

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
September 21, 2020**

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

Present:

Mayor Ken Tedford
City Councilman, James D. Richardson
City Councilwoman, Kelly Frost
City Councilwoman, Karla Kent
Police Captain, Ron Wenger
Deputy City Attorney, Leonard E. Mackedon
Chief of Staff, Robert Erquiaga
Public Works Director, Brian A. Byrd
Deputy City Attorney, Trent deBraga
City Engineer, Derek Zimney
City Clerk-Treasurer, Sean C. Richardson

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

Mayor Tedford led the Pledge of Allegiance.

Mayor Tedford requested a Moment of Silence for Carson City Mayor Bob Crowell; he passed away on September 12, 2020.

Mayor Tedford read a prepared statement into the record, "Mayor Bob Crowell was such a fine man with great character. You could count on Bob to be a voice of reason. I always enjoyed sitting down and talking with him. It could be after a meeting or sitting in the halls of the legislative building. It was just always nice to talk. He led his City through many difficult times, after 2007 during the IHOP shootings and during this 2020, with strong leadership leaving Carson City very vibrant now. My thoughts and prayers and the City of Fallon's go out to Susan and the family. Nevada, Carson City, and I will certainly miss Bob Crowell."

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

Chief of Staff Erquiaga advised that the agenda was posted in compliance with Governor Sisolak's Emergency Directives, the agenda and the supporting materials were posted on the City's website and the State of Nevada's public notice website on or before 9:00 a.m. on September 16, 2020.

Public Comments

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

No public comments were noted.

Approval of Warrants

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

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

No comments were noted.

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

Consideration and possible approval of election of officers of the Fallon/Churchill Volunteer Fire Department: Fire Chief – Jared Dooley; First Assistant Fire Chief – Randy Sharp; Second Assistant Fire Chief – Anthony Myers; and Third Assistant Fire Chief – Eric Blakey

Mayor Tedford stated that this item is for the consideration and approval of election of officers of the Fallon/Churchill Volunteer Fire Department: Fire Chief – Jared Dooley; First Assistant Fire Chief – Randy Sharp; Second Assistant Fire Chief – Anthony Myers; and Third Assistant Fire Chief – Eric Blakey.

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

Councilman Richardson advised that he serves on the Fire Board and admires their dedication to duty and representing our community. They do a tremendous job, and he has always supported them.

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

No public comments were noted.

Councilman Richardson motioned to approve the election of officers of the Fallon/Churchill Volunteer Fire Department: Fire Chief – Jared Dooley; First Assistant Fire Chief – Randy Sharp; Second Assistant Fire Chief – Anthony Myers; and Third Assistant Fire Chief – Eric Blakey; seconded by Councilwoman Kent and approved with a 3-0 vote by the Council.

Mayor Tedford added that it is certainly an honor to bring the officers in each year to approve the election of fire department officers by their own volunteers. He thanked them for their service to the community, as well as the support of their families as they carry out their duties.

At this time, Mayor Tedford administered the Oath of Office to the officers. Photographs were also taken.

Public hearing for discussion of possible state Community Development Block Grant Applications for fiscal year 2021-2022

Chief of Staff Erquiaga explained this is first in a series of hearings where we discuss possible Community Development Block Grant (CDBG) applications. The City has gone through this process each year and had good success in projects. The history of projects that the City has been funded was submitted with the agenda packet. The first hearing today is just a matter of running through the past history and a brief discussion about the program itself. We always like to outline where we go from here, which is two more hearings. We anticipate a second hearing at the October 5, 2020 Council meeting; that is the hearing where we start to identify certain projects that we may be interested in making application. The third hearing will be on October 19, 2020; where the Council ranks and decides which projects to submit applications for, if any. We have had pretty good success until last year, unfortunately we were not even allowed to make the interview or presentation round. We believe it was the first time that had happened in our history as a City. It was disappointing for us; we had submitted the new Fixed Base Operator building project and Public Works Director Byrd had put in a lot of effort with the CDBG office to advance that one. We were disappointed to learn last December that it did not qualify, and they were not going to allow us to proceed. We are hoping to have a better experience this year. We have a few projects in mind, they still need a little discussion at the staff level and with the Mayor, but we will be prepared to discuss potential projects at the next hearing. It is worth mentioning that we do have the Front Street project ongoing; back in the 2019 fiscal year, we were funded in the amount of approximately \$630,000 for the Front Street Project. That project is actually on the agenda today in a later item, to approve an award of a contract to A&K Earth Movers. We are excited to see that project moving. It is the only project listed in our history that is still open, all of our other projects in our history with CDBG have been successfully closed out. Hopefully, we can come up with some good projects that will benefit our citizens and have a better experience this round than we did last year. He added that City Engineer Zimney and Public Works Director Byrd were present so they, or he, could answer any questions Mayor Tedford or the Council might have.

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

Councilwoman Frost asked if the State is still requiring economic development as a major component of the project.

Chief of Staff Erquiaga stated that was one of the hardest questions to answer. Yes, economic development is still a component – the scoring criteria is hard to comprehend – but it is our understanding that economic development is still a portion of it. He did see in the last cycle that there were some infrastructure projects funded. So, somebody either had a creative way of describing those infrastructure projects as they relate to economic development, or there was also the ability to score high enough without the economic development piece to get a project funded. That is a lot of what we need to discuss as we think about any proposed projects that we might submit. Obviously, if you have economic development – or a close tie to it – it will put you ahead of the pack, but there may be an avenue to still fund other projects if they are able to score high enough without that piece.

Mayor Tedford asked City Engineer Zimney if he had anything to add to what Chief of Staff Erquiaga said.

City Engineer Zimney stated that he was excited to bring project ideas forward at the next hearing. It looks like our submission date is October 20, 2020, a day after our third hearing so we are right on track.

Mayor Tedford asked City Engineer Zimney if he had any projects in mind.

City Engineer Zimney stated that he had not had a chance to discuss them with staff yet, but he did have a couple of ideas. They would be ready by the next hearing.

Mayor Tedford inquired if there were any public comments or questions, reminding that this was a public hearing.

No public comments were noted.

Consideration and possible action to approve a construction contract with A&K Earthmovers of Fallon, Nevada, in order to complete the Front Street Reconstruction project, PWP-CH-2020-348, in the amount of Two Million Three Hundred Forty-Nine Thousand Dollars (\$2,349,000)

Public Works Director Byrd explained that on July 5, 2019, the City of Fallon received communication from the Governor's Office of Economic Development indicating an award of \$630,444.21 of Community Development Block Grant (CDBG) funding for the 2019 grant cycle. Since the time of award, the City has worked diligently to complete the design, advertise, and bid the project in accordance with Nevada Revised Statutes as well as the Code of Federal Regulations. As advertised, the project consists of a full reconstruction of Front Street from Maine Street to Humboldt Street, as well as specified portions of Esmeralda Street. 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. This project was released for public bid on August 6, 2020 and was advertised in the Lahontan Valley News in accordance with NRS 338. A pre-bid meeting was held on August 25, 2020. Three bids were received and opened on September 2, 2020 as further described in the submitted documents.

Mayor Tedford noted that this is a long-held project of his, going back many years. This is one portion of the City that for many years has not been touched other than some repairs being made to the exclusion of Esmeralda Street. He was excited to put this before the Council. We have saved our money for a long time in order to do this. It is a major area of town, not just one street. When he started on the Council in 1987, the City had a program that if the citizens paid 1/3 of their street paving, curb, gutter, and sidewalk, then the City would pay the other 2/3. He was very uncomfortable with that policy but in older areas of town, that was how streets were being done. In newer areas, the developers were required to do the streets and sidewalks. But in the original areas of town, there was little pavement and no curb, gutter, or sidewalks. While, in essence, it was a fair program because the City did not have a lot of money to pave streets, what started happening, on some streets, people could not raise the 1/3 needed so then they were never going to get their street done. Back then, he argued in a Council meeting that the program had to go away. Perhaps he was wrong, and maybe if it remained, more streets would have been done over there. But he got another Councilman to agree with him and the policy was overturned on a 2-1 split vote; we said that the City should pave the streets. In the early years of his

administration, the City spent about \$11 million dollars paving streets and adding curb and gutter in that area of town. But it still was not enough. This project presents some engineering challenges along Front Street with elevation and drainage. A few years ago, Mr. Larry Jackson attended a Council meeting and asked why we had not done that area, as he lives around there. We told him that we have been planning it, but it takes time to accumulate enough money when all you have now is gas pump money, or road tax dollars. He highlighted that road tax dollars are very important to the City because we do not have General Fund money to pull out for street projects. That is not available anymore, so we must save our road tax dollars to fund these projects. Not only was he excited about this project; he was also excited that the bid numbers came in right too.

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

Councilwoman Frost stated that she was also excited about this project, she knew staff had been working on this project for a long time. She asked if A&K were to be approved; was there a plan to tie in this Front Street project at the same time they are doing the Maine Street project.

Public Works Director Byrd noted that the timelines to tie the projects in work out pretty well. There is a pre-construction meeting this week for the Maine Street project and he assumed they would work quickly to get the administrative portion done so that a pre-construction meeting for Front Street could follow immediately after. Going back to CDBG, the \$630,000 is one of the bigger awards they have released, and he believed it was because they recognized how dedicated the Council and the Mayor were to this project. Not only in saving those RTC dollars, but the in the pre-design, and we were able to relay our passion and how important and impactful it would be for the community. This is one of those projects that seems like it was started lifetimes ago and there were many, many steps along the way and sometimes it did not seem like it was going to materialize and he was thankful to be part of it.

Councilwoman Kent asked what the timeline was, especially a completion date.

Public Works Director Byrd stated that it was a 90- or 100-contract day project. We are hoping that we have warmer temperatures through the end of November and if that is the case, then there is a legitimate chance that paving will be occurring late and we could finish this project within the calendar year. If it gets colder, and we do not get the 40 degrees and rising temperatures that are needed to pave, then we would have to schedule for paving to occur in the first of 2021.

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

No comments were noted.

Councilwoman Frost motioned to approve a construction contract with A&K Earthmovers of Fallon, Nevada, in order to complete the Front Street Reconstruction project, PWP-CH-2020-348, in the amount of Two Million Three Hundred Forty-Nine Thousand Dollars; seconded by Councilman Richardson and approved with a 3-0 vote by the Council.

Consideration and possible approval and adoption of Resolution No. 20-08: A resolution adjusting rates in the City of Fallon Sanitation Enterprise and other matters properly related thereto

Chief of Staff Erquiaga explained this resolution is before the Council today to discuss rate changes in the City Sanitation Enterprise. As the Council was aware, both NRS and Fallon Municipal Code provide the Council with the exclusive authority to set rates in the City's various enterprises. Rates in the Sanitation Enterprise have not been adjusted since 2007 and the costs in

the normal operation of that enterprise have increased significantly in that amount of time. Back in June, when we were seeking approval of a temporary interfund loan to offset some of the cost-related issues we had in the Sanitation Enterprise. Since that meeting, City staff – heavily driven by City Clerk Richardson – have analyzed the financial aspects of the Sanitation Enterprise. We also studied the market rates of others that provide similar service in the county and the surrounding region; and it is worth noting that is a hard analysis to do because nobody offers the level of service that we do. We go above and beyond for our citizens and businesses, whether it be because they forget to put their can out and we go back to get it when they call or the service that the Mayor has championed throughout his time at the City, which is that we essentially pick everything up at the curb. The Mayor takes keeping the City clean and trash-free seriously; he passes that down to everyone that works at the City and we follow through with that service. So the trash truck that goes around and will pick up extra bags to full remodel debris from a house is a service that nobody else provides, so when we talk about comparisons, we always like to keep in mind that we are not comparing apples to apples as far as service is concerned. But in any case, we did look at market rates. A spreadsheet was submitted with the agenda packet that provides a brief description of our current rate, the proposed changes that we are asking to be accomplished in this resolution, as well as the market average when available. Staff recommends approval of this resolution. It will adjust rates to the point that we can start to get back to even as far as our debts are concerned. We need to tackle the temporary interfund loan that the Council approved in June. We also have a couple of much smaller medium-term loans that we would like to get paid off. We think this increase will allow us to do that. The resolution also includes an annual adjustment of rates, so we have a provision effective every July 1 sanitation rates will be automatically adjusted based on a consumer price index that will take from December of the previous year and a specific CPI that is related to garbage and trash collection, so in any given year we may see an increase of a couple percent. It will help us keep up with those rising costs, whether it be fuel or equipment maintenance, those things that seem to never get any cheaper, especially in this enterprise with the large trucks and the vehicles that we operate. The resolution includes both the rate changes and then those annual adjustments and we are confident that this is an important step to get us back to more solid financial ground in the Sanitation Enterprise. Rate increases are never easy for our citizens and businesses; there is never a good time to do them so we took care to ensure that while we need to recover our costs, we do not want to overly burden our citizens and these numbers in the resolution reflect that. We have spent a lot of staff time working on this and a lot of time with the Mayor and with Bob Erickson, our financial consultant. Mr. Erickson has been very helpful as we look through these numbers. As a group, we are proud to present them and it is a good effort and one that we need to move forward on. If approved, new rates would take effect October 1, 2020.

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

Councilwoman Kent stated that she reviewed this with Chief of Staff Erquiaga and City Clerk Richardson and this increase is much needed so that the Sanitation Enterprise can be self-sufficient and cover its costs, especially after we had to do that temporary interfund loan, and it is good we are able to stay below area rates and still make up that difference.

Mayor Tedford commented that we never do these rate increases timely, in any of our enterprise funds. Thirteen years is a long time. When we did all these before, when he was a Councilman, they had a workshop session and looked at increasing licensing fees that had not been raised since the 1950s. It is a bigger blow to the residents and businesses when you take so long to do them. That is why he liked the annual rate adjustment because they will be much

smaller. He knew this was a burden on the people but he also knew they receive quality service that they cannot get anywhere else and he hears from people all the time about how great our sanitation service is and how we will pick up anything, anytime. He likes to tell the story about how we once went inside an elderly lady's home to carry out a large sofa to put it into the trash truck all at no cost to her; we provide awesome service, there is no doubt about that. He also agreed with Councilwoman Kent's comments.

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

No comments were noted.

Councilwoman Kent motioned to approve and adopt Resolution No. 20-08: A resolution adjusting rates in the City of Fallon Sanitation Enterprise and other matters properly related thereto; seconded by Councilman Richardson and approved with a 3-0 vote by the Council.

Presentation of the Police Department Report for August 2020

Captain Wenger advised that Chief Gehman had submitted the August monthly report. He had nothing further to add but welcomed questions.

Mayor Tedford asked Captain Wenger if the PD still maintained a list of residents that are on oxygen.

Captain Wenger replied affirmatively.

Mayor Tedford would like to know how many people are on that list.

Captain Wenger would follow up.

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

Councilwoman Kent inquired about the increase in larceny and if it was all commercial or if there were any residential cases.

Captain Wenger believed there was one residential burglary in August. There were three commercial burglaries. As far as the larceny itself, it is probably a lot higher due to people not working. Wal-Mart has given them a lot of larceny cases.

Councilwoman Frost asked Captain Wenger if page 3 of the report could be set up similar to page 4 where the numbers are listed below the graphs. To clarify, she requested that the Crime Summary be similar in setup to the Arrest Summary.

Captain Wenger advised that he would look into that.

Mayor Tedford thanked Captain Wenger for the report.

Public Comments

Mayor Tedford inquired if there were any public comments.

No public comments were noted.

Council and Staff Reports

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

No Council or staff reports were noted.

Executive Session

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

Adjournment

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 9:54 a.m.



Attest: _____
Sean C. Richardson, City Clerk-Treasurer



Mayor Ken Tedford