

**MINUTES OF THE
FERNLEY CITY COUNCIL MEETING
JUNE 4, 2025**

Mayor Neal E. McIntyre called the meeting to order at 5:00 pm

1. INTRODUCTORY ITEMS

1.1. Pledge of Allegiance

1.2. Roll Call

Present: Mayor Neal E. McIntyre, Councilman Ryan Hanan, Councilwoman Felicity Zoberski, Councilman Stan Lau, Councilman Albert Torres, Councilman Joe Mendoza, Deputy City Manager Lydia Altick, City Attorney Aaron Mouritsen, City treasurer Robert Carson, City Clerk Kim Swanson, Administrative Specialist I Sandy Harris, Building Official Charity Birkel, Planning Director Michele Rambo, Public Works Director Barry Williams, Project Manager Alex Lopez Martinez, City Engineer Maria Paz Fernandez, Utilities Director Seong Kim

1.3. Public Forum

None at this time.

1.4. (For Possible Action) Approval of Agenda

Motion: I MOVE TO APPROVE THE AGENDA. **Action:** Apopproved. **Moved by:** Councilman Stan Lau, **Seconded by:** Councilman Ryan Hanan. **Vote:** Passed, **Summary:** Yes 5. **Yes:** Councilwoman Zoberski, Councilman Lau, Councilman Torres, Councilman Hanan, Councilman Mendoza.

2. CONSENT AGENDA

2.1. (Possible Action) Approval of Voucher Report

2.2. (Possible Action) Approval of Minutes

2.3. (Possible Approval) Approval of Business Licenses

City Clerk Kim Swanson read the new business licenses

2.4. (For Possible Action) to approve acceptance of infrastructure related to the Royal Oaks Culvert project.

2.5. (For Possible Action) to approve acceptance of infrastructure related to the Lickety-Split Car Wash project.

2.6. (For Possible Action) to approve acceptance of public infrastructure related to the Fernley Self Storage project.

2.7. (For Possible Action) to approve acceptance of infrastructure related to the Inglewood Drive Public Improvements project.

2.8. (For Possible Action) to approve acceptance of public infrastructure related to The Meadows at Inglewood (TMAI) Phase 3 project.

2.9. For Possible Action to approve a Memorandum of Understanding between Main Street Fernley and the City of Fernley to work together to improve the downtown corridor to promote the community and local economy.

2.10. Possible action to approve \$70,900 of additional funding for the Bureau of Land Management (BLM) to fund labor associated with processing and Cadastral survey work for the Fernley Lands Bill Conveyance Phase 2 and 3.

2.11. Possible action to approve a proposal with Granicus for \$28,406.44 to provide professional consulting services for SmartGov training, implementation, and electronic payment system for licensing and permitting.

2.12. (For Possible Action) to approve the Severance Agreement and Release of All Claims between the City of Fernley and Benjamin Marchant.

Motion: I MOVE TO APPROVE THE CONSENT AGENDA. **Action:** Approved. **Moved by:** Councilman Stan Lau, **Seconded by:** Councilman Ryan Hanan. **Vote:** Passed, **Summary:** Yes 5. **Yes:** Councilwoman Zoberski, Councilman Lau, Councilman Torres, Councilman Hanan, Councilman Mendoza.

3. REPORTS - this item is for various public entity representatives to provide general information to the Council and public. No action will be taken.

Chief Deputy Mitch Brantingham, Lyon County Sheriff's Office, stated with school closing soon, the department will have dedicated traffic enforcement in the school zones. We are cautioning the public to please follow the laws and drive cautiously through our school zones. Evidence Technician Jack Heiser has retired, so congratulations to him for such a long and strong career. If anyone is looking to get property released, oftentimes that is who they're dealing with for safekeeping items, or if something is taken as evidence. As soon as the County has that new person up and running, they will get contact information out to everybody. With the 4th of July event coming up we always like to increase staffing. We are making sure we have plenty of people for the parade and the park events. There have been a couple of incidents out at Desert Rose Lane in Fernley with the road being blocked. An investigation was conducted into that situation. The city got all the road blockage removed and got that road back open. They don't have the ability to write a citation for what that violation actually is. The blockage of a public road is a misdemeanor offense. That report is going to be forwarded over to the City Attorney's office, so they can decide about whether they want to go forward with criminal charges in that situation. They had a couple of complaints that came through regarding people starting to set up and camp back out on the BOR property over by the Veterans Cemetery. They have been doing active patrols out there.

Captain Mike Silverberg, North Lyon County Fire District, explained the National Fire Reporting System (NFRS), is the system they use for incident coding, and how they capture all the data for the fire department and all fire industries. NFRS has been the primary system for collecting data since 1975. It has become outdated and no longer supports the needs of the US Fire administration. We've moved to a new system called Neris. We're going to be using the new Neris system that should be rolled out before February 1, 2026. We have responded to 348 calls for the month of May. That averages to about 11.23 calls a day. North Lyon Fire is in the process of rezoning the district. Soon, North Lyon Fire will have 5 response zones that correlate appropriate response times and justification for the future stations as Fernley continues to develop the North and Southwest plans. Captain Silverberg stated North Lyon Fire provided aid to the neighboring agencies 10 times, or once every 3.1 days for the month of May. North Lyon called upon other agencies 27 times. That leaves us calling them at least once a day, which also correlates to having no service in the city, as we're calling them on for the service. This data clearly shows that North Lyon Fire is understaffed to respond to the ever-growing demand for service in Fernley.

3.1. Reports by City Staff, City Council, and the Mayor, including but not limited to monthly statistical reports by city departments.

Mayor McIntyre reported that the CRRC is on time and on budget. The west end of the Event Lawn has been designated for playground equipment. They are looking at shade structure covers and a removable stage for the Event Lawn area. He received an email from BLM stating the patent for phase one, parcels 1 through 8, was mailed out to the city from the Nevada State office. With this, the Lands Bill 2013 is

finally completed. He gave a report on the positions that have been filed, and the positions that are open. He has been in contact with Mike Worm from the Boys' and Girls' Club of Truckee Meadows regarding the lease of the CRRC.

Councilwoman Zoberski stated the CRRC committee is completely put together, and we all decided on a date. It's just getting with different city staff members to make sure that date works for them.

Robert Carson, City Treasurer, stated that when the building is complete and vacant, all the utility bills and operating costs are already budgeted for and accounted for in the budget this year. There is around \$330,000 to accommodate that until we can get an agreement with the Boys and Girls Club.

Mayor McIntyre announced that the All Points Grill ribbon cutting is scheduled for Friday at 10 am.

Councilman Lau stated Monday and Tuesday they will be paving the rest of Shadow Lane.

Councilman Torres announced that the FCTA board will review the 10 grant applications submitted for fiscal year 25/26 round one, which is July through December 2025, and make grant selections during the Monday, June 9th FCTA Board meeting which starts at 6:00 pm. In regard to item 2.9 on tonight's agenda, the MOU between Main Street Fernley and the City of Fernley. A lot of people don't understand what the Main Street project is. If you want to see a very successful Main Street project, go to Gardnerville. The city down there has done an amazing job. It's a private and public entity partnership. Although the city of Fernley is part of the project, the government entity must be on board to receive most of the funding for the private sector.

Councilman Mendoza asked for an explanation as to why curbs, sidewalks & gutters were now put in at the end of Shadow Lane. He also stated that he would be attempting to make the meetings on the 9th and the 18th. He will be traveling on the 9th and is hoping to be able to zoom in on those meetings for that, and then I'll be out of town on the 18th. Maria Pas Fernandez, City Engineer, stated she would answer the question offline, and she can explain the design of the project.

3.2. State of Nevada Legislative update

Councilman Torres stated that the session ended at 1:00 am Monday night, Tuesday morning. There are a lot of things for Fernley that we opposed that we were able to stop, and there are a lot of things for Fernley that we supported that we were able to get through. We have one small rail bill that will probably come back either during the interim or special session. Mendy will be here on the 18th and give a very in-depth report. The City of Fernley's Bill SB70 was requesting money to continue expanding phases 2 and 3 of the Community Response and Resource Center (CRRC). This year's overall state budget was upside down, so it didn't even make it to the Finance Committee. We will keep trying.

4. PROCLAMATIONS BY THE MAYOR

None at this time.

5. PRESENTATIONS

5.1. (For Possible Action) and discussion to accept the renewal proposal from Nevada Public Agency Insurance Pool (POOL) and approval for payment of \$388,029.17 with a deductible of \$2,000.00 per claim from fiscal year 2025-2026 funds.

Tina Peterson, LP Insurance, and Steven Romero, PoolPact, presented. This year there was absolutely no change to the coverage forms. All these coverages have remained in place as long as the city has been with the Pool. Every year they like to do a side-by-side comparison. So, this year, they show what the city has allocated for 2024 versus 2025's exposure. On the payroll line, there was an increase of 8.16%. The total insured value went from \$68 million to \$80 million. As far as the insured value is concerned, that was a 16.8% increase. The auto count went from 67 to 74, another 10.45% increase.

The program costs from \$342,000 to \$388,000 this year. The actual increase was only 13.31%, which means everything that was increased was all based on exposure.

Motion: I MOVE TO ACCEPT THE RENEWAL PROPOSAL FROM NEVADA PUBLIC AGENCY INSURANCE POOL AND APPROVE FOR PAYMENT OF \$388,029.17 WITH A DEDUCTIBLE OF \$2,000.00 PER CLAIM FOR FISCAL YEAR 2025/2026 FUNDS. **Action:** Approved. **Moved by:** Councilman Albert Torres, **Seconded by:** Councilman Ryan Hanan. **Vote:** Passed, **Summary:** Yes 5. **Yes:** Councilwoman Zoberski, Councilman Lau, Councilman Torres, Councilman Hanan, Councilman Mendoza.

6. ORDINANCES

6.1. First reading and consideration of Bill 360, a general ordinance adopting the 2024 International Code Council (ICC) series, the 2023 National Electric Code, and the 2024 Northern Nevada Chapter of the International Code Council amendments, which will amend the City of Fernley Municipal Code, Title 8. Chapter 2, Buildings and Building Regulations and Building and Construction.

Charity Birkel, Building Official, stated this is the first reading and will come back with a presentation at the next council meeting.

7. RESOLUTIONS

7.1. (For Possible Action) Discussion and possible action to adopt Resolution #25-007 accepting the public improvements: roadway, water, sewer, and storm drain infrastructure for the Friendly 5 Ranch Village 2 project.

Alex Lopez Martinez, Project Manager, stated the engineering department issued a notice of completion on February 7th for the improvements done for Village 2 of the Friendly 5 Subdivision. Three new roads were introduced, Carson Way, Darci Lane and Maeve Way, as well as concluding the construction of Eleanor Way and Payton Way. Those were from Village 1. NRS 278.390 requires the local governing body to accept roadway right of way improvements by resolution.

Motion: I MOVE TO APPROVE RESOLUTION NO. 25-007 TO ACCEPT THE ROADWAY, WATER, SEWER, AND STORM DRAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS FOR FRIENDLY 5 RANCH VILLAGE 2. **Action:** Approved. **Moved by:** Councilman Stan Lau, **Seconded by:** Councilman Ryan Hanan. **Vote:** Passed, **Summary:** Yes 5. **Yes:** Councilwoman Zoberski, Councilman Lau, Councilman Torres, Councilman Hanan, Councilman Mendoza.

7.2. Discussion and possible action to approve Resolution 25-005 to implement City of Fernley Special Assessment District guidelines for private property owners.

Lydia Altick, Deputy City Manager, explained that a Special Assessment District (SAD) is a broad financing tool that counties, municipalities and towns in Nevada can utilize to fund a variety of infrastructure and improvement projects, such as streets, street lighting utilities, curb, gutter and sidewalks. Once negotiated with the private property owner, SADs are formalized through a process that includes public hearings, protest opportunities and the adoption of an ordinance by the City Council. Property assessments or fees are levied on property owners within the district who benefit from the improvements. Assessments are based on each property's proportional benefit from the improvements. SAD funding is not part of general property taxes, it's a separate additional fee only for properties within the district. Once the cost of the project is determined, it is financed through the issuance of bonds that are financed for a determined number of years and paid back, using annually collected assessments of each parcel of land within the special assessment district

Motion: I MOVE TO ADOPT 25-005 FORMALIZING THE CREATION OF GUIDELINES AND PROCEDURES OF PROPERTY OWNER-REQUESTED SPECIAL ASSESSMENT DISTRICTS IN THE CITY OF FERNLEY. **Action:** Approved. **Moved by:** Councilman Ryan Hanan, **Seconded by:** Councilman Albert Torres. **Vote:** Passed, **Summary:** Yes 5. **Yes:** Councilwoman Zoberski, Councilman Lau, Councilman Torres, Councilman Hanan, Councilman Mendoza.

8. PUBLIC HEARINGS

8.1. (For possible action) Discussion and possible action regarding Resolution #25-004 associated with a Master Plan Amendment application (MPA25002) submitted by the City of Fernley to adopt the Southwest Fernley Area Plan document for approximately 11,800 acres generally located south of the Truckee Canal and west of Highway 50/95 Alternate.

Michele Rambo, Planning Director, stated there was a notice issue, and they had to re-notice it again for the June 18th meeting, which is why we need to continue it to that date.

Public input:

Clayton Trapp, on behalf of a property owner within the proposed southwest area plan, expressed concern about the potential impact on his client's property.

Michele Rambo, Planning Director, stated the plan does not change the underlying zoning. They still have commercial zoning on that property.

Motion: I MOVE TO TABLE ITEM 8.1 UNTIL THE JUNE 18TH MEETING. **Action:** Approved. **Moved by:** Councilman Lau, **Seconded by:** Councilman Hanan. **Vote:** Passed, **Summary:** Yes 5. **Yes:** Councilwoman Zoberski, Councilman Lau, Councilman Torres, Councilman Hanan, Councilman Mendoza.

9. PUBLIC FORUM

None at this time.

There will be a special meeting on Monday, June 9, 2025, at 5:30 pm, and the next regular meeting is June 18, 2025 at 5:00 pm.

10. ADJOURNMENT

There being no further business to come before it, the Fernley City Council meeting adjourned at 6:04 pm.

Approved by the Fernley City Council on June 18, 2025, by a vote of:

AYES 3 NAYS: 0 ABSTENTIONS: 0 ABSENT: 1


Mayor Neal E. McIntyre


ATTEST: City Clerk Kim Swanson

CITY OF FERNLEY
RESOLUTION # 25-005

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNLEY
ESTABLISHING GUIDELINES AND PROCEDURES FOR THE CREATION OF
PRIVATE PROPERTY OWNER-REQUESTED SPECIAL ASSESSMENT DISTRICTS
PURSUANT TO NRS CHAPTER 271**

WHEREAS, the City of Fernley (the "City") is empowered under the Consolidated Local Improvements Law, Nevada Revised Statutes (NRS) Chapter 271, including NRS 271.325 and NRS 271.700 through 271.730, to create Special Assessment Districts ("SADs") for the purpose of acquiring, improving, equipping, operating, or maintaining certain public improvements; and

WHEREAS, the City recognizes that SADs provide an important financing mechanism for the construction of public infrastructure benefiting one or more properties being developed for residential, commercial, or industrial use; and

WHEREAS, the City desires to provide a clear framework for private property owners to request the creation of SADs and to ensure that such districts are created in a financially sound, environmentally responsible, and administratively efficient manner; and

WHEREAS, the City Council has reviewed and considered comprehensive guidelines governing the formation, financing, and operation of such SADs;

NOW THEREFORE, BE IT RESOLVED, by the City of Fernley, Nevada, City Council as follows:

Section 1. Purpose

The purpose of this Resolution is to adopt the City of Fernley Guidelines for Private Property Owner-Requested Special Assessment Districts (the "Guidelines") and to formally establish the City's process for receiving, evaluating, approving, and administering SADs initiated by petition under NRS Chapter 271.

Section 2. Adoption of Guidelines

The City Council hereby adopts the Guidelines attached hereto as **Exhibit A**, titled "**City of Fernley Guidelines for Private Property Owner-Requested Special Assessment Districts.**" These Guidelines establish the minimum legal, financial, environmental, and procedural criteria for SAD formation and shall govern all such private owner-initiated requests unless otherwise waived by the City Council as provided herein.

Section 3. Authority

This Resolution is adopted pursuant to NRS 271.325, which authorizes municipalities to create special assessment districts and enter into contracts with persons or developers

for infrastructure improvements that benefit new development, and to finance such improvements through the issuance of bonds and levy of assessments.

Section 4. Eligibility and Limitations

- Improvements must be public in nature and constructed to City standards;
- Only infrastructure ultimately owned or maintained by the City, or by agreement with another political subdivision, may be financed;
- Stand-alone districts shall generally involve no less than \$10,000,000 in bond issuance;
- Projects must show a minimum property benefit equal to the assessments levied; and
- All environmental and development conditions specified in the Guidelines must be met unless otherwise waived by the City Council as provided herein.

Section 5. Bond Issuance and Security

All SAD bonds shall be:

- Secured by assessment liens on the benefited property;
- Issued only upon satisfaction of minimum value-to-lien and security requirements;
- Structured to exclude any pledge of the City's general fund or taxing power;
- Sold only with evidence of marketability through underwriter commitment; and
- Structured not to exceed 30-year terms with reserve and disclosure requirements as detailed in the Guidelines.

Section 6. City Council Discretion

The City Council retains full discretion to:

- Waive or modify specific requirements of the Guidelines upon finding that such waiver is in the City's best interest;
- Approve or deny SAD applications based on staff and consultant review; and
- Require additional security, reporting, or documentation where necessary to protect the City's financial or operational interests.

Section 7. Procedure

The process for requesting formation of an SAD shall include:

1. A pre-application meeting with City staff;

2. Submission of a petition signed by all owners of record in the proposed district;
3. Submittal of an application demonstrating full compliance with the Guidelines;
4. Approval by the City Council to proceed with negotiations and formation;
5. Posting of financial security by the Property Owner for all preliminary and non-reimbursable costs.

Section 8. Effective Date

This Resolution shall become effective immediately upon its adoption.

ADOPTED this 4th day of June 2025 by the City of Fernley, Nevada City Council.

Aye: 5 Nay: 0 Abstention: 0 Absent: 0

FERNLEY CITY COUNCIL

By: Neal E. McIntyre Date: 6/4/2025
Neal E. McIntyre, Mayor

Attest: By: Kim Swanson Date: 6/4/2025
Kim Swanson, City Clerk

CITY OF FERNLEY
GUIDELINES FOR PRIVATE PROPERTY OWNER-REQUESTED
SPECIAL ASSESSMENT DISTRICTS

Pursuant to Nevada Revised Statutes (NRS), 271.700 through 271.730, The City of Fernley (the "City") is authorized under NRS 271.325 to create a district and order a project as defined under NRS 271.265 to be acquired or improved and may contract with a person (or developer) to construct or improve a project that benefits new development and issue bonds or otherwise finance the cost of the project and levy assessments. The purpose of these guidelines is to set forth the circumstances under which the City will consider this type of financing for infrastructure projects involving one or a small number of private property owners (referred to herein as "Property Owner") who intend on developing their property for commercial, industrial, residential or other beneficial use. Notwithstanding any other provision herein, these guidelines do not apply if the SAD (as defined below) is initiated by the provisional order method on the recommendation of the City Manager. The City Council reserves the right, on a case-by-case basis, to approve additional requirements or to waive specific requirements listed herein. Such additional or waived requirements shall be noted in the approval of any petition, together with a finding that the deviation from this policy is in the best interest of the City.

I. ELIGIBLE IMPROVEMENTS

A. Local Improvements

Through the "Consolidated Local Improvement Law" (Chapter 271 of the Nevada Revised Statutes), counties, cities, and towns are authorized to form special improvement districts (referred to herein as an "SAD") for the purpose of acquiring, improving, equipping, operating, and maintaining specific projects within the municipality. Projects include improvements such as street pavement, curb and gutter, sidewalk, streetlights, driveways, sewer and water facilities, etc. Such local improvement districts are generally formed to provide a source of funding for the construction and/or maintenance of eligible improvements within the City.

B. Public Ownership Requirements

Only publicly owned infrastructure for which the City is ultimately responsible or for which the City has entered into a cooperative agreement with another political subdivision is eligible for financing. Privately-owned improvements, such as electric, gas, and cable television improvements, streets or roads that are not dedicated to the City, and private portions of other improvements, such as sewer service lines from the property lines to the home or other structure, are not eligible for financing. Construction and improvements must be constructed in accordance with the City's standards and will only be accepted upon proper dedication of right-of-way and approval of said infrastructure improvements. Further, NRS Chapter 338.010 to 338.090, inclusive, applies to the public improvements.

C. Benefit

The improvements proposed to be constructed must benefit the property assessed (pre-appraisal value) by an amount at least equal to the amount of the assessments.

II. LIMITATIONS RELATED TO IMPROVEMENTS

A. Size

Generally, the City will not consider stand-alone assessment districts which involve less than \$10,000,000 in bonds.

III. ENVIRONMENTAL MATTERS

A Phase I environmental assessment (hazardous waste assessment) shall be performed on the property to be assessed, property on which the improvements are to be located, and any property to be dedicated to the City. Such Phase I environmental assessment must be provided to the City as part of the application for the SAD. Each Property Owner must also provide the City with an indemnification agreement in a form acceptable to the City, promising to indemnify the City (see example in Section VII. SAD application) for any and all liability and/or costs associated with any environmental hazards located on property assessed, property on which improvements financed with the assessment district are proposed to be located, or on any property dedicated to the City. In instances where there is other compelling evidence of environmental contamination, the Property Owner will be required to perform the environmental clean-up. Hazardous material mitigation will not be a reimbursable cost. If required by the City, the Property Owner shall perform a Phase II environmental assessment.

IV. DEVELOPMENT

A. Property Owner Experience and Financial Information

The Property Owner must demonstrate to the City that it has the expertise and financial resources to develop the property involved in the assessment district or has the expertise, resources and ability to complete the project for which the assessments are to be levied. To demonstrate its ability to develop, the Property Owner shall furnish the City with the following:

- Financial statements for the last three years (last two years audited) or third-party compilation as defined by the American Institute of Certified Public Accountants;
- List of prior developments of similar or larger size which the Property Owner has completed;
- List of references consisting of the names of officials of other political subdivisions in which the Property Owner has completed similar or larger size developments; and
- Evidence that the Property Owner has the financing to proceed with the development. (This evidence could consist of a commitment letter from a bank or other financial institution or other evidence that the Property Owner has

sufficient resources in its bank accounts and other investments to commence and complete development.)

B. Land Uses

The proposed development must be consistent with the City's Comprehensive Master Plan, City Zoning, and City Capital Improvement Program. The property owner must demonstrate that it reasonably expects to obtain all required discretionary development permits in sufficient time to complete the development as proposed.

C. Preliminary Title Report

A preliminary title report will be required to determine ownership of the impacted parcels as well as any lien, easement, judgment, etc., against the property.

D. Sewer Capacity

Connection to a public sewage treatment plant is required. The Property Owner must provide a "will serve" or similar commitment from the entity providing sewer service to the development stating that sufficient capacity has been reserved and is in existence or will be constructed concurrently with the subject development.

E. Other Permits

The Property Owner must provide to the City a status report of all other permitting processes required for the development of the property, including but not limited to historic preservation, wetlands, archeological, geological, etc. The City may deny any proposal based on an unsatisfactory report.

F. Water and Other Utilities

The Property Owner must provide letters from each entity that will provide utility (e.g., electricity, gas, telephone/internet) services to the development, if applicable, stating that capacity is then in existence or otherwise to be made available for the portions of the development to be assessed, in a sufficient quantity for the development to proceed to completion as proposed. With respect to water, the Property Owner must provide the City with information and documentation satisfactory to the City as to the availability of water for the development, if applicable.

V. ASSESSMENT BONDS AND BOND SECURITY

A. Primary Security

The primary security for bonds will be the assessment lien on the land proposed to be assessed. The Property Owner must demonstrate to the City that there is no significant financial risk to the City in issuing the Bonds. Property Owner's guarantee of payment of the assessment will be required unless a letter of credit or bond insurance policy is

provided guaranteeing payment of the bonds or unless either the appraisal indicates that the value of the property and other security pledged to the bonds is at least three and one-half (3.5) times the amount of the bonds proposed to be issued. If guarantees are required, they will be released with respect to any parcel that has been improved in any manner if the appraised value (as determined by an appraiser acceptable to the City) of the parcel is four or more times the amount of the unpaid assessment on such parcel or on which a substantial improvement, such as a commercial building, has been completed if the parcel has a size of two acres or less. The proposed security ratio shall not be reduced but may be increased for additional security.

B. Appraisal: Value to Lien Ratio

The Property Owner must provide the City with funds with which to have an expert prepare an appraisal. The appraiser will be selected by and contracted with the City. The City will require that an appraisal of the property that will be assessed indicate that the appraised value of the property "as is" (prior to further subdivision and without considering the installation of the improvements) is at least one and one-half (1.5) times the amount of the bonds proposed to be issued, and that the value of each parcel to be assessed after improvements financed with the assessment bonds are installed is at least three and one-half (3.5) times the amount of the proposed assessment against that parcel. These proposed value-to-lien ratios shall not be reduced but may be increased for additional security.

C. Absorption Study

The Property Owner must provide the City with funds to have an expert to prepare an absorption study, if applicable. The City shall select and contract with the expert who is to prepare this study illustrating the economic feasibility of the project based upon supply and demand trends and estimated conditions in the market area for the proposed product mix.

D. No Pledge of General Fund or Taxing Power

The City will not pledge its general fund, surplus and deficiency fund (if any) or taxing power to bonds issued to finance project improvements.

E. Bond Underwriting Commitment

The Property Owner must demonstrate to the City, and the City's financial advisor, that bonds proposed to be issued for the financing are saleable. Prior to the time the City commences work on the assessment district, the Property Owner must provide the City with a letter from a reputable underwriter or bond buyer, acceptable to the City, which states that the underwriter believes the bonds are marketable at a fixed interest rate acceptable to the Property Owner based on the prevailing market conditions, that it is willing to contract with the City to underwrite the bonds on a best efforts basis or that the bond buyer intends to acquire the bonds at a fixed interest rate which the bond

buyer and the Property Owner agree is acceptable and that it is willing to contract with the City to so acquire the bonds.

F. Bond Reserves

Interest accrued on the bond proceeds shall be held by the City in a debt service reserve fund.

G. Bond Terms

The term of the fixed-rate bonds shall not exceed thirty (30) years. The City will allow not more than two years of interest or the maximum permitted under federal tax laws, whichever is less, to be capitalized.

H. Additional Security

The Property Owner must demonstrate, to the satisfaction of the City, that there is no significant financial risk to the City in issuing the bonds. The determination of no significant financial risk will be determined by the City Council based upon a recommendation of the City Manager. If the City determines that it is not adequately protected by the security described in subsections A, B, and E of this Section V, the City may require additional security as it deems necessary.

I. Consultants

The City will permit the Property Owner to choose the consulting engineers and underwriter, provided that the entities chosen are acceptable to the City. The payment of all fees and expenses of these consultants shall be the responsibility of the Property Owner; however, these consultants will be responsible to and will act as consultants to and on behalf of the City in connection with the SAD. The City will select the bond counsel and financial advisor to be used in the issuance of the bonds.

J. Expenses

The Property Owner is responsible for all of the costs of the project prior to the time bonds are issued, including the costs of consulting engineers, assessment engineers, project management engineers, underwriters, the City's financial consultant, the City's bond counsel, the City's direct staff time set by an hourly rate or formula, the cost of preparing the appraisal, the absorption study, the environmental review and other matters listed above. These items will be eligible for reimbursement from bond proceeds if the bonds are ultimately issued; however, the Property Owner must agree to pay these costs even if bonds are not issued. At the time of application, the City will provide an estimate for these expenses in order to enable the Property Owner to more precisely anticipate costs associated with the process.

K. Project Acquisition.

The City will acquire completed projects after final inspection by the City, and audit by the City Public Works Department and City staff, and acceptance by the City Council. Unless approved by the City Manager, the City will only acquire discrete complete projects whose cost, together with the cost of other complete discrete projects being acquired at the same time, is \$250,000 (two hundred fifty thousand dollars) or more.

Disbursement of bond proceeds will be governed by a financing agreement between the Property Owners and the City.

Consistent with the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the Property Owner must demonstrate that it reasonably expects to submit reimbursable costs to the City, pursuant to the provisions of the financing agreement to be entered into by the Property Owner and the City, as will permit the City to expend not less than 85% of the net sale proceeds of any bonds issued to finance the SAD (or any portion thereof) within three years of the date of issuance of such bonds.

L. Cost Overruns

The Property Owner must agree to fund all project costs that exceed the amount available from the proceeds of the bonds issued for the project. The City will not commit to issuing additional bonds or otherwise provide funding for any such cost overruns.

M. Continuing Disclosure Reports

The Property Owner will prepare and distribute, at their own expense, reports associated with SEC Rule 15(c)2-12.

VI. PROCEDURE

A. Pre-Application Meeting

Initially, the Property Owner shall schedule a meeting with such representatives of the City as are designated by the City Manager to review the proposed development to discuss whether the development is one that may be eligible for financing under these guidelines.

B. Application

If the Property Owner decides to proceed after the initial meeting, the Property Owner and all owners of record of property in the proposed district must sign a petition for the district and file the petition and an application that contains sufficient information and exhibits to demonstrate that the proposed district will comply with all parts of these guidelines. The petition and application must be filed with the City Manager's office.

C. City Council Approval

If the application satisfies all sections of these guidelines, an item will be placed on the City Council agenda authorizing negotiations with respect to the proposed project. If this item is approved by the City Council, it is anticipated that staff will be authorized to begin negotiating the particulars of the financing with the Property Owner and other appropriate parties.

D. Security for Costs

Prior to entering negotiations, the Property Owner must post cash, a letter of credit, surety bond, or other acceptable form of security that the City Manager deems sufficient for payment of the costs described above.

VII. SPECIAL ASSESSMENT DISTRICT APPLICATION

Application Information — The following information needs to be supplied as part of the Application.

- A. Contact information
 - a. Applicant Name (if other than sole proprietor, please include individual contact name and information)
 - b. Applicant Physical Address/Mailing Address
 - c. Applicant Phone Number
 - d. Applicant E-mail Address
 - e. Date of Application
- B. Previous Special Assessment District experience, previous project description
 - a. Allocating Agency (Issuer of the previous SAD bonds, if not the City of Fernley) SAD Amount
 - b. Land Value
 - c. Date of SAD origination
 - d. Date of SAD Bond Sale/Placement
 - e. Development Team Information (Names/Phone Numbers/E-mail Addresses) Developer
- C. Contractor management Company Consultant
 - a. Attorney CPA
 - b. Appraiser
- D. Financial statements for the last three years (last two years audited) or third party compilation as defined by the American Institute of Certified Public Accountants
- E. Project Identification Site Information
 - a. Address (street, zip code) Parcel Number Approximate size in acres
 - b. Type of project (sewer, streets, sidewalks, etc.)
 - c. Zoning
 - d. If not properly zoned, is site currently in the process of rezoning? When will the zoning issue be resolved?
 - e. Date of transfer to the City (estimate). Appraisal, if available.
 - f. Phase I Environmental Assessment
 - g. Absorption Study, which shall, at a minimum, indicate the economic feasibility of the project based on supply and demand trends and estimated conditions in the market area for the proposed product mix.
- F. Discussion of the ability to make assessment payments if property develops slower than anticipated.
- G. Ownership Information
 - a. Parcel No. with Owner Name and Contact Address/Phone Name(s) of vested owner on Preliminary Title Report.
- H. Source of Funds

- a. Construction Financing (by source-must include all sources)
 - b. Provider's Name
 - c. Provider's Address (physical and mailing) Contact Person (Name, telephone, fax, and email)
 - d. Financing Source (Bond financing, Conventional, Non-Recourse, Owner Equity, Private, Other) Finance Type (Balloon Loan, Credit Enhancement, Deferred Loan, Forgivable Loan, Amortizing Loan, Other)
 - e. Commitment Date Principal Amount Interest Rate
 - f. Percentage of Construction Funding Underwriter Information
 - g. Expected Fixed Interest Rate Underwriter's Name
 - h. Underwriter's Address (physical and mailing) Underwriter Contact (Name, telephone, fax and e-mail) Finance Source (Bond financing, Other)
 - i. Commitment Date Principal Amount Term in Years
 - j. Type of Amortization Payment Frequency
 - k. Amortization beginning in year
- I. Potential Costs and Uses
- a. Land Buildings Construction Costs
 - b. Professional Fees Interim Costs
 - c. Permanent Financing Costs City Staff Costs
 - d. Soft costs (feasibility, market, environmental, compliance, appraisal, survey, other)
 - e. Number of subdivided parcels
 - f. Anticipated sales dates Anticipated sales costs
 - g. Administration costs (accounting, advertising, legal, management fees, taxes other)

J. Proposed Project Time Schedule (Build-Out Time frame required)

The City reserves the right to request additional information. The Applicant is required to make their best efforts to deliver the requested information.

K. Indemnification Certification

Sample:

The Property Owner (herein "Applicant"), _____ agrees to indemnify and hold harmless the City of Fernley, its officers, and employees against any and all losses, claims, damages, or liability to which the City, its officers, and employees may become subject under any law in connection with the issuance and sale of the Bonds and the carrying out of the transactions contemplated by the [name of applicable agreement], and to reimburse the City, its officers, and employees, for any out-of-pocket legal and other expenses (including reasonable counsel fees) incurred by the City, its officers, and employees, in connection with investigating any such losses, claims, damages, or liabilities or in connection with defending any actions relating thereto. The Applicant further agrees to indemnify the City and its officers and employees for any and all liability and/or costs associated with any environmental hazards located on the property assessed, property on which improvements financed with the assessment district are proposed to be located, or on any property dedicated to the City.

The City agrees, at the Applicant's request and expense, to cooperate in the investigation in defense of any claims, threatened litigation, and litigation and, upon the Applicant's request, to assert any and all rights, privileges, and defenses identified by the Applicant that may be available to the City's determination that such assertion is reasonable and warranted under the facts and circumstances.

PLEASE READ THE FOLLOWING IMPORTANT PARAGRAPHS AND ACKNOWLEDGE YOUR UNDERSTANDING BY INITIALING ALL APPLICABLE PARAGRAPHS

This application is for bond financing; the undersigned is responsible for ensuring that the project complies or will comply with the requirements of all City, State, and Federal Laws. The undersigned agrees to indemnify and save and hold the City of Fernley, its agents, officers, and employees harmless against all losses, costs, damages, expenses, and liabilities, whatsoever the nature and kind (including, but not limited to, attorney's fees, litigation and court costs, amounts paid in settlement, and amounts paid to satisfy a judgment) directly or indirectly resulting from, arising out of or related to acceptance, consideration and approval or disapproval of this application for bond financing.

Initial here_____

In all cases, the undersigned acknowledges and agrees that the project will be regulated in accordance with the terms of these guidelines and the agreement between the property Owner (Applicant) and the City of Fernley.

Initial here_____

The undersigned further acknowledges that the application becomes a matter of public record upon submission to the City of Fernley, its agents, officers, and/or employees.

Initial here_____

THE UNDERSIGNED, BEING DULY SWORN AND UNDER PENALTY OF PERJURY, HEREBY REPRESENTS AND CERTIFIES THAT HE/SHE IS DULY AUTHORIZED TO EXECUTE THIS APPLICATION ON BEHALF OF THE PROJECT SPONSOR AND THAT THE FOREGOING INFORMATION, TO THE BEST OF HIS/HER KNOWLEDGE, IS TRUE, COMPLETE AND ACCURATELY DESCRIBES THE PROPOSED PROJECT.

IN WITNESS HEREOF, the project sponsor has caused this document to be duly executed in its name on this day of _____.

Project Name:

Project Sponsor:

Authorized Agents Name:

Title:

Signature: _____

Lyon County APN: 021-303-41

RECORDING REQUESTED BY:

City of Fernley
595 Silver Lace Blvd
Fernley NV 89408

Main Recorded Documents to:

City of Fernley
595 Silver Lace Blvd
Fernley NV 89408

**RESOLUTION #25-007 FOR ACCEPTING
FRIENDLY 5 RANCH VILLAGE 2 SUBDIVISION, PUBLIC
IMPROVEMENTS THAT INCLUDES ROADWAYS, WATER, SEWER, AND
STORM DRAINS**

**FINAL MAP OF Friendly 5 Ranch Village 2 Subdivision
RECORDED AUGUST 26, 2024, DOCUMENT NUMBER 685305.**

WHEREAS, it is a function of the City of Fernley to operate and maintain public roads and public water, sewer, and storm drain infrastructure; and

WHEREAS, Eleanor Way, Payton Way, Darci Lane, Carson Way, and Maeve Way, were offered for dedication by Final Map of Friendly 5 Ranch Village 2 Subdivision, Document Number 685305, recorded on August 26, 2024 (the "Final Map"); and

WHEREAS, NRS 278.390 specifically provides that if at the time a final map is approved but the associated streets are rejected, the offer of dedication shall remain open and the governing body or planning commission may by resolution at a later date, and without further action by the subdivider, rescind its action and accept and open the streets for public use; and

WHEREAS, said streets have been constructed and meet current City standards; and

WHEREAS, The City Council finds that it is in the best interest of the public to accept said streets and public water, sewer, and storm drain infrastructure.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Fernley, pursuant to the authority of NRS 278.390, that , Eleanor Way, Payton Way, Darci Lane, Carson Way, and Maeve Way as shown on the Final Map are hereby accepted, and the Public Works Department is directed to open the roads for public use and maintenance.

BE IT FURTHER RESOLVED, and hereby ordered, that the City of Fernley, Public Works Department shall record this resolution in the Office of the Lyon County Recorder.

PASSED, APPROVED, AND ADOPTED this 4th day of June 2025, by the following
vote of the Council:

AYES: 5 NAYS: 0 ABSTENTIONS: 0 ABSENT: 0

FERNLEY CITY COUNCIL

Date: June 4, 2025

By: Neal E. McIntyre
Neal E. McIntyre, Mayor

Attest: Kim Swanson
City Clerk, Kim Swanson

FCC

[illegible]