Streets					
<b>Capital Improvement:</b>	Slurry Seal/Chip Seal	200,000	200,000	200,000	200,000	200,000
	Maine Street Phase IV Construction		800,000			
	Front Street Access Project		1,172,500			
	General Street Improvements		500,000	500,000	500,000	500,000
<b>Funding Source:</b>	General Fund Revenues, Regional Transportation, CDBG Grant					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>	GENERAL FUND - PUBLIC WORKS FUNCTION	200,000	2,672,500	700,000	700,000	700,000

**List of Funding Sources:**

Property Tax - Gen. Revenues  
 Charges for Services  
 Debt  
 Grants  
**Other** ( Please Describe)

FIVE YEAR CAPITAL IMPROVEMENT PLAN  
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets		\$	5,000	ENTITY: CITY OF FALLON		
Minimum level of expenditure for items classified as capital projects		\$	100,000	DATE: 7/27/20		
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
Fund:	General Fund - Police Department					
Capital Improvement:	Patrol vehicles with equipment	60,000	105,000	53,000	108,000	60,000
	Body Camera	44,085				
	Unmarked vehicles		50,000			
	Portable radios		30,000		30,000	
	Spillman server			75,000		
Funding Source:	Property Tax - Gen. Revenues, Grants					
Completion Date:	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
Fund Total	GENERAL FUND - PUBLIC SAFETY	104,085	185,000	128,000	138,000	60,000
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
Fund:	General Fund - Parks					
Capital Improvement:	Park Infrastructure Rehab & Replacement	-	100,000	100,000	100,000	100,000
Funding Source:	General Fund Revenues					
Completion Date:	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
Fund Total	GENERAL FUND - CULTURE & REC	-	100,000	100,000	100,000	100,000
GENERAL FUND TOTAL - ALL FUNCTIONS		304,085	3,307,500	1,378,000	1,588,000	860,000



FIVE YEAR CAPITAL IMPROVEMENT PLAN  
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets		\$	5,000	ENTITY: CITY OF FALLON		
Minimum level of expenditure for items classified as capital projects		\$	100,000	DATE: 7/27/20		
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
Fund:	Convention Center Fund					
Capital Improvement:	Equipment replacement	50,000	50,000	50,000	50,000	50,000
	Replace room dividers			500,000		
Funding Source:	Room tax and room rents					
Completion Date:	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
Fund Total		50,000	50,000	550,000	50,000	50,000
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
Fund:	Special Ad Valorem Capital Projects					
Capital Improvement:	Governmental Fund Projects	90,000	75,000	75,000	75,000	75,000
Funding Source:	General Fund Revenues					
Completion Date:	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
Fund Total		90,000	75,000	75,000	75,000	75,000
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
Fund:	Airport Fund					
Capital Improvement:	Grant match & prepaid expenditures	50,000	50,000	50,000	50,000	50,000
	Airport terminal and office building	-	-	375,000	-	-
Funding Source:	General Fund Revenues					
Completion Date:	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
Fund Total		50,000	50,000	425,000	50,000	50,000

FIVE YEAR CAPITAL IMPROVEMENT PLAN  
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets		\$	5,000	ENTITY: CITY OF FALLON		
Minimum level of expenditure for items classified as capital projects		\$	100,000	DATE: 7/27/20		
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	Electric Enterprise Fund					
<b>Capital Improvement:</b>	Public Works building	247,000				
	Electric Meter Replacement Project	1,100,000	1,100,000			
	Front Street Access Project	400,000				
	Maine Street Streetscapes	750,000				
	New River Substation	1,750,000				
	D St. Improvements/Direct Bury	750,000				
	Pennington Youth Center	250,000				
	System Improvements		100,000	100,000	100,000	100,000
	Bucket Truck			150,000		
	Mini Excavator with attachments			75,000		
<b>Funding Source:</b>	Charges for service, Grants & Debt					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>		5,247,000	1,200,000	325,000	100,000	100,000
<b>DRAFT</b>						
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	Water Enterprise Fund					
<b>Capital Improvement:</b>	Public Works building	136,500				
	Water Meter Replacement Project		750,000	750,000		
	Front Street Access Project		450,000			
	Equipment trailer		18,000			
	Skid Steer & attachments			75,000		
	Work truck			50,000		
	Trench Roller			35,000		
	Mud/Sludge Pump			80,000	200,000	
	Loader					
<b>Funding Source:</b>	Charges for service, Grants & Debt					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>		136,500	1,218,000	990,000	200,000	-

FIVE YEAR CAPITAL IMPROVEMENT PLAN  
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets		\$	5,000	ENTITY: CITY OF FALLON		
Minimum level of expenditure for items classified as capital projects		\$	100,000	DATE: 7/27/20		

		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	Sewer Enterprise Fund					
<b>Capital Improvement:</b>	Sewer projects	500,000	250,000	250,000	250,000	250,000
	Public Works building	45,500				
	Front Street Access Project		585,000			
	Sewer rod cart		75,000			
	Work truck		35,000			
	Lagoon Dewatering		1,150,000			
	SBR additional capacity			700,000		
	Sewer camera upgrade			40,000		
<b>Funding Source:</b>	Charges for service, Grants & Debt					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>		<b>545,500</b>	<b>2,095,000</b>	<b>990,000</b>	<b>250,000</b>	<b>250,000</b>

		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	Sanitation Enterprise Fund					
<b>Capital Improvement:</b>	Public Works building	45,500				
	Scale truck at transfer station		25,000			
	Automated gate and scale		25,000			
	4 in 1 bucket			15,000		
	Pad mounted material handler			80,000		
	Alley truck				45,000	
	Automated garbage truck					100,000
	Rear load garbage truck					100,000
	2 yard dumpsters					10,000
	95 gallon waste wheeler totes					50,000
<b>Funding Source:</b>	Charges for service, Grants & Debt					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>		<b>45,500</b>	<b>50,000</b>	<b>95,000</b>	<b>45,000</b>	<b>260,000</b>



FIVE YEAR CAPITAL IMPROVEMENT PLAN  
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets	\$ 5,000	ENTITY: CITY OF FALLON
Minimum level of expenditure for items classified as capital projects	\$ 100,000	DATE: 7/27/20

		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	Landfill Enterprise Fund					
<b>Capital Improvement:</b>	Public Works building	39,000				
	Landfill expansion		88,000			
	Litter control fences		50,000	50,000		
	Work truck		50,000	50,000		
	Rebuild scale house				60,000	
<b>Funding Source:</b>	Charges for service, Grants & Debt					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>		39,000	188,000	100,000	60,000	-

		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	Water Treatment Enterprise Fund					
<b>Capital Improvement:</b>	Public Works building	136,500				
	Water Treatment projects		150,000	150,000	150,000	150,000
	Work truck			32,000		32,000
<b>Funding Source:</b>	Charges for service, Grants & Debt					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>		136,500	150,000	182,000	150,000	182,000

FIVE YEAR CAPITAL IMPROVEMENT PLAN  
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets		\$	5,000	ENTITY: CITY OF FALLON		
Minimum level of expenditure for items classified as capital projects		\$	100,000	DATE: 7/27/20		
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	Water Treatment AB198 Replacement Fund					
<b>Capital Improvement:</b>	Water and water treatment projects	650,000				
<b>Funding Source:</b>	Charges for service, Grants & Debt					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>		650,000	-	-	-	-
<b>DRAFT</b>						
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
<b>Fund:</b>	Public Works Internal Service Fund					
<b>Capital Improvement:</b>	Work truck	90,000		35,000		35,000
<b>Funding Source:</b>	Enterprise fund revenue					
<b>Completion Date:</b>	6/30/2021		6/30/2022	6/30/2023	6/30/2024	6/30/2025
<b>Fund Total</b>		90,000	-	35,000	-	35,000



Entity: City of Fallon Date: July 14, 2020

**INDEBTEDNESS REPORT**

**DEBT MANAGEMENT COMMISSION ACT (NRS 350.013)**

1. Has your local government issued any new General Obligation Bond issues since **July 1, 2019**? Yes ( ) No ( X )
- If so, amount: \$ \_\_\_\_\_ Date: \_\_\_\_\_
2. Has your local government approved any new Medium-Term Obligation issues since **July 1, 2019**? Yes ( X ) No ( )
- If so, amount: \$ 489,989 Date: 04/14/20
3. Has your local government updated its debt management policy? (Per NRS 350.013) Yes ( X ) No ( ) N/A ( )  
**(Submit updated policy with Indebtedness Report.)** If Yes, submit updated policy with Indebtedness Report or prepare a statement discussing the following areas:
- A. Discuss the ability of your entity to afford existing and future general obligation debt.
  - B. Discuss your entity's capacity to incur future general obligation debt without exceeding the applicable debt limit.
  - C. Discuss the general obligation debt per capita of your entity as compared with the average for such debt of local governments in Nevada.
  - D. Discuss general obligation debt of your entity as a percentage of **assessed valuation** of all taxable property within the boundaries of your entity. **(REDBOOK FY 2019-2020)**
  - E. Present a policy statement regarding the manner in which your entity expects to sell its debt.
  - F. Discuss the sources of money projected to be available to pay existing and future general obligation debt.
  - G. Discuss the operating costs and revenue sources with each project.
4. Has your local government updated its five-year capital improvement plan? Yes ( X ) No ( )  
**(Required pursuant to NRS 350.013, 354.5945 & NRS 354.5947)**

Submitted By: Sean Richardson (prepared by JNA Consulting Group, LLC)  
(signature)

Entity: City of Fallon

**SCHEDULE OF INDEBTEDNESS AS OF JUNE 30, 2020**

**CHECK HERE IF YOUR ENTITY HAS NO OUTSTANDING DEBT**

☐

**GENERAL OBLIGATION BONDS**

1. General obligation	
2. General obligation/revenue	<u>\$7,568,800</u>
3. General obligation special assessment	<u></u>
Total general obligation bonded debt	<u>\$7,568,800</u>

**MEDIUM-TERM FINANCING**

1. General obligation bonds	<u>\$662,928</u>
2. Negotiable notes or bonds	<u></u>
3. Capital lease purchases	<u></u>
Total medium-term obligation debt	<u>\$662,928</u>

**REVENUE BONDS**

\$5,862,000

**OTHER DEBT**

1. Capital lease purchases - MTO not required or prior to law change	<u>\$900,219</u>
2. Mortgages	<u></u>
3. Warrants	<u></u>
4. Special assessment	<u></u>
5. Other (specify) _____	
6. Other (specify) _____	
Total other debt	<u>\$900,219</u>

**TOTAL INDEBTEDNESS**

\$14,993,947

Authorized but unissued general obligation bonds \$0.00

Note: Please explain and provide documentation for any differences between the amounts reported on this **schedule** and those reported on **Schedule C-1** of your **Final Fiscal Year 2020-2021 budget**.

- \* The balance of the KS Statebank bond dated 7/2/2017 is overstated by \$271.
- \* The combination of the Zions Bancorp lease dated 2/1/2030 in the General, Water, and Sewer Fund is overstated by \$1 due to rounding of principal balances.
- \* The balance of the SRF Revenue Bonds #2 dated 1/6/2016 is overstated by \$21.
- \* The MTF - Zions dated 10/20/2016 (\$172,735 original balance) is understated by \$106 due to the application of an overdue payment in fiscal year 2020.

Entity: City of Fallon

**SCHEDULE OF FIVE YEAR DEBT SERVICE REQUIREMENTS AS OF JUNE 30, 2020**

For the next five years, list the total dollar requirement for principal and interest broken down for each type of indebtedness the entity currently has outstanding.

	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
G/O Bonds					
G/O Revenue	\$786,782	\$786,839	\$786,154	\$784,726	\$789,555
G/O Special Assessment					
Medium-term Financing					
G/O Bonds	\$196,127	\$183,221	\$112,241	\$99,741	\$74,742
Notes/Bonds					
Leases/Purchases					
Revenue Bonds	\$535,117	\$535,655	\$534,909	\$534,879	\$534,553
Other Lease Purchases	\$204,928	\$212,939	\$119,379	\$77,369	\$77,232
Mortgages					
Warrants					
Special Assessments					
Other Debt					
<b>TOTAL</b>	<b>\$1,722,955</b>	<b>\$1,718,653</b>	<b>\$1,552,682</b>	<b>\$1,496,715</b>	<b>\$1,476,081</b>

Entity: City of Fallon

**SCHEDULE OF DEBT REPAYMENT AS OF JUNE 30, 2020**

The repayment schedules should start with the payment of principal and interest due **after June 30, 2020** and continue until any particular issue is retired.

**Sewer Revenue Secured Bonds  
Outstanding Debt Service**

<b>Fiscal Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$305,000	\$245,913	\$550,913
2022	320,000	230,663	550,663
2023	335,000	214,663	549,663
2024	350,000	197,913	547,913
2025	365,000	187,413	552,413
2026	375,000	176,463	551,463
2027	395,000	157,713	552,713
2028	410,000	137,963	547,963
2029	430,000	121,563	551,563
2030	445,000	104,363	549,363
2031	460,000	91,013	551,013
2032	475,000	76,638	551,638
2033	490,000	61,200	551,200
2034	510,000	41,600	551,600
2035	<u>530,000</u>	<u>21,200</u>	<u>551,200</u>
<b>TOTAL</b>	<b>\$6,195,000</b>	<b>\$2,066,275</b>	<b>\$8,261,275</b>

**Water Revenue Secured Bonds  
Outstanding Debt Service**

<b>Fiscal Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$206,378	\$29,492	\$235,870
2022	211,314	24,863	236,177
2023	216,369	20,122	236,491
2024	221,545	15,268	236,813
2025	226,844	10,299	237,143
2026	173,391	5,210	178,601
2027	<u>117,959</u>	<u>1,977</u>	<u>119,936</u>
<b>TOTAL</b>	<b>\$1,373,800</b>	<b>\$107,230</b>	<b>\$1,481,030</b>

Entity: City of Fallon

**Medium-Term General Obligation Debt  
Outstanding Debt Service**

<b>Fiscal Year Ended June 30</b>	<b>Principal</b>	<b>Interest<sup>1</sup></b>	<b>Total</b>
2021	\$194,031	\$2,096	\$196,127
2022	182,173	1,048	183,221
2023	112,241	0	112,241
2024	99,741	0	99,741
2025	<u>74,742</u>	<u>0</u>	<u>74,742</u>
<b>TOTAL</b>	<b>\$662,928</b>	<b>\$3,145</b>	<b>\$666,073</b>

<sup>1</sup> Most interfund loans are at 0%

**Debt Service Summary  
\$405,763 2016 Equipment Lease**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Payment</b>	<b>Annual Payment</b>
08/15/2020	\$34,285	2.750%	\$2,423	\$36,708	
02/15/2021	34,757	2.750%	\$1,951	\$36,708	\$73,417
08/15/2021	35,235	2.750%	1,474	36,708	
02/15/2022	35,719	2.750%	989	36,708	73,417
08/15/2026	<u>36,210</u>	2.750%	<u>498</u>	<u>36,708</u>	<u>36,708</u>
<b>TOTAL</b>	<b>\$176,207</b>		<b>\$7,335</b>	<b>\$183,541</b>	<b>\$183,541</b>



Entity: City of Fallon

**Debt Service Summary**  
**\$172,735 2016 Equipment Lease**

Date	Principal	Coupon	Interest	Total Payment	Annual Payment
08/15/2020	\$8,195	3.330%	\$1,962	\$10,158	
02/15/2021	8,332	3.330%	\$1,826	\$10,158	\$20,315
08/15/2021	8,470	3.330%	1,687	10,158	
02/15/2022	8,611	3.330%	1,546	10,158	20,315
08/15/2022	8,755	3.330%	1,403	10,158	
02/15/2023	8,901	3.330%	1,257	10,158	20,315
08/15/2023	9,049	3.330%	1,109	10,158	
02/15/2024	9,199	3.330%	958	10,158	20,315
08/15/2024	9,353	3.330%	805	10,158	
02/15/2025	9,508	3.330%	649	10,158	20,315
08/15/2025	9,667	3.330%	491	10,158	
02/15/2026	9,828	3.330%	330	10,158	20,315
08/15/2026	<u>9,991</u>	3.330%	<u>166</u>	<u>10,158</u>	<u>10,158</u>
TOTAL	\$117,859		\$14,190	\$132,048	\$132,048

Entity: City of Fallon

**Debt Service Summary**  
**\$265,792 2017 Equipment Lease**

Date	Principal	Coupon	Interest	Total Payment	Annual Payment
07/01/2020					
08/01/2020	\$4,561	6.500%	\$594	\$5,156	
09/01/2020	4,585	6.500%	571	5,156	
10/01/2020	4,608	6.500%	548	5,156	
11/01/2020	4,632	6.500%	524	5,156	
12/01/2020	4,656	6.500%	500	5,156	
01/01/2021	4,679	6.500%	476	5,156	
02/01/2020	4,703	6.500%	453	5,156	
03/01/2021	4,727	6.500%	428	5,156	
04/01/2021	4,752	6.500%	404	5,156	
05/01/2021	4,776	6.500%	380	5,156	
06/01/2021	4,800	6.500%	356	5,156	56,714
07/01/2021	4,825	6.500%	331	5,156	
08/01/2021	4,850	6.500%	306	5,156	
09/01/2021	4,874	6.500%	281	5,156	
10/01/2021	4,899	6.500%	257	5,156	
11/01/2021	4,924	6.500%	231	5,156	
12/01/2021	4,950	6.500%	206	5,156	
01/01/2022	4,975	6.500%	181	5,156	
02/01/2022	5,000	6.500%	155	5,156	
03/01/2022	5,026	6.500%	130	5,156	
04/01/2022	5,052	6.500%	104	5,156	
05/01/2022	5,077	6.500%	78	5,156	
06/01/2022	5,103	6.500%	52	5,156	61,870
07/01/2022	<u>5,130</u>	6.500%	<u>26</u>	<u>5,156</u>	<u>5,156</u>
TOTAL	\$116,165		\$7,575	\$123,740	\$123,740

Entity: City of Fallon

**Debt Service Summary**  
**\$6,333,000 2017 Revenue Bonds**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Payment</b>	<b>Annual Payment</b>
11/01/2020	\$382,000	2.700%	\$79,137	\$461,137	
05/01/2021			73,980	73,980	\$535,117
11/01/2021	393,000	2.700%	73,980	466,980	
05/01/2022			68,675	68,675	535,655
11/01/2022	403,000	2.700%	68,675	471,675	
05/01/2023			63,234	63,234	534,909
11/01/2023	414,000	2.700%	63,234	477,234	
05/01/2024			57,645	57,645	534,879
11/01/2024	425,000	2.700%	57,645	482,645	
05/01/2025			51,908	51,908	534,553
11/01/2025	437,000	2.700%	51,908	488,908	
05/01/2026			46,008	46,008	534,916
11/01/2026	449,000	2.700%	46,008	495,008	
05/01/2027			39,947	39,947	534,955
11/01/2027	461,000	2.700%	39,947	500,947	
05/01/2028			33,723	33,723	534,670
11/01/2028	473,000	2.700%	33,723	506,723	
05/01/2029			27,338	27,338	534,061
11/01/2029	486,000	2.700%	27,338	513,338	
05/01/2030			20,777	20,777	534,114
11/01/2030	499,000	2.700%	20,777	519,777	
05/01/2031			14,040	14,040	533,817
11/01/2031	513,000	2.700%	14,040	527,040	
05/01/2032			7,115	7,115	534,155
11/01/2032	<u>527,000</u>	2.700%	<u>7,115</u>	<u>534,115</u>	<u>534,115</u>
<b>TOTAL</b>	<b>\$5,862,000</b>		<b>\$1,087,911</b>	<b>\$6,949,911</b>	<b>\$6,949,911</b>

Entity: City of Fallon

**Debt Service Summary**  
**\$489,989 2020 Equipment Lease<sup>1</sup>**

Date	Principal	Coupon	Interest	Total Payment	Annual Payment
08/01/20	\$21,433	2.980%	\$4,340	\$25,773	
02/01/21	21,728	2.980%	6,981	28,709	\$54,482
08/01/21	22,026	2.980%	6,658	28,684	
02/01/22	22,324	2.980%	6,330	28,654	57,337
08/01/22	22,621	2.980%	5,997	28,618	
02/01/23	22,922	2.980%	5,660	28,582	57,200
08/01/23	23,226	2.980%	5,318	28,544	
02/01/24	23,537	2.980%	4,972	28,509	57,054
08/01/24	23,853	2.980%	4,622	28,475	
02/01/25	24,176	2.980%	4,266	28,442	56,917
08/01/25	24,508	2.980%	3,906	28,414	
02/01/26	24,848	2.980%	3,541	28,389	56,803
08/01/26	25,200	2.980%	3,171	28,371	
02/01/27	25,568	2.980%	2,795	28,363	56,734
08/01/27	25,953	2.980%	2,414	28,367	
02/01/28	26,352	2.980%	2,027	28,379	56,746
08/01/28	26,766	2.980%	1,635	28,401	
02/01/29	27,196	2.980%	1,236	28,432	56,833
08/01/29	27,643	2.980%	831	28,474	
02/01/30	<u>28,109</u>	2.980%	<u>419</u>	<u>28,528</u>	<u>57,002</u>
TOTAL	\$489,989		\$77,118	\$567,107	\$567,107

<sup>1</sup> Debt service on the 2020 Equipment Lease is allocated equally between the Electric Fund, the Water Fund, and the Sewer Fund.

Entity: City of Fallon

(1) CONTEMPLATED GENERAL OBLIGATION DEBT PURPOSE	(2) TYPE	(3) AMOUNT	(4) TERM	(5) FINAL PYMT DATE	(6) INTEREST RATE
Medium-Term General Obligation Bonds	MT GO	\$650,000	10 yrs	tbd	tbd

SPECIAL ELECTIVE TAX PURPOSE	TYPE	RATE	ELECTION DATE	EXPIRATION DATE	IMPLEMENTATION DATE
NONE					