

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
January 3, 2022**

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
Councilman James Richardson
Councilwoman Karla Kent
Councilwoman Frost (absent)
Chief of Staff Bob Erickson
City Attorney Mike Mackedon
Deputy City Attorney Trent deBraga
Public Works Director Brian Byrd
Captain Kris Alexander
City Clerk-Treasurer Sean Richardson
Deputy City Clerk Elsie Lee
Deputy City Clerk Michael O'Neill
City Engineer Derek Zimney

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

Mayor Tedford led the Pledge of Allegiance.

Mayor Tedford asked for a moment of silence for the passing of Senator Harry Reid.

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

Deputy City Clerk Elsie Lee advised that the agenda was posted in compliance with the NRS requirements.

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 comments were noted.

Approval of Warrants

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

Councilwoman Kent motioned to approve the accounts payable, payroll and customer deposit warrants; seconded by Councilman Richardson and approved with a 2-0 vote by the Council.

Consideration and possible action to reject the lowest bid received to complete the City of Fallon Electrical Service and Generator project (PWP# CH2021-396), submitted by A&K Earthmovers of Fallon, Nevada, in the amount of Five Hundred Sixty-Seven Thousand Dollars (\$567,000), in order to serve the public interest pursuant to NRS 338.143.

Public Works Director Brian Byrd introduced the possible action to reject the lowest bid received to complete the City of Fallon Electrical Service and Generator project (PWP# CH2021-396), submitted by A&K Earthmovers of Fallon, Nevada, in the amount of Five Hundred Sixty-Seven Thousand Dollars (\$567,000), in order to serve the public interest pursuant to NRS 338.143. Pursuant to NRS 338.143, the City Council may reject any bids received if the City Council determines that the public interest would be served by such a rejection. With the lowest bid so greatly over the attached engineer's estimates, it is the recommendation of staff that the City Council reject the bid in order to serve the public's interest. The rejection will allow City staff to undertake further efforts to reduce the complexity and cost of the project and to re-advertise for bids to complete the simplified project. Preliminary construction costs were estimated at \$323,863. As advertised, the project generally included: Demolition and removal of the existing City Hall generator, placement of a new 250kw generator, the construction of a generator enclosure and the installation of underground conductor to 98 South Carson Street, the Douglass House, and City Hall. Once completed, the newly installed 250kw generator will allow for temporary power to be delivered to City Hall, the Douglass House and 98 South Carson during an interruption of utility power. Currently, the existing City Hall generator is undersized for the facility and only allows for a portion of the building to be energized during an outage. The project was released for public bid on November 10, 2021 and advertised in Lahontan Valley News in accordance with NRS 338.135. A pre-bid meeting was held on November 30, 2021. One bid was received and publicly opened by the City of Fallon on December 16, 2021. We really hit a perfect storm on this project, with material prices, labor shortage, and transportation issues. With only receiving one bid on the project, it probably wasn't overly competitive and so as the agenda request stated, the staff's recommendation is to reject this bid and put it back out in March or April. We are not under huge time restraints and the current generator at City Hall is antiquated but it runs efficiently, and we maintain it well. The biggest problem is, like the request said, is that only a portion of City Hall is energized during an outage. It is a very important project for the city, and we are excited to get all three buildings fully operational and have it as a center, especially in a prolonged outage.

Mayor Tedford said that sometimes we get a low bid, and the low bid is fine, but it isn't this time.

Public Works Director Brian Byrd said that per-pandemic copper prices were trading at \$2.00 per pound and hit an all-time high this year at almost \$5.00 per pound. Copper prices are historically a good indicator of a strong economy.

Councilman Richardson asked if we would be getting a new estimate from the engineer

because we obviously need to reflect what the market price for materials are.

Public Works Director Brian Byrd stated that we will revisit this in the next couple of months and come back to the Mayor with the results.

Councilwoman Kent commented that with the supply chain issues and prices, it is a gamble, but that she thinks it is a good decision.

There were no questions from the public.

Councilman Richardson motioned to reject the lowest bid received to complete the City of Fallon Electrical Service and Generator project (PWP# CH2021-396), submitted by A&K Earthmovers of Fallon, Nevada, in the amount of Five Hundred Sixty-Seven Thousand Dollars (\$567,000), in order to serve the public interest pursuant to NRS 338.143; seconded by Councilwoman Kent and approved with a 2-0 vote by the Council.

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 comments were noted.

Council and Staff Reports

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

No comments 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 9:09 a.m.

Attest:



Sean C. Richardson, City Clerk-Treasurer



Mayor Ken Tedford