



N E V A D A

AGENDA
Regular Meeting
City Council

Wednesday, November 19, 2025 • 5:00 PM

Mayor
Neal E. McIntyre

City Council
Ward 1 - Ryan Hanan
Ward 2 - Felicity Zoberski
Ward 3 - Stan Lau
Ward 4 - Albert Torres
Ward 5 - Joe Mendoza

City Manager

Fernley City Council Chambers, 595 Silver Lace Boulevard, Fernley, NV 89408

Zoom information:

Please click the following link to join the webinar: <https://us02web.zoom.us/j/82966343247>, or one tap_mobile: 12532158782, Dial: 669 900 9128, Webinar ID: 829 6634 3247

Public Notice: This agenda has been physically posted in compliance with 241.020 at Fernley City Hall, 595 Silver Lace Blvd. In addition, this agenda has been electronically posted in compliance with NRS 241.020(3) at www.cityoffernley.org and NRS 232.2175 at <https://notice.nv.gov/> To obtain further documentation regarding posting, please contact the City Clerk's Office at (775) 784-9830 or cityclerk@cityoffernley.org

Public Comment: Those wishing to address the City Council may submit public comment through the [online public comment form](#), or by sending an email to cityclerk@cityoffernley.org. Comments received prior to 4:00 pm the day of the meeting will be provided to City Council and added to the record but will not be read during the live meeting. Public comments received after 4 pm the day of the meeting will be included in the record but may not reach council members before action is taken. Public comment, whether on action items or public comment, is limited to three (3) minutes per person. Unused time may not be reserved by the speaker, nor allocated to another speaker. The public may comment on any matter that is not specifically included on an agenda as an action item or comment on a specific agenda item. Items not included on the agenda cannot be acted upon other than to place them on a future agenda. Additionally, if you wish you can comment in person at the meeting or use the Raise your Hand feature in Zoom (*9 if you are participating via phone).

Accommodations: City Council and staff will make reasonable efforts to assist and accommodate individuals with disabilities desiring to attend the meeting. Please contact the City Clerk's Office at (775) 784-9830 in advance so that arrangements can be made.

Supporting Material: Staff reports and supporting material for the meeting are available at the City Clerk's Office, and on the City's website at www.cityoffernley.org Pursuant to NRS 241.020(6), supporting material is made available to the general public at the same time it is provided to the City Council.

Order of Business: The presiding officer shall determine the order of the agenda. The Fernley City Council may combine two or more agenda items for consideration; remove an item from the agenda; or delay discussion relating to an item on the agenda at any time. All items are action items unless otherwise noted. Items scheduled to be heard at a specific time will be heard no earlier than the stated time but may be heard later.

1. INTRODUCTORY ITEMS

- 1.1. Pledge of Allegiance**
- 1.2. Roll Call**
- 1.3. Public Forum**
- 1.4. (For Possible Action) Approval of Agenda**

2. CONSENT AGENDA

(PLEASE NOTE: ALL MATTERS LISTED UNDER THE CONSENT AGENDA ARE CONSIDERED ROUTINE, AND MAY BE ACTED UPON BY THE COUNCIL MEMBERS IN ONE MOTION, AND WITHOUT AN EXTENSIVE HEARING. ANY MEMBER OF THE COUNCIL MAY REQUEST THAT AN ITEM BE TAKEN FROM THE CONSENT AGENDA, DISCUSSED, AND ACTED UPON SEPARATELY DURING THIS MEETING.)

- 2.1. (Possible Action) Approval of Voucher Report**
- 2.2. (Possible Action) Approval of Minutes**
- 2.3. (Possible Approval) Approval of Business Licenses**
- 2.4. Discussion and possible action to approve payment to A&K Earth Movers, Inc. for the emergency roadway repair of Wedge Lane in the amount of \$240,700.**
- 2.5. Discussion and possible action to approve the extension of the Southwest Gas Franchise Agreement for 25 years.**
- 2.6. Discussion and possible action to approve a contract with PacStates for IT Co-Managed IT Service Provider.**
- 2.7. (Possible Action) Approval the Non-Exclusive ("Open") Waste Franchise Agreement for Multi-family and Non-Residential Waste Collection for Nevada Recycling & Salvage, LLC**

3. REPORTS - THIS ITEM IS FOR VARIOUS PUBLIC ENTITY REPRESENTATIVES TO PROVIDE GENERAL INFORMATION TO THE COUNCIL AND PUBLIC. NO ACTION WILL BE TAKEN.

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

4. PROCLAMATIONS BY THE MAYOR

5. PRESENTATIONS

- 5.1. Presentation and discussion regarding the City's quarterly financial report.**
- 5.2. Presentation from Maurice Page, Executive Director of Nevada Housing Coalition on new legislation regarding housing and the state of housing in rural Nevada.**

6. STAFF REPORTS

- 6.1. Discussion and possible action to approve a six-month contract with PacStates for a city-wide infrastructure modernization and cloud identity migration plan.**

7. PUBLIC FORUM

8. ADJOURNMENT

Next Meeting: December 3rd @ 5pm

Report Criteria:

Detail report.

Invoice detail records above \$0 included.

Paid and unpaid invoices included.

Vendor.Vendor Number = {<>} 2201

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
AQUA BACKFLOW, INC								
8934	AQUA BACKFLOW, INC	2025-0332	Cross Control Prevention Program Management	11/04/2025	361.00		510-810-320 Prof Serv-Engineering	1125
Total 8934:					361.00			
ARAMARK (VESTIS)								
1895	ARAMARK (VESTIS)	5980332160	PS janitorial supplies	10/28/2025	242.65	11/07/2025	510-840-420 Outside Services	1025
1895	ARAMARK (VESTIS)	5980332168	uniforms	10/28/2025	83.43	11/07/2025	100-480-420 Outside Services	1025
1895	ARAMARK (VESTIS)	5980332169	matts for shop	10/28/2025	101.30	11/07/2025	100-480-420 Outside Services	1025
1895	ARAMARK (VESTIS)	5980332170	clothing/floor mats	10/28/2025	83.77	11/07/2025	100-475-420 Outside Services	1025
1895	ARAMARK (VESTIS)	5980332171	floor mat service	10/28/2025	32.85	11/07/2025	510-810-420 Outside Services	1025
1895	ARAMARK (VESTIS)	5980332173	Floor mats	10/28/2025	214.25	11/07/2025	100-417-420 Outside Services	1025
1895	ARAMARK (VESTIS)	5980333749	uniforms	11/04/2025	87.83	11/07/2025	100-480-420 Outside Services	1125
1895	ARAMARK (VESTIS)	5980333750	Clothing/Mats	11/04/2025	83.77	11/07/2025	100-475-420 Outside Services	1125
1895	ARAMARK (VESTIS)	5980333751	floor mat service	11/04/2025	32.85	11/07/2025	510-810-420 Outside Services	1125
1895	ARAMARK (VESTIS)	5980335393	Clothing/Floor Mats	11/11/2025	83.77		100-475-420 Outside Services	1125
1895	ARAMARK (VESTIS)	5980335396	Floor Mats	11/11/2025	214.25		100-417-420 Outside Services	1125
Total 1895:					1,260.72			
BIG R OF FERNLEY								
20	BIG R OF FERNLEY	23098/5	Spooktacular Supplies	10/28/2025	44.93	11/07/2025	100-412-650 Community Support	1025
20	BIG R OF FERNLEY	23107/5	Seat Covers/Rakes	10/28/2025	219.93	11/07/2025	100-475-600 General Supplies	1025
20	BIG R OF FERNLEY	23107/5	Boot Allowance Gaspar	10/28/2025	203.95	11/07/2025	100-475-616 Safety Supplies	1025
20	BIG R OF FERNLEY	23111/5	Batteries for City Hall (Not Spooktacular)	10/29/2025	71.96	11/07/2025	100-417-612 Building Maint Supplies	1025
20	BIG R OF FERNLEY	23117/5	Tidy Cat Buckets	10/30/2025	29.95	11/07/2025	100-525-600 General Supplies	1025
20	BIG R OF FERNLEY	23135/5	PS insulation	11/03/2025	59.99	11/07/2025	510-840-614 Shop Supplies	1125
20	BIG R OF FERNLEY	23147/5	Antifreeze	11/05/2025	47.88	11/07/2025	100-575-600 General Supplies	1125
20	BIG R OF FERNLEY	23149/5	Buckets	11/05/2025	31.44	11/07/2025	100-575-600 General Supplies	1125
20	BIG R OF FERNLEY	23151/5	Cleaning/Air Fresheners	11/05/2025	53.93	11/07/2025	100-475-614 Shop Supplies	1125
20	BIG R OF FERNLEY	23151/5	Chains for chain saw,	11/05/2025	135.42	11/07/2025	100-475-600 General Supplies	1125
20	BIG R OF FERNLEY	23157/5	WD40, Aersol, Oil, File	11/06/2025	55.94	11/07/2025	100-417-600 General Supplies	1125
20	BIG R OF FERNLEY	23159/5	METER TECH SUPPLIES	11/06/2025	160.95		510-810-614 Shop Supplies	1125
20	BIG R OF FERNLEY	23166/5	Hardware	11/07/2025	24.55		100-575-600 General Supplies	1125
20	BIG R OF FERNLEY	23184/5	Degreaser	11/10/2025	15.98		100-528-600 General Supplies	1125
Total 20:					1,156.80			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
BOB'S PRINTING AND SIGNAGE								
6970	BOB'S PRINTING AND SIGNAGE	102225-1	Business Cards for Travis Hall	11/04/2025	92.40	11/07/2025	100-605-600 General Supplies	1125
Total 6970:					92.40			
BRADY INDUSTRIES OF NEVADA LLC								
8837	BRADY INDUSTRIES OF NEVADA LLC	10863295	Paper towels, Trash Bags	11/07/2025	575.89		100-417-612 Building Maint Supplies	1125
Total 8837:					575.89			
BUILDING CODE SOLUTIONS INC								
9099	BUILDING CODE SOLUTIONS INC	1138	Plan review for BP25-592 Onsite Improvements	11/03/2025	2,429.20	11/07/2025	100-605-322 Prof Serv-Other	1125
Total 9099:					2,429.20			
CDW GOVERNMENT INC.								
27	CDW GOVERNMENT INC.	AG6LN5N	Code Enforcement Monitors and equipment	10/27/2025	2,257.14	11/07/2025	100-615-605 Minor Equipment	1025
Total 27:					2,257.14			
CHARTER COMMUNICATIONS								
4479	CHARTER COMMUNICATIONS	156824401102125	24401 10/28-11/27/25 355 Cottonwood	10/21/2025	129.98	11/07/2025	100-417-530 Communications	1025
Total 4479:					129.98			
CHASE PAYMENTECH MERCHANT SERVICES								
8637	CHASE PAYMENTECH MERCHANT SERVICES	10/2025	FINANCE-CREDIT CARD PROCESSING FEES 6291057	10/31/2025	1,444.23	10/31/2025	100-415-609 Credit Card Fees	1025
8637	CHASE PAYMENTECH MERCHANT SERVICES	10/2025	SEWER-CREDIT CARD PROCESSING FEES 6181757	10/31/2025	3,715.26	10/31/2025	520-810-609 Credit Card Fees	1025
8637	CHASE PAYMENTECH MERCHANT SERVICES	10/2025	FINANCE-CREDIT CARD PROCESSING FEES 6291058	10/31/2025	107.24	10/31/2025	100-415-609 Credit Card Fees	1025
8637	CHASE PAYMENTECH MERCHANT SERVICES	10/2025	WATER-CREDIT CARD PROCESSING FEES 6181757	10/31/2025	3,715.27	10/31/2025	510-810-609 Credit Card Fees	1025
Total 8637:					8,982.00			
CORWIN FORD								
8843	CORWIN FORD	109229	2026 Ford F250 V8433-Animal Control	10/28/2025	50,856.25	11/07/2025	100-525-742 Vehicles	1025
Total 8843:					50,856.25			
DEERE & COMPANY								
8556	DEERE & COMPANY	117833434	John Deere Turn Mower	10/30/2025	10,445.89	11/07/2025	100-575-741 Machinery	1025
Total 8556:					10,445.89			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
DOLAN FERNLEY DODGE								
8718	DOLAN FERNLEY DODGE	5519627	new mirrors for w/d dodge truck. old mirrors created big blind	10/17/2025	609.45	11/07/2025	100-480-610 Automotive Supplies	1025
8718	DOLAN FERNLEY DODGE	5519627-1	refund for incorrect mirror for w/d	10/22/2025	212.50-	11/07/2025	100-480-610 Automotive Supplies	1025
8718	DOLAN FERNLEY DODGE	5519645	new rear view mirrors for w/t dodge truck. Old mirrors would c	10/22/2025	1,024.25	11/07/2025	100-480-610 Automotive Supplies	1025
Total 8718:					1,421.20			
DOWL, LLC								
8931	DOWL, LLC	7363.30583.01-10	NPP Review 30% - DOWL	11/07/2025	71.00		100-529-320 Prof Serv-Engineering	1125
8931	DOWL, LLC	7363.30583.01-9	Engineering support services (pre-apps, development meetin	11/07/2025	2,538.00		100-610-320 Prof Serv-Engineering	1125
8931	DOWL, LLC	7382.30332.02	COA25004 and COA25003 survey review	11/04/2025	900.00		100-228311 Engineering Reimb. (Maps)	1125
Total 8931:					3,509.00			
EMPLOYEES, CITY OF FERNLEY								
8639	EMPLOYEES, CITY OF FERNLEY	102325	PER DIEM A. MOURITSEN 2025 IMLA CONF. NEW ORLEA	10/23/2025	338.00	11/07/2025	100-414-582 Travel	1025
8639	EMPLOYEES, CITY OF FERNLEY	102325	REIMB FOR UBER TO AND FROM HOTEL 2025 IMLA CONF	10/23/2025	54.90	11/07/2025	100-414-582 Travel	1025
8639	EMPLOYEES, CITY OF FERNLEY	102325	REIMB FOR HOTEL STAY FOR 2025 IMLA CONF. NEW OR	10/23/2025	1,319.60	11/07/2025	100-414-582 Travel	1025
8639	EMPLOYEES, CITY OF FERNLEY	102925	REIMB FOR ANNUAL BOOTS- J. HUHTALA	10/29/2025	250.00	11/07/2025	510-840-616 Safety Supplies	1025
Total 8639:					1,962.50			
EVERON, LLC								
8979	EVERON, LLC	159929661	PS Security system service agreement	10/29/2025	76.19	11/07/2025	510-840-420 Outside Services	1025
Total 8979:					76.19			
FEDEX FREIGHT								
8727	FEDEX FREIGHT	9-049-95588	Water Treatment Plant Oil Samples	10/31/2025	10.80	11/07/2025	510-840-550 Printing and Postage	1025
Total 8727:					10.80			
FERNLEY CHAMBER OF COMMERCE								
513	FERNLEY CHAMBER OF COMMERCE	7238	Chamber Luncheon	11/03/2025	25.00	11/07/2025	100-416-581 Dues and Memberships	1125
Total 513:					25.00			
FLYNN GIUDICI GOVERNMENT AFFAIRS LLC								
8869	FLYNN GIUDICI GOVERNMENT AFFAIRS LLC	INV-0631	Lobbyist Contract NOV 25	11/01/2025	5,800.00	11/07/2025	100-413-322 Prof Serv-Other	1125
Total 8869:					5,800.00			
GRAINGER								
252	GRAINGER	9688044123	speed control cla-valve for sage ranch booster	10/27/2025	738.49	11/07/2025	510-840-614 Shop Supplies	1025

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 252:					738.49			
GRANITE CONSTRUCTION CO								
64	GRANITE CONSTRUCTION CO	3084301	Cold Mix	11/03/2025	435.00		100-475-600 General Supplies	1125
Total 64:					435.00			
GRANITE TELECOMMUNICATIONS, LLC								
8838	GRANITE TELECOMMUNICATIONS, LLC	722270305	COMMUNICATIONS NOV 2025	11/01/2025	261.07	11/08/2025	100-417-530 Communications	1125
Total 8838:					261.07			
HANNEMAN SERVICE								
70	HANNEMAN SERVICE	111955	Misc. Service Labor	10/23/2025	145.00	11/07/2025	100-615-420 Outside Services	1025
70	HANNEMAN SERVICE	111956	Misc. Service Labor	10/24/2025	145.00	11/07/2025	100-615-420 Outside Services	1025
70	HANNEMAN SERVICE	111957	Misc. Service Labor	10/23/2025	145.00	11/07/2025	100-615-420 Outside Services	1025
70	HANNEMAN SERVICE	14553	1996 Lexus ES300 Brown 841 Scott Drive 670Y89	10/23/2025	55.00	11/07/2025	100-615-420 Outside Services	1025
70	HANNEMAN SERVICE	14554	2014 Kia Sorento W93097 End of Mortensen	10/23/2025	55.00	11/07/2025	100-615-420 Outside Services	1025
70	HANNEMAN SERVICE	14555	1999 Honda Civic No Plates 425 Aspen	10/23/2025	55.00	11/07/2025	100-615-420 Outside Services	1025
Total 70:					600.00			
HARBOR FREIGHT COMMERCIAL ACCOUNT								
457	HARBOR FREIGHT COMMERCIAL ACCOUNT	de8cb79a	PS credit for utility cart tax	10/29/2025	5.70-	11/07/2025	510-840-614 Shop Supplies	1025
Total 457:					5.70-			
HAT LTD PARTNERSHIP								
110	HAT LTD PARTNERSHIP	17270614	Temp Manpower S Hedrick W/end 10/26/25	10/29/2025	67.72	11/07/2025	520-810-420 Outside Services	1025
110	HAT LTD PARTNERSHIP	17270614	Temp Manpower S Hedrick W/end 10/26/25	10/29/2025	129.30	11/07/2025	510-810-420 Outside Services	1025
110	HAT LTD PARTNERSHIP	17270614	Temp Manpower S Hedrick W/end 10/26/25	10/29/2025	682.54	11/07/2025	100-416-420 Outside Services	1025
Total 110:					879.56			
HERC RENTALS								
8732	HERC RENTALS	36016606-001	Dozer Rental Sage Subdivision	11/07/2025	2,417.50		100-475-441 Rentals	1125
Total 8732:					2,417.50			
INTERSTATE OIL COMPANY								
4329	INTERSTATE OIL COMPANY	889306-IN	oil for shop	11/10/2025	198.31	11/07/2025	100-480-610 Automotive Supplies	1125

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 4329:					198.31			
JOHNSON CONTROLS FIRE PROTECTION LP								
8667	JOHNSON CONTROLS FIRE PROTECTION LP	53516650	New fire monitor control panels	11/07/2025	2,911.20		100-417-430 Outside Serv-Repair & Maint	1125
Total 8667:					2,911.20			
K & K SYSTEMS, INC								
8786	K & K SYSTEMS, INC	29242	Timers for school zone beacons	11/06/2025	3,468.68	11/07/2025	100-475-615 Sign & Stripe Supplies	1125
Total 8786:					3,468.68			
KIMLEY-HORN AND ASSOCIATES, INC.								
8715	KIMLEY-HORN AND ASSOCIATES, INC.	192100009-1025	South Area Plan	10/31/2025	4,592.00	11/07/2025	100-610-322 Prof Serv-Other	1025
8715	KIMLEY-HORN AND ASSOCIATES, INC.	33377859	CIP/Impact Fee Study	10/31/2025	11,750.00	11/07/2025	100-610-322 Prof Serv-Other	1025
8715	KIMLEY-HORN AND ASSOCIATES, INC.	33540441	Infrastructure Plan - N/SW Area	10/31/2025	4,250.00	11/07/2025	100-610-322 Prof Serv-Other	1025
Total 8715:					20,592.00			
KOCH ELEVATOR CO.								
8751	KOCH ELEVATOR CO.	433635	Elevator Inspections	11/07/2025	236.75		100-417-430 Outside Serv-Repair & Maint	1125
Total 8751:					236.75			
LEHR AUTO								
9074	LEHR AUTO	SI125686	Blue lights for equipment	11/07/2025	3,001.20		100-480-610 Automotive Supplies	1125
Total 9074:					3,001.20			
LICKETY SPLIT EXPRESS WASH, LLC								
9051	LICKETY SPLIT EXPRESS WASH, LLC	#10 BLD OCT 25	1 car wash	10/31/2025	11.00	11/07/2025	100-605-420 Outside Services	1025
9051	LICKETY SPLIT EXPRESS WASH, LLC	#15 CITY HALL 6001 OCT	4 car washes	10/31/2025	44.00	11/07/2025	100-417-420 Outside Services	1025
9051	LICKETY SPLIT EXPRESS WASH, LLC	#6 UTDIR OCT 25	7 Car washes	10/31/2025	25.67	11/07/2025	520-810-420 Outside Services	1025
9051	LICKETY SPLIT EXPRESS WASH, LLC	#6 UTDIR OCT 25	7 Car washes	10/31/2025	25.66	11/07/2025	510-810-420 Outside Services	1025
9051	LICKETY SPLIT EXPRESS WASH, LLC	#6 UTDIR OCT 25	7 Car washes	10/31/2025	25.67	11/07/2025	510-840-420 Outside Services	1025
9051	LICKETY SPLIT EXPRESS WASH, LLC	#8 WW OCT 25	1 truck wash	10/31/2025	11.00	11/07/2025	520-810-420 Outside Services	1025
9051	LICKETY SPLIT EXPRESS WASH, LLC	#9 WTP OCT 25	2 truck washes	10/31/2025	22.00	11/07/2025	510-840-420 Outside Services	1025
Total 9051:					165.00			
LOWES CREDIT SERVICES								
7650	LOWES CREDIT SERVICES	73148	Oil heater, GFI Switch, Bucket	11/10/2025	121.07		100-575-600 General Supplies	1125
7650	LOWES CREDIT SERVICES	75821	well 4 supplies	10/27/2025	96.75	11/07/2025	510-810-614 Shop Supplies	1025

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
7650	LOWES CREDIT SERVICES	89560	WWTP electrical outlet install parts (Kordell)	11/03/2025	26.05		520-810-600 General Supplies	1125
7650	LOWES CREDIT SERVICES	92666	Pipe insulation, Tape, Keys, film sheets	11/05/2025	330.35		100-575-600 General Supplies	1125
7650	LOWES CREDIT SERVICES	92841	Propane	11/05/2025	203.94		100-475-623 Propane	1125
7650	LOWES CREDIT SERVICES	94369	Well 4 parts/supplies	11/06/2025	28.47	11/07/2025	510-810-614 Shop Supplies	1125
7650	LOWES CREDIT SERVICES	94800	well 9 roof repair parts	11/06/2025	25.62	11/07/2025	510-810-600 General Supplies	1125
7650	LOWES CREDIT SERVICES	94800	shop cleaning supplies	11/06/2025	104.17	11/07/2025	510-810-614 Shop Supplies	1125
7650	LOWES CREDIT SERVICES	94951-1	Paint, Tape, putty knife	10/21/2025	33.36		100-417-600 General Supplies	1025
7650	LOWES CREDIT SERVICES	972211	Irrigation Supplies	10/09/2025	157.54		100-575-600 General Supplies	1025
Total 7650:					1,127.32			
LYON COUNTY CLERK/TREASURER								
106	LYON COUNTY CLERK/TREASURER	TLT Oct 25	Transient Lodging Tax	10/31/2025	3,906.77	11/07/2025	225-227010 TLT Payable to County	1025
Total 106:					3,906.77			
LYON COUNTY RECORDER								
108	LYON COUNTY RECORDER	11425	WATER RIGHTS ASSIGNMENT & ASSUMPTION, EASTERN	11/04/2025	43.00	11/07/2025	510-810-320 Prof Serv-Engineering	1125
Total 108:					43.00			
MARSHALL'S SEPTIC CARE								
8509	MARSHALL'S SEPTIC CARE	128014	Portable Restroom Maintenance	11/01/2025	220.66	11/07/2025	100-575-430 Outside Serv-Repair & Maint	1125
8509	MARSHALL'S SEPTIC CARE	128011	Portable Restroom Maintenance	11/01/2025	128.33	11/07/2025	100-575-430 Outside Serv-Repair & Maint	1125
8509	MARSHALL'S SEPTIC CARE	128012	Portable Restroom Maintenance	11/01/2025	128.33	11/07/2025	100-575-430 Outside Serv-Repair & Maint	1125
8509	MARSHALL'S SEPTIC CARE	128013	Portable Restroom Maintenance	11/01/2025	551.65	11/07/2025	100-575-430 Outside Serv-Repair & Maint	1125
8509	MARSHALL'S SEPTIC CARE	128015	Portable Restroom Maintenance	11/01/2025	220.66	11/07/2025	100-575-430 Outside Serv-Repair & Maint	1125
8509	MARSHALL'S SEPTIC CARE	128016	Portable Restroom Maintenance	11/01/2025	118.33	11/07/2025	100-575-430 Outside Serv-Repair & Maint	1125
8509	MARSHALL'S SEPTIC CARE	128017	Portable Restroom Maintenance	11/01/2025	118.33	11/07/2025	100-417-430 Outside Serv-Repair & Maint	1125
Total 8509:					1,486.29			
MATHEUS, SENIOR JUDGE LORI								
8042	MATHEUS, SENIOR JUDGE LORI	NOV 2025	MUNICIPAL COURT JUDGE	11/30/2025	7,916.67	11/07/2025	100-425-322 Prof Serv-Other	1125
Total 8042:					7,916.67			
MISCELLANEOUS ONE TIME VENDOR								
1111	MISCELLANEOUS ONE TIME VENDOR	103025	REFUND OPEN/CLOSE DEPOSIT OF PLOT A62	10/30/2025	350.00	11/07/2025	100-223200 Deferred Revenue - Cem. Plots	1025
1111	MISCELLANEOUS ONE TIME VENDOR	103025	REFUND MARKER DEPOSIT	10/30/2025	250.00	11/07/2025	100-223200 Deferred Revenue - Cem. Plots	1025
Total 1111:					600.00			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
NAPA AUTO & TRUCK PARTS								
58	NAPA AUTO & TRUCK PARTS	438763	parts to finish a inverter install on truck 1077	10/28/2025	89.13	11/07/2025	100-480-610 Automotive Supplies	1025
58	NAPA AUTO & TRUCK PARTS	439174	shop tools	11/05/2025	28.28	11/07/2025	100-480-600 General Supplies	1125
58	NAPA AUTO & TRUCK PARTS	439189	new fogger set up	11/05/2025	145.64	11/07/2025	100-480-610 Automotive Supplies	1125
58	NAPA AUTO & TRUCK PARTS	439191	fogger set up	11/05/2025	17.73	11/07/2025	100-480-610 Automotive Supplies	1125
Total 58:					280.78			
NEOGOV (Governmentjobs.com, Inc.)								
9100	NEOGOV (Governmentjobs.com, Inc.)	INV-147572	INSIGHT AND POWER POLICY SETUPS, ANNUAL SUBSC	11/01/2025	11,820.59		100-418-342 Tech Services-Other	1125
Total 9100:					11,820.59			
NEVADA DEPARTMENT OF TAXATION								
6378	NEVADA DEPARTMENT OF TAXATION	TLT Oct 25	Transient Lodging Tax	10/31/2025	2,344.06	11/07/2025	225-227015 TLT Payable to State	1025
Total 6378:					2,344.06			
NV ENERGY								
167	NV ENERGY	10601 NOV 25	80865908610601 ACH	10/30/2025	37.54	11/18/2025	100-475-622 Electricity	1025
167	NV ENERGY	13818 OCT 25	34596405113818 ACH	10/25/2025	38.04	11/13/2025	100-475-622 Electricity	1025
167	NV ENERGY	26445 OCT 25	34596505226445 ACH	10/24/2025	5,554.96	11/12/2025	510-840-622 Electricity	1025
167	NV ENERGY	28458 OCT 25	34596505228458 ACH	10/24/2025	11,781.75	11/12/2025	510-840-622 Electricity	1025
167	NV ENERGY	29499 NOV 25	1000213677906929499 ACH	10/29/2025	52.77	11/17/2025	100-475-622 Electricity	1025
167	NV ENERGY	30672 OCT 25	213677908230672 ACH	10/25/2025	44.14	11/13/2025	100-575-622 Electricity	1025
167	NV ENERGY	71493 OCT 25	271223607571493 ACH	10/25/2025	43.71	11/13/2025	100-475-622 Electricity	1025
167	NV ENERGY	97731 OCT 25	213677908197731 ACH	10/25/2025	46.22	11/13/2025	100-575-622 Electricity	1025
Total 167:					17,599.13			
OFFICE DEPOT								
133	OFFICE DEPOT	443709742001	Office supplies for CE Officers- keyboard/mouse, staplers, po	10/23/2025	430.98	11/07/2025	100-615-601 Office Supplies	1025
133	OFFICE DEPOT	443710659001	Trash Cans for the code enforcement officers	10/23/2025	28.86	11/07/2025	100-615-601 Office Supplies	1025
133	OFFICE DEPOT	443733927001	Office Supplies- USB 2.0	11/03/2025	19.48	11/07/2025	100-416-600 General Supplies	1125
133	OFFICE DEPOT	444441840001	Office supplies-folders, office chair	10/27/2025	192.28	11/07/2025	100-417-601 Office Supplies	1025
133	OFFICE DEPOT	444729668001	2025-2026 Calendars	10/23/2025	88.47	11/07/2025	520-810-601 Office Supplies	1025
133	OFFICE DEPOT	444729668001	2025-2026 Calendars	10/23/2025	7.33	11/07/2025	510-840-601 Office Supplies	1025
133	OFFICE DEPOT	444729668001	2025-2026 Calendars	10/23/2025	31.32	11/07/2025	510-810-601 Office Supplies	1025
133	OFFICE DEPOT	444755473001	2026 Calendar	10/23/2025	68.29	11/07/2025	510-840-601 Office Supplies	1025
133	OFFICE DEPOT	445312752001	UT OFFICE SUPPLIES-Toner	10/27/2025	313.95		520-810-601 Office Supplies	1025
133	OFFICE DEPOT	445312752001	UT OFFICE SUPPLIES- Toner	10/27/2025	313.94		510-810-601 Office Supplies	1025
Total 133:					1,494.90			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
O'REILLY AUTO PARTS								
6230	O'REILLY AUTO PARTS	3599-366613	FORD ESCAPE WINDOW REGULATOR	07/28/2025	74.69	11/07/2025	100-480-610 Automotive Supplies	725
6230	O'REILLY AUTO PARTS	3599-379310	inverter for 1077	10/15/2025	328.01	11/07/2025	100-480-610 Automotive Supplies	1025
6230	O'REILLY AUTO PARTS	3599-381304	filters for fleet vehicles fords eco boost	10/28/2025	36.00	11/07/2025	100-480-610 Automotive Supplies	1025
Total 6230:					438.70			
PACIFIC OFFICE AUTOMATION								
8929	PACIFIC OFFICE AUTOMATION	7R03056-11	Utilities- Frontline	11/01/2025	347.94	11/07/2025	510-810-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03056-11	COA	11/01/2025	695.88	11/07/2025	100-414-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03056-11	Clerk	11/01/2025	695.88	11/07/2025	100-416-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03056-11	HR	11/01/2025	347.94	11/07/2025	100-419-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03056-11	Utilities- Frontline	11/01/2025	347.94	11/07/2025	520-810-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03056-11	FMC	11/01/2025	695.88	11/07/2025	100-425-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03056-11	CMO	11/01/2025	347.94	11/07/2025	100-413-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03056-11	Main	11/01/2025	695.88	11/07/2025	100-417-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03362-2	Utilities Printer	11/01/2025	235.00	11/07/2025	520-810-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03362-2	Utilities Printer	11/01/2025	117.50	11/07/2025	510-840-550 Printing and Postage	1125
8929	PACIFIC OFFICE AUTOMATION	7R03362-2	Utilities Printer	11/01/2025	117.50	11/07/2025	510-810-550 Printing and Postage	1125
Total 8929:					4,645.28			
PAPE KENWORTH								
3097	PAPE KENWORTH	16483823	Emergency Brake Cable for Mower	10/31/2025	247.46	11/07/2025	100-575-600 General Supplies	1025
Total 3097:					247.46			
PRIMO BRANDS								
4688	PRIMO BRANDS	5K8730273253	water service	11/08/2025	315.77		510-810-420 Outside Services	1125
Total 4688:					315.77			
PUBLIC EMPLOYEES BENEFITS PROG								
143	PUBLIC EMPLOYEES BENEFITS PROG	NOV 2025	Retiree Insurance #819	11/04/2025	450.57	11/07/2025	520-219910 OPEB Liability	1125
Total 143:					450.57			
RED FLAG REPORTING								
8644	RED FLAG REPORTING	197950	Red Flag Reporting	11/01/2025	875.00	11/07/2025	100-415-322 Prof Serv-Other	1125
Total 8644:					875.00			
RENO GAZETTE JOURNAL								
152	RENO GAZETTE JOURNAL	7388131	Bill #368 Introduced	10/31/2025	110.76	11/07/2025	100-416-540 Advertising	1025

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
152	RENO GAZETTE JOURNAL	7388131	Bill #368 Adopted	10/31/2025	122.16	11/07/2025	100-416-540 Advertising	1025
152	RENO GAZETTE JOURNAL	7388131	Proposal for Cemetery Master Plan	10/31/2025	224.76	11/07/2025	100-610-540 Advertising	1025
152	RENO GAZETTE JOURNAL	7388131	Bill #365 Introduced	10/31/2025	97.08	11/07/2025	100-416-540 Advertising	1025
152	RENO GAZETTE JOURNAL	7388131	1st Qtr 2026 Receipts, Expenses & Expenditures	10/31/2025	92.52	11/07/2025	100-416-540 Advertising	1025
152	RENO GAZETTE JOURNAL	7388131	Bill #369 Adopted	10/31/2025	72.00	11/07/2025	100-416-540 Advertising	1025
152	RENO GAZETTE JOURNAL	7388131	Bill #367 Adopted	10/31/2025	90.24	11/07/2025	100-416-540 Advertising	1025
152	RENO GAZETTE JOURNAL	7388131	Proposal for Cemetery Master Plan	10/31/2025	105.16	11/07/2025	100-417-540 Advertising	1025
152	RENO GAZETTE JOURNAL	7388131	Bill #367 Introduced	10/31/2025	97.08	11/07/2025	100-416-540 Advertising	1025
152	RENO GAZETTE JOURNAL	7388166	Legal Ads October	10/31/2025	417.24	11/07/2025	100-610-540 Advertising	1025
Total 152:					1,429.00			
RENO ROCK TRANSPORT								
7002	RENO ROCK TRANSPORT	245039	6x9 Rock	11/06/2025	4,002.00	11/07/2025	100-475-600 General Supplies	1125
Total 7002:					4,002.00			
SACRED VISIONS POWWOW COMMITTEE								
8669	SACRED VISIONS POWWOW COMMITTEE	Final R1 FY25/26SV	Final RI 25-26 Sacred Visions	11/05/2025	8,011.00	11/07/2025	225-575-650 Community Support	1125
Total 8669:					8,011.00			
SILVER STATE ANALYTICAL LABORATORIES								
7856	SILVER STATE ANALYTICAL LABORATORIES	RN335273	october monthly samples	10/22/2025	264.00	11/07/2025	510-810-423 Outside Serv-Analytical	1025
7856	SILVER STATE ANALYTICAL LABORATORIES	RN335279	sunny lane samples- store all project	10/22/2025	44.00	11/07/2025	510-810-423 Outside Serv-Analytical	1025
7856	SILVER STATE ANALYTICAL LABORATORIES	RN335469	WWTP samples	10/29/2025	512.00	11/07/2025	520-810-423 Outside Serv-Analytical	1025
7856	SILVER STATE ANALYTICAL LABORATORIES	RN335475	WWTP Samples	10/29/2025	188.00	11/07/2025	520-810-423 Outside Serv-Analytical	1025
7856	SILVER STATE ANALYTICAL LABORATORIES	RN335614	WWTP Samples	10/31/2025	202.00	11/07/2025	520-810-423 Outside Serv-Analytical	1025
Total 7856:					1,210.00			
SILVER STATE BARRICADE								
170	SILVER STATE BARRICADE	99261	Bag Patch	10/30/2025	1,275.00	11/07/2025	100-475-600 General Supplies	1025
Total 170:					1,275.00			
SONEPAR MOUNTAIN HOLDINGS LLC								
9068	SONEPAR MOUNTAIN HOLDINGS LLC	S009523027.001	PS PLC components	10/24/2025	769.20	11/07/2025	510-840-614 Shop Supplies	1025
9068	SONEPAR MOUNTAIN HOLDINGS LLC	S009523027.002	PS PLC Components	10/24/2025	3,844.80	11/07/2025	510-840-614 Shop Supplies	1025
Total 9068:					4,614.00			
SOSU TV CORP								
8909	SOSU TV CORP	WC1634	Fernley Focus Videos -NOV 25	11/01/2025	1,580.00	11/07/2025	100-413-322 Prof Serv-Other	1125

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 8909:					1,580.00			
SOUTHERN TIRE MART LLC								
8964	SOUTHERN TIRE MART LLC	7590053864	Streets front tires for back hoe	10/23/2025	1,789.14	11/07/2025	100-480-610 Automotive Supplies	1025
Total 8964:					1,789.14			
SUNRISE ENVIRONMENTAL SCIENTIFIC								
230	SUNRISE ENVIRONMENTAL SCIENTIFIC	157250	Scent control and root killer	10/24/2025	3,075.50	11/07/2025	520-810-617 Chemical Supplies	1025
Total 230:					3,075.50			
TAGGART & TAGGART LTD								
3275	TAGGART & TAGGART LTD	415	Water Right Contract FY25/26 OCT 25	10/31/2025	12,495.74	11/07/2025	510-810-698 Water Rights Protection	1025
Total 3275:					12,495.74			
THATCHER COMPANY, INC.								
8646	THATCHER COMPANY, INC.	2025400105353	WWTP Chlorine	10/22/2025	14,085.00	11/07/2025	520-810-617 Chemical Supplies	1025
8646	THATCHER COMPANY, INC.	2025400105354	well 14 chemical delivery	10/17/2025	2,347.97	11/07/2025	510-810-617 Chemical Supplies	1025
8646	THATCHER COMPANY, INC.	2025400105355	well 13 chem delivery	10/17/2025	3,521.25	11/07/2025	510-810-617 Chemical Supplies	1025
8646	THATCHER COMPANY, INC.	2025400105374	well 11 chem delivery	10/17/2025	2,112.51	11/07/2025	510-810-617 Chemical Supplies	1025
8646	THATCHER COMPANY, INC.	2025400105375	well 4 chem delivery	10/17/2025	3,756.00	11/07/2025	510-810-617 Chemical Supplies	1025
Total 8646:					25,822.73			
THE FERNLEY REPORTER								
8618	THE FERNLEY REPORTER	220	FSCAC Advertisement	10/13/2025	112.03	11/07/2025	100-416-540 Advertising	1025
Total 8618:					112.03			
THE SPYGLASS GROUP, LLC								
9075	THE SPYGLASS GROUP, LLC	28268	Consulting Fee for Voice/Data services	11/06/2025	33,648.20		100-415-530 Communications	1125
Total 9075:					33,648.20			
TITAN ELECTRICAL CO								
6548	TITAN ELECTRICAL CO	13035	Crosswalk Beacon repair	10/31/2025	344.00		100-475-422 Outside Serv-Traf Light Maint	1025
Total 6548:					344.00			
TSK								
8714	TSK	21-058.00-35	CRRC 9/1/25 through 9/30/25	10/24/2025	3,554.26	11/07/2025	225-575-720 Buildings	1025

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title	GL Period
Total 8714:					3,554.26			
UNION PACIFIC RAILROAD COMPANY								
185	UNION PACIFIC RAILROAD COMPANY	90150698	NV Pacific PKWY overpass CLS 58-SAP WO71719	10/15/2025	1,925.13	11/07/2025	100-475-730 Improve Other than Buildings	1025
Total 185:					1,925.13			
UTILITY DEPOSITS								
2202	UTILITY DEPOSITS	1124104	SEWER DEPOSIT REFUND	10/30/2025	20.44	11/07/2025	520-228200 Customer Deposits	1025
2202	UTILITY DEPOSITS	16895803	SEWER DEPOSIT REFUND	10/28/2025	55.15	11/07/2025	520-228200 Customer Deposits	1025
2202	UTILITY DEPOSITS	16982401	SEWER DEPOSIT REFUND	10/23/2025	75.56	11/07/2025	520-228200 Customer Deposits	1025
2202	UTILITY DEPOSITS	30653815	WATER DEPOSIT REFUND	10/29/2025	1,497.04	11/07/2025	510-228200 Customer Deposits	1025
Total 2202:					1,648.19			
WASTE MANAGEMENT								
447	WASTE MANAGEMENT	25001 NOV 25	6-82646-25001	11/03/2025	860.96	11/07/2025	100-475-412 Utility Serv-Refuse	1125
447	WASTE MANAGEMENT	33001 NOV 25	11-60772-33001	11/06/2025	147.68	11/07/2025	100-417-412 Utility Serv-Refuse	1125
447	WASTE MANAGEMENT	33005 NOV 25	11-60745-33005	11/06/2025	26.12		510-840-412 Utility Serv-Refuse	1125
447	WASTE MANAGEMENT	33009 NOV 25	11-60774-33009	11/06/2025	120.84	11/07/2025	510-810-412 Utility Serv-Refuse	1125
447	WASTE MANAGEMENT	43003 NOV 25	11-60760-43003	11/06/2025	60.42		520-810-412 Utility Serv-Refuse	1125
447	WASTE MANAGEMENT	65007 NOV 25	6-82641-65007	11/03/2025	284.00	11/07/2025	100-575-412 Utility Serv-Refuse	1125
447	WASTE MANAGEMENT	95009 NOV 25	8-29467-95009	11/03/2025	896.90	11/07/2025	100-575-412 Utility Serv-Refuse	1125
Total 447:					2,396.92			
WEDCO								
3350	WEDCO	S100199557.001	Farm Lift pump sensors	11/04/2025	688.21		520-810-600 General Supplies	1125
3350	WEDCO	S100201966.001	Electrical circuit breaker	10/27/2025	58.86	11/07/2025	520-810-614 Shop Supplies	1025
Total 3350:					747.07			
WESTERN NEVADA SUPPLY CO.								
195	WESTERN NEVADA SUPPLY CO.	11998699	bin stock	10/30/2025	1,848.63	11/07/2025	510-810-613 Meter Service Supplies	1025
195	WESTERN NEVADA SUPPLY CO.	11998709	water meter box lids	10/27/2025	3,481.40	11/07/2025	510-810-613 Meter Service Supplies	1025
195	WESTERN NEVADA SUPPLY CO.	11998712	3/4" iperl 1000 gal water meters	10/30/2025	3,140.16	11/07/2025	510-166100 Construction In Progress	1025
195	WESTERN NEVADA SUPPLY CO.	12005482	PS rack instruments	11/06/2025	186.50		510-840-614 Shop Supplies	1125
195	WESTERN NEVADA SUPPLY CO.	12005483	PS valves, valve keys, hose clamps	11/06/2025	1,452.08		510-840-614 Shop Supplies	1125
195	WESTERN NEVADA SUPPLY CO.	12005497	PS vent screen	11/06/2025	139.87		510-840-614 Shop Supplies	1125
Total 195:					10,248.64			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Invoice Amount	Date Paid	GL Account and Title		GL Period
WORKIVA, INC.									
8830	WORKIVA, INC.	217715	Management Reporting Solution Term : 12/01/25-11/30/26	11/01/2025	16,765.06	11/07/2025	100-418-342	Tech Services-Other	1125
Total 8830:					16,765.06				
XPRESS BILL PAY LLC									
2468	XPRESS BILL PAY LLC	10/2025	CREDIT CARD PROCESSING FEES- SEWER	10/31/2025	2,814.49	10/31/2025	520-810-609	Credit Card Fees	1025
2468	XPRESS BILL PAY LLC	10/2025	CREDIT CARD PROCESSING FEES- WATER	10/31/2025	2,814.49	10/31/2025	510-810-609	Credit Card Fees	1025
Total 2468:					5,628.98				
Grand Totals:					325,165.90				

Dated: _____

Mayor: _____

City Treasurer: _____

Report Criteria:

Detail report.

Invoice detail records above \$0 included.

Paid and unpaid invoices included.

Vendor.Vendor Number = {<>} 2201

**MINUTES OF THE
FERNLEY CITY COUNCIL MEETING
NOVEMBER 5, 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, Councilwoman Felicity Zoberski, Councilman Stan Lau, Councilman Albert Torres, Councilman Ryan Hanan, Councilman Joen Mendoza, Acting City Manager Lydia Altick, City Attorney Aaron Mouritsen City Clerk Kim Swanson, Administrative Specialist I Sandy Harris, City Treasurer Robert Carson, Building Official Charity Birkel, Senior Planner Alisa Johansson, Planning Director Michele Rambo, Deputy Public Works Director Olivia John, City Engineer Maria Paz Fernandez, Utility Engineering Manager Ana Navarro, Utilities Director Seong Kim.

1.3. Public Forum

Becki Howlett stated that there needs to be streetlights by the Boys & Girls Club and the Art Park.

Tammy Dittman stated that there needs to be lane strips on Chisholm Trail.

Kim Fleming, Waste Management, gave a brief update on the Fernley survey. They received 967 surveys from the customers in Fernley. Of those surveys, they received an average satisfaction score of 9.06 out of 10. Waste Management has submitted a request to senior leadership for expedited repairs to the transfer station. Fernley residents can take advantage of the convenient bulky waste disposal service. This curbside service is available for an additional charge. Customers can call and schedule a pickup. Household hazardous waste cannot be collected during bulky pickup. The transfer station hours are 8:00 am to 6:00 pm, and they close for lunch 12:00 - 12:30, every day.

1.4. (For Possible Action) Approval of Agenda

Motion: I MOVE TO APPROVE THE AGENDA AS PRESENTED. **Action:** Approved, **Moved by:** Councilman Ryan Hanan, **Seconded by:** Councilman Stan Lau. **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. Discussion and possible action to authorize the posting and hiring of one (1) Utilities Engineer I and one (1) Utilities Engineer II, effective January 1, 2026, as previously approved in the FY 2025-26 Budget.

2.5. Discussion and possible action to authorize the posting and hiring of two (2) Utility Operators and two (2) Shift Operators, effective January 1, 2026, as previously approved in the FY25/26 Budget.

2.6. Possible Action to authorize the execution of the water rights banking and dedication agreement between, Robert C. Herrera, and the City of Fernley, APN 020-354-09 TCID serial number 1054-1-I-1 in the amount of 2.565 acre feet annually.

2.7. Possible Action to approve the expenditure of \$60,000 as a contribution toward the purchase and installation of a new Courtroom Audio-Visual (AV) System at the Canal Township Justice Court facility.

2.8. Possible Action to Approve the Will-Serve Request from Farm District, LLC for Farm District Road Mobile Home Park for 0.79 ERC's of water for Lyon County Parcel 021-301-35 located at Farm District Road, Fernley, NV 89408

2.9. Discussion and possible action to approve an amendment for additional engineering services related to the East Cedar Street Roadway Rehabilitation project, including sewer and water utility improvements, as well as the construction management services for an additional cost of \$255,803.

2.10. Possible Action to approve Amendment A to the contract with Wood Rodgers for the Fernley-NDOT Corridor Action Plan (Project 2025.001.4) to add \$10,000 to the project budget (Task 4 - Develop Alternatives and Evaluate (T&M)) to accommodate additional population and traffic modeling.

2.11. Possible action to approve the Mayor's appointment of Jordan Hicks to the Fernley Senior Citizen Advisory Committee for a 2-year term expiring November 30, 2027.

Motion: I MOVE TO APPROVE THE CONSENT AGENDA. **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.

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, gave an update on the various trunk or treats that the department had participated in, along with the Panda Express ribbon cutting ceremony and the Chamber of Commerce Day. Sheriff's Office is participating in the preliminary meeting for the Christmas Parade. Most of the permitting is done from the Sheriff's office standpoint to get it off ground. They are looking forward to the parade and Coco-With-A-Cop. He also stated that they are working on the homeless camps around town.

Councilman Torres thanked the sheriff's department and the Desert Pigs for cleaning up the desert. He also stated that Sheriff Pope is running for re-election.

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

Lydia Altick, Acting City Manager, announced that City Hall will be closed November 11th for Veterans Day. Facebook and the City's website will have more details about the Christmas tree lighting and Coco With A Cop in the upcoming weeks. Saturday, December 6th, is the parade. Fernley High School JAG program has a Toys for Tots box located in City Hall, and unwrapped new presents will be accepted until December 10th. The Howl-O-Ween 5K in October was a giant success raising a little over \$4,000. It was sponsored by Friends of Fernley Animal Services, a non-profit. There was the 2025 Nevada Housing Conference in Las Vegas. There was information on new legislation for funding infrastructure for attainable housing, increasing low-income tax credits, increasing tax credit incentives for companies that are doing that type of development. The University of Nevada Extension did a housing study for every county in Nevada, and she is hoping to bring a presentation to highlight Fernley and Lyon County in the coming months. She also attended the 53rd Annual Nevada American Planning Association Conference

in Minden. There was a great presentation about data centers, the different types, uses and architectural options.

Councilman Joe Mendoza asked for an update on the RFP's for the efficiency study and IT.

Lydia Altick, Acting City Manager, stated a selection has been made for the IT co-managed service provider. PAC States was chosen and will be brought to Council at the next meeting for approval of the contract. As far as the efficiency study, there are no updates on that right now.

Councilman Albert Torres gave a shout-out to everyone involved with Spooktacular. The City is now accepting FCTA applications until the end of November. The grant application deadline is at 5pm on November 30, 2025. To help with this process, detailed information is on the City website at cityoffernley.org, and the FCTA Board will review the grant applications and make grant selections during the December 8th FCTA Board meeting, which starts at 6 p.m. Reach out to April Homme at 775-784-9858 if there are any questions. The Nevada League of Cities conference was held in Henderson. He will come in as Nevada League of Cities President starting January 1st.

Councilman Stan Lau had a meeting with Victory Logistics and how they're moving forward.

Councilwoman Felicity Zoberski congratulated all our new battalion chiefs in the fire department. They all worked really hard to get there.

Councilman Ryan Hanan attended the Howl-O-Ween 5k kick-off fundraiser to raise money for the new animal shelter in Fernley.

Mayor Neal E. McIntyre congratulated Councilman Joe Mendoza, William Snyder, and J.T. McCoy on their appointment as the first-ever North Lyon County Battalion Chiefs. At Spooktacular there was approximately 4,000 kids who attended. He gave a special thanks to all the donors, volunteers, and city staff. This event would not have been successful without the donors' generosity in donating to this great event for the community. He attended the open house for AT&T. Today was the ribbon cutting ceremony for Panda Express here in Fernley. There is a statue of a panda that says, "Panda, Fernley, Nevada". The manager of this area stated that it is the only statue of a panda at any of their stores. He announced that Mr. Jordan Hicks was selected to be the new Senior Citizen Advisory Committee member.

Jordan Hicks stated that he has been living in Fernley for about a year and a half. Currently, he is active-duty Navy. He is truly honored to serve on the committee and speak and be the voice for the concerns of the elderly community.

4. PROCLAMATIONS BY THE MAYOR

Mayor Neal E. McIntyre proclaimed National Flood Awareness Week, November 9 through November 15.

5. PUBLIC FORUM

Tammy Dittman asked about the City Priorities Report and what is happening with that.

Councilman Torres stated that a lot of the report was on development and the future needs of the city as far as development goes, housing, industrial, commercial, and retail. The one prior to that was the Downtown Redevelopment District, but we ended up having to settle that out of court with the county because it was done incorrectly. Three to four years ago, there was the efficiency study that we had, and most of that was implemented. Then, with basically the entire upper level of department heads and administration changing, a lot of that got pushed to the side, but we were probably a year into that.

Mayor Neal E. McIntyre gave an update on the new City Manager position. There were 92 applicants. CPS HR has narrowed it down to 5 or 6, and they will be bringing them to the committee to select 3 out of the 5 or 6 to bring forward to the City Council on December 3rd.

6. ADJOURNMENT

There being no further business to come before it, the Fernley City Council meeting adjourned at 5:40 pm.

Approved by the Fernley City Council on November 19, 2025, by a vote of:

AYES _____ NAYS: _____ ABSTENTIONS: _____ ABSENT: _____

Mayor Neal E. McIntyre

ATTEST: City Clerk Kim Swanson

Report Criteria:

License.Status = "Active"

Business.Orignation date = 10/30/2025-11/12/2025

Business Name	DBA	Name	Location	City	State	Zip	Business Tel	Description	Occupation
SIlegacy Floor Finishing Inc	SI Legacy Floor Finishing	James Farley	1315 Financial Blvd	Reno	NV	89502	775-332-0602	Contractor	Flooring, Concrete Contr
Viking Automatic Sprinkler Company	High Sierra Fire Protection	Andrew McCleery	3510 Barron Way #200	Reno	NV	89511	775-350-7155	Contractor	Fire Sprinklers/Systems
Applied Finishes, Inc.		Brannan Hanks, He	34 Bellarmine Ct	Chico	CA	95928	530-345-1319	Contractor	Painting Contractor #916
AGR Cleaning Solutions LLC		Alisha Leggett	2527 King Dr	Fallon	NV	89406	775-666-7024	Contractor	Commercial, industrial an
Panda Express #3747		Panda Express Inc.	1400 E. Newlands Dr.	Fernley	NV	89408	626-799-9898	Restaurant/Fast Food/	Chinese fast food restaur
Louis Basque		Louis Basque	597 Vance Dr	Fernley	NV	89408	801-918-3913	Business Specific Prof	Uber Service
Washoe Painting Company LLC		Erika Saiz	1085 Whites Creek Lane	Reno	NV	89511	775-233-8981	Contractor	Painting Contractor #867
Pueblo Electrical Service, Inc		Shawn Gutierrez	3210 Highland Drive	Las Vegas	NV	89102	702-269-7860	Contractor	Electrical Contractor #45
CCC & RR Inc	Crummett Construction & Roofi	Cody Crummett	7617 Offenhauser Dr	Reno	NV	89511	775-851-1087	Contractor	Construction & Roofing C
Grand Totals:									9

Report Criteria:

License.Status = "Active"

Business.Orignation date = 10/30/2025-11/12/2025



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: November 19, 2025

REPORT TO: Mayor and City Council

REPORT FROM: Seong Kim, Utilities Director

FINANCIAL IMPACT:

Yes:X

No:

CURRENTLY BUDGETED:

Yes:X

No:

FUND/ACCOUNT:

510-810-430

ACTION REQUESTED: Consent

AGENDA ITEM:

Discussion and possible action to approve payment to A&K Earth Movers, Inc. for the emergency roadway repair of Wedge Lane in the amount of \$240,700.

AGENDA ITEM BRIEF:

The purpose of this item is to authorize approval of the payment for emergency road surface and subgrade repair completed at Wedge Lane after a recent water mainline failure and subsequent excavation. The repair work was completed on October 27th, which restored the roadway's integrity and functionality in accordance with City of Fernley and State of Nevada construction standards.

RECOMMENDED MOTION:

"I move to approve the proposal from A&K Earth Movers, Inc. for emergency roadway repair in the amount of \$240,700."

BUSINESS IMPACT (per NRS Chapter 237):

A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

See attached report for background, analysis, alternatives.

ALTERNATIVES:

- Approve the proposal as submitted.

- Provide an alternate direction to the staff.

BACKGROUND:

On July 29, 2025, the Utilities Department identified a water main line failure that required immediate excavation to prevent further system damage. Following the emergency repair to the water main infrastructure, the disturbed roadway required structural reconstruction, including replacement of the aggregate base and asphalt paving.

Given the urgent need to reopen the affected roadway to traffic and restore public safety, staff solicited an emergency cost proposal from A&K Earth Movers, Inc. and Q&D, two qualified local contractors with active Nevada Class A & B licenses. A&K Earth Movers was the only company to respond to the City with a proposal.

RELEVANT LAWS, STATUTES, AND REGULATIONS:**FINANCIAL IMPLICATIONS:**

The total cost of \$240,700 will be funded through the Utilities Department's Outside Service/Repair & Maintenance budget under GL 510-810-430.

ATTACHMENTS:

1. COFEME~1
2. CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR

Engineering Office
12251 Truckee Canyon Ct
Sparks, NV 89434
P: (775)825-1636
F: (775)825-6171



Main Office
515 Windmill Dr
Fallon, NV 89406
P: (775)423-6085
F: (775)423-8410

City of Fernley
595 Silver Lace Blvd
Fernley, NV 89408

October 27, 2025

Subject: COF Emergency Sewer Repair w/ COR #1

Dear Ana,

A&K Earth Movers is pleased to provide the following proposal for your review:

Item #	Description	Qty	Unit	Unit Price	Ext Price
100	Mobilization	1	LS	\$10,652.00	\$10,652.00
105	Traffic Control	1	LS	\$12,500.00	\$12,500.00
200	Mill 3" of AC & Grade	3,900	SF	\$ 2.85	\$11,115.00
205	Mill 9" of AC/Agg Base & Grade	13,065	SF	\$ 6.40	\$83,616.00
300	3" Type 3 PG64-28NV 4void 50 15% Rap AC Paving	16,9650	SF	\$ 3.80	\$64,467.00
305	Lower/Raise Valve Boxes	3	EA	\$1,850.00	\$5,550.00
310	Lower/Raise Manhole Covers	2	EA	\$2,800.00	\$5,600.00
400	Testing/Inspections	1	LS	\$11,500.00	\$11,500.00
COR#1	Over-Excavation	340	CY	\$105.00	\$35,700.00
Grand Total:					\$240,700.00

This proposal is valid for 30 days and shall become an integral part of any and all contract and/or subcontract agreements. Please note that this proposal is presented as a complete scope package. If the owner/general contractor desires to eliminate any items, the pricing of the remaining items may need to be adjusted. Proposal is based on the below listed plans and specifications.

1. Measurements taken onsite
2. Northern Nevada Rural 2025-2026 Wages used in this proposal

If you have any questions or require additional information, feel free to contact us at 775-825-1636 or via email at jzamora@akearthmovers.com.

Sincerely,

Jake Zamora

Jake Zamora
Estimator



NV CL #A-24548
NV CL #B-77821
CA CL #A-339463

Page | 1



Engineering Office
12251 Truckee Canyon Ct
Sparks, NV 89434
P: (775)825-1636
F: (775)825-6171



Main Office
515 Windmill Dr
Fallon, NV 89406
P: (775)423-6085
F: (775)423-8410

INCLUSIONS:

1. Mobilization & Supervision: Based on 1 mobilization
2. Northern Nevada Rural 2025-2026 wages used in this proposal
3. Dust Control: To be provided while A&K crews onsite and based on 1 water truck being required by dust control permit
4. 3" Asphalt Milling: Mill and haul off 3" of asphalt South from water line break where subgrade should be intact
5. 9" Asphalt & Agg Base Milling: Mill and haul off 9" of existing asphalt and aggregate base North from water line break where subgrade is compromised
6. Earthwork: Grade and compact subgrade after milling
7. Utilities: Adjust utility boxes in road section
8. Agg Base Rock: Prep existing aggregate base South of waterline break. Buy, haul, place and grade 6" of aggregate base for full removed section
9. Asphalt Paving: 3" of Type 3 PG64-28NV 4void 50 blow 15% RAP asphalt paving
10. Over Excavation: Removal of 2' of existing material and replacement with 1' of ¾" drain rock that is fabric wrapped and 1' of type 2 base to get to subgrade
11. Testing/Inspections: Subgrade compaction testing, base compaction testing, asphalt compaction testing, and material testing as needed
12. Bid quantities are based on site walk measurements, billings will be based on actual quantities installed and measured onsite

EXCLUSIONS:

1. Items not specifically included above
2. Performance & Payment Bond – Add 1.2% if required
3. Permits, Fees (inc. Encroachment Permit)
4. Survey, staking and other professional services
5. Landscape features such as walls, topsoil, sod, rip-rap, irrigation, etc.
6. Removal of other contractor's debris and/or trash
7. Interior utilities
8. Pest & Weed control
9. Revisions to the utilities by governing agencies
10. Removal & disposal of hazardous and/or contaminated materials



NV CL #A-24548
NV CL #B-77821
CA CL #A-339463



CONTRACT

A Contract for Professional Services

THIS CONTRACT is made and entered into this 10th day of October, 2025, by and between the CITY OF FERNLEY, a municipal corporation within the State of Nevada whose address is 595 Silver Lace Blvd, Fernley, Nevada 89408 (the "City"), and A&K Earth Movers whose address is: 515 Windmill Drive Fallon, NV 89406 ("Contractor").

WHEREAS, Nevada Revised Statutes ("NRS") Chapter 266 authorizes the City to engage the services of independent contractors; and

WHEREAS, the services of Contractor are deemed to be both necessary and in the best interests of the City; and

WHEREAS, the City desires to retain the services of Contractor on the terms and conditions set forth in this Contract;

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. **CONTRACT TERM:** This Contract shall be effective from the day it is approved by the City Council (which date shall be inserted into the introductory paragraph of this Contract) and, subject to appropriation, shall remain in full force and effect until the services are completed unless terminated earlier pursuant to Section 6.

2. **CONTRACTOR'S SERVICES:**

a. **Description of Services.**

i. **Attachments:**

1. **Attachment A.** Scope of Work. Contractor hereby agrees to provide the services set forth in the Scope of Work attached hereto as Attachment A and incorporated herein by this reference.

ii. **Standard Of Care.** Notwithstanding anything to the contrary in this agreement or in any other contract document relating to the project, in performing its work under this agreement Contractor shall perform its services to the standard of care of a reasonable professional that is performing the same or similar work, at the same time and locality and under the same or similar conditions faced by Contractor Cooperation with City. Contractor agrees that its officers, associates, employees and subcontractors will cooperate with the City in providing the services under this Contract and will be, with advance

DS
TH Contractor's Initial

Initial
SK CoF Representative

CONTRACT

A Contract for Professional Services

If to Contractor: A&K Earth Movers
515 Windmill Dr.
Fallon, NV 89408

5. INSPECTION & AUDIT:

- a. **Books and Records.** Contractor agrees to keep and maintain under general accepted accounting principles (GAAP) full, true and complete records, contracts, books, and documents as are necessary to fully disclose to the City, the State of Nevada or the United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.
- b. **Inspection & Audit.** Contractor agrees that the relevant books, records (written, electronic, computer related or otherwise), including, without limitation, relevant accounting procedures and practices of Contractor or its subcontractors, financial statements and supporting documentation, and documentation related to the performance of this Contract shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location of Contractor where such records may be found, with or without notice by the City, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives. All subcontracts shall reflect the requirements of this paragraph.
- c. **Period of Retention.** All books, records, reports, and statements relevant to this Contract must be retained a minimum three years and for five years if any federal funds are used under this Contract. The retention period runs from the date of payment for the relevant services by the City, or from the date of termination of this Contract, whichever is later. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

6. TERMINATION OR SUSPENSION:

- a. **Suspension.** The City may suspend, without cause, the performance by Contractor under this Contract for such period of time as the City, in its sole discretion, may prescribe by providing written notice to Contractor. The suspension shall be effective as of the date set forth in the written notice.

DS
TH Contractor's Initial

Initial
Sk CoF Representative

CONTRACT

A Contract for Professional Services

With such suspension, the City agrees to pay Contractor the amount of compensation earned as of the effective date of the suspension.

- b. **Termination Without Cause.** The City reserves the right to terminate this Contract without cause or default on the part of Contractor with ten (10) days' prior written notice to Contractor. In the event of termination, without cause or default, the City agrees to pay Contractor for the services performed before the date that notice of termination is received by Contractor.
- c. **Termination for Non-Appropriation.** Contractor acknowledges that the City is a governmental entity and the Contract's validity is based upon the availability of public funding under its authority. The City reserves the right to reduce estimated or actual quantities, in whatever amount necessary, without prejudice or liability to the City, if funding is not available or if legal restrictions are placed upon the expenditure of monies for the services required under this Contract. In addition, without prejudice or liability to the City, if funding is not appropriated or otherwise made available to support the continuation of this Contract in any fiscal year succeeding the first fiscal year, this Contract will be deemed to have been terminated automatically when appropriated funds expire and are not available.
- d. **Default or Breach.** A default or breach (an "Event of Default") may be declared with or without termination. Each of the following shall constitute an Event of Default:
 - i. If Contractor fails, in the judgment of the City, to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Contract, and such failure continues for more than fifteen (15) days after written notice is delivered to Contractor provided that if the nature of such breach is such that although curable, the breach cannot reasonably be cured within a fifteen (15) day period, an Event of Default shall not exist if Contractor shall commence to cure such breach and thereafter rectifies and cures such breach with due diligence, but in no event later than sixty (60) days after the written notice;
 - ii. If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or
 - iii. If Contractor: (i) becomes insolvent, subject to receivership, or voluntarily or involuntarily subject to the jurisdiction of the bankruptcy

DS

 Contractor's Initial

Initial

 CoF Representative

CONTRACT

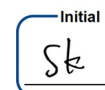
A Contract for Professional Services

court; (ii) makes a general assignment for the benefit of creditors; (iii) admits in writing to the inability to pay its debts as they become due; or (iv) takes any action for the purpose of effecting any of the foregoing.

- e. **For Cause Termination and Time to Correct. For Cause Termination and Time to Correct.** This Contract may be terminated by the non-defaulting party upon a declared default or breach only after service of formal written notice as specified in paragraph (4), and the subsequent failure of the defaulting party within a reasonable time of receipt of that notice to provide evidence, satisfactory to the non-defaulting party, showing that the declared default or breach has been corrected or is being corrected as expeditiously as is prudent and practicable.
- f. **Winding Up Affairs upon Termination.** If this Contract is terminated for any reason, the parties agree that the provisions of this paragraph survive termination:
 - i. The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination.
 - ii. Contractor shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if requested by the City.
 - iii. Contractor shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if requested by the City; and
 - iv. Contractor shall preserve, protect, and promptly deliver possession to the City of all proprietary information in accordance with Section 18.
 - v. If dispute(s) arise during the winding up of affairs upon termination, the parties agree to meet and negotiate in good faith to resolve any such disputes(s).

7. **REMEDIES:** Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages exclusive of lost profits.

DS
 Contractor's Initial

Initial
 CoF Representative

CONTRACT

A Contract for Professional Services

- 8. ATTORNEYS' FEES, COSTS, AND EXPENSES:** Unless otherwise stated herein, the parties will bear their own attorneys' fees, costs, and expenses in connection with the negotiation, execution, and performance of this Contract.
- 9. LIMITED LIABILITY:** Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in the Attachments. Damages for any default or breach by the City shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to Contractor, for the fiscal year budget in existence at the time of the default or breach.
- 10. FORCE MAJEURE:** Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of this Contract after the intervening cause ceases.
- 11. INDEMNIFICATION:** Contractor shall indemnify, defend, and hold harmless the City, its elected officials, officers, employees, agents, and consultants (collectively, the "City party") from and against any and all claims, liabilities, damages, losses, suits, actions, decrees, arbitration awards, judgments, and any other costs or expenses, including reasonable attorney fees (collectively, "Liabilities"), which may be recovered from or sought against the City party as a result of, by reason of, or as a consequence of: (i) any act or omission, negligent or otherwise, on the part of Contractor, its officers, employees, independent contractors, sub-contractors, vendors, suppliers, consultants, or agents; or (ii) any default in the performance of any obligation of Contractor to be performed under the terms of this Contract, regardless of whether such default is an Event of Default hereunder. In no event shall the language of this Section constitute or be construed as a waiver or limitation of the City's rights or defenses with regard to sovereign immunity, governmental immunity, or other official immunities and protections provided by the Federal and State constitutions or by law. It is expressly agreed that Contractor shall defend the City party at Contractor's expense, by legal counsel reasonably satisfactory to the City, against the Liabilities and in the event that Contractor fails to do so, the City shall have the right, but not the obligation, to defend the same and to charge all direct and incidental costs, including attorney's fees and court costs, to Contractor. Contractor's indemnity obligations herein are not intended to nor shall they relieve any insurance carrier of its obligations under policies required to be carried by Contractor pursuant to the provisions of this Contract. Contractor's obligations under this Section 11 shall survive any termination of this Contract.
- 12. INDEPENDENT CONTRACTOR:** Contractor is associated with the City only for the purposes and to the extent specified in this Contract, and in respect to performance

DS
 Contractor's Initial

Initial
 CoF Representative

CONTRACT

A Contract for Professional Services

of the contracted services pursuant to this Contract, Contractor is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for the City whatsoever with respect to the indebtedness, liabilities, and obligations of Contractor or any other party. Contractor shall be solely responsible for, and the City shall have no obligation with respect to: (1) withholding of income taxes, FICA or any other taxes or fees; (2) industrial insurance coverage; (3) participation in any group insurance plans available to employees of the City; (4) participation or contributions by either Contractor or the Public Employees Retirement System; (5) accumulation of vacation leave or sick leave; or (6) unemployment compensation coverage provided by the City. Contractor shall indemnify and hold the City harmless from, and defend the City against, any and all losses, damages, claims, costs, penalties, liabilities, and expenses arising or incurred because of, incident to, or otherwise with respect to any such taxes or fees. Neither Contractor nor its employees, agents, or representatives shall be considered employees, agents, or representatives of the City.

- 13. INSURANCE:** Unless expressly waived in writing by the City, Contractor shall, at Contractor's sole expense, procure, maintain and keep in force during the entire term of this Contract those policies of insurance which have been agreed to by the parties as evidenced by the parties initials in the signature spaces provided below. The City shall have no liability except as specifically provided in this Contract. Contractor shall not commence work before Contractor has provided the required evidence of insurance to the City. Any insurance or self-insurance available to the City shall be in excess of, and non-contributing with, any insurance required from Contractor. Contractor's insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by the City, Contractor shall provide the City with renewal or replacement evidence of insurance no less than thirty (30) days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by this Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as Contractor has knowledge of any such failure, Contractor shall immediately notify the City and immediately replace such insurance or bond with an insurer meeting the requirements.

Initial
Sk
CoF

DS
TH
CTR

- a. **Workers' Compensation and Employer's Liability Insurance.** Industrial insurance protecting Contractor and the City from potential employee claims based upon job-related sickness, injury, or accident, during the performance of this Contract. Contractor shall provide a work certificate issued by a qualified insurer in accordance with NRS 616B.627. Prior to commencing any work, Contractor shall complete and provide the following written request to a qualified insurer:

DS
TH
Contractor's Initial

Initial
Sk
CoF Representative

CONTRACT

A Contract for Professional Services

CONTACTOR NAME has entered into a contract with Owner to perform work from THE 10th DAY OF October, 2025 to THE 30th DAY OF October, 2025 and requests that an industrial insurance provider qualified and licensed to offer such insurance within the State of Nevada, provide to The City of Fernley, Nevada 1) a certificate of coverage issued pursuant to NRS 616B.627 and 2) notice of any lapse in coverage or nonpayment of coverage that Contractor is required to maintain. The certificate and notice should be mailed to:

City of Fernley
595 Silver Lace Blvd
Fernley, NV 89408

Contractor may, in lieu of furnishing a certificate of an insurer, provide an affidavit indicating that Contractor is a sole proprietor and that: (1) In accordance with the provisions of NRS 616B.659, Contractor has not elected to be included within the terms, conditions, and provisions of NRS chapters 616A to 616D, inclusive; and (2) Contractor is otherwise in compliance with those terms, conditions and provisions.

Initial DS
SK TH
COF CTR

b. **Professional Liability Insurance.**

- i. Minimum Coverage Limit required (not deductible amount): \$1,000,000 Each Claim, \$2,000,000 Aggregate.
- ii. Retroactive date: Prior to commencement of the performance of this Contract
- iii. Discovery period: Three (3) years after the termination date of this Contract.

c. **General Requirements.**

- i. Additional Insured: By endorsement to the general liability insurance policy evidenced by Contractor, ***the City of Fernley, its officers, employees, and immune contractors*** shall be named as additional insureds for all liability arising from this Contract.
- ii. Waiver of Subrogation: Each insurance policy shall provide for a waiver of subrogation in favor of the City.

DS
TH Contractor's Initial

Initial
SK CoF Representative

CONTRACT

A Contract for Professional Services

- iii. Cross-Liability: All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.
 - iv. Deductibles and Self-Insured Retentions: Insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by the City. Such approval shall not relieve Contractor from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000 per occurrence, unless otherwise approved by the City.
 - v. Policy Cancellation: Except for ten days' notice for non-payment of premium, each insurance policy shall be endorsed to state that; without thirty (30) days prior written notice to the City, the policy shall not be canceled, non-renewed or coverage and/or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mail to the address shown below.
 - vi. Approved Insurer: Each insurance policy shall be issued by insurance companies: (a) authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to the City and having agents in the State of Nevada upon whom service of process may be made; and (b) currently rated by A.M. Best as "A-VII" or better.
- d. **Evidence of Insurance.** Prior to the start of any work, Contractor must provide the following documents to the City:
- i. Certificate of Insurance: The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to the City to evidence the insurance policies and coverages required of Contractor.
 - ii. Additional Insured Endorsement: An Additional Insured Endorsement (CG20 10 or C20 26), signed by an authorized insurance company representative, **must** be submitted to the City to evidence the endorsement of the City as an additional insured per General Requirements, Subsection 1) above.
 - iii. Schedule of Underlying Insurance Policies: If an Umbrella or Excess insurance policy is evidenced to comply with minimum limits, a copy of the underlying schedule from the Umbrella or Excess insurance policy may be required.
 - iv. Review and Approval: Documents specified above must be submitted for review and approval by the City prior to the commencement of work by Contractor. Neither approval by the City nor failure to disapprove the

DS
 Contractor's Initial

Initial
 CoF Representative

CONTRACT

A Contract for Professional Services

insurance furnished by Contractor shall relieve Contractor of Contractor's full responsibility to provide the insurance required by this Contract. Compliance with the insurance requirements of this Contract shall not limit the liability of Contractor or its sub-contractors, employees or agents to the City or others, and shall be in addition to and not in lieu of any other remedy available to the City under this Contract or otherwise. The City reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements. Contractor will mail all required insurance documents to the City at the address identified in section 4 of this Contract.

- e. **Failure to Maintain Required Coverages.** If Contractor fails to carry the required insurance, the City may: (i) order Contractor to stop further performance of the Contract, and declare contractor in breach, terminate the Contract if such breach is not remedied; or (ii) purchase replacement insurance and withhold the costs or premium payments made from the payments due to Contractor or charge the replacement insurance costs back to Contractor.

- 14. **COMPLIANCE WITH LEGAL OBLIGATIONS:** Contractor shall procure and maintain for the duration of this Contract any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract. Contractor will be responsible to pay all taxes, assessments, fees, premiums, permits, and licenses required by law. Real property and personal property taxes are the responsibility of Contractor in accordance with NRS 361.157 and 361.159. Contractor agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract.
- 15. **WAIVER OF BREACH:** Failure to declare a breach or the actual waiver of any particular breach of this Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other default or breach.
- 16. **SEVERABILITY:** If any portion, provision, or part of this Contract is held, determined, or adjudicated by any court of competent jurisdiction to be invalid, unenforceable, or void for any reason whatsoever, each such portion, provision, or part shall be severed from the remaining portions, provisions, or parts of this Contract, and such determination or adjudication shall not affect the validity or enforceability of such remaining portions, provisions, or parts.
- 17. **ASSIGNMENT/DELEGATION:** To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to

DS
TH Contractor's Initial

Initial
SK CoF Representative

CONTRACT

A Contract for Professional Services

operate as a novation, or includes a waiver or abrogation of any defense to payment by the City, such offending portion of the assignment shall be void, and shall be a breach of this Contract. Contractor shall neither assign, transfer nor delegate any rights, obligations, or duties under this Contract without the prior written consent of the City.

- 18. PROPRIETARY INFORMATION:** Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by Contractor (or its subcontractors) in performance of its obligations under this Contract shall be the exclusive property of the City and all such materials shall be delivered into the possession of the City by Contractor upon completion, termination, or cancellation of this Contract. Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Contractor's obligations under this Contract without the prior written consent of the City. Notwithstanding the foregoing, the City shall have no proprietary interest in any materials licensed for use by the City that are subject to patent, trademark, or copyright protection.
- 19. PUBLIC RECORDS:** Pursuant to NRS 239.010, information or documents received from Contractor may be open to public inspection and copying. The City will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. Contractor may label specific parts of an individual document as a "trade secret" or "confidential," provided that Contractor thereby agrees to indemnify and defend the City for honoring such a designation. The failure to so label any document that is released by the City shall constitute a complete waiver of any and all claims for damages caused by any release of the records.
- 20. FEDERAL FUNDING:** In the event federal funds are used for payment of all or part of this Contract:
- a. Contractor certifies, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.
 - b. Contractor and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42

DS
 Contractor's Initial

Initial
 CoF Representative

CONTRACT

A Contract for Professional Services

U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.

- c. Contractor and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)
- 21. LOBBYING:** The parties agree, whether expressly prohibited by federal, state or local law, or otherwise, that no funding associated with this Contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence any of the following: (a) any federal, state, county or local agency, legislature, commission, council or board; (b) any federal, state, county or local legislator, commission member, council member, board member, or other elected official; or (c) any officer or employee of any federal, state, county or local agency; legislature, commission, council or board.
- 22. CERTIFICATION REQUIRED BY NEVADA SENATE BILL 26 (2017):** By signing this Agreement, the CONSULTANT provides a written certification, as a material part of this Agreement, that the CONSULTANT is not currently engaged in, and during the Term shall not engage in, a boycott of Israel. The term "boycott of Israel" has the meaning ascribed to that term in Section 3 of Nevada Senate Bill 26 (2017). The CONSULTANT shall be responsible for fines, penalties, and repayment of any State of Nevada or federal funds that may arise (including those that the CITY pays, becomes liable to pay, or becomes liable to repay) as a direct result of the CONSULTANT's non-compliance with this Section. If, at any time during the formation or duration of this Agreement, CONSUTLANT is engaged or engages in a boycott of Israel, it will constitute a material breach of this Agreement.
- 23. PROPER AUTHORITY:** Contractor represents and warrants Contractor has full power and authority to enter into this Contract. Any services performed by Contractor before this Contract is effective or after it ceases to be effective are performed at the sole risk of Contractor.
- 24. GOVERNING LAW; VENUE:** This Contract will be interpreted, and the rights and liabilities of the parties determined, in accordance with the laws of the State of Nevada, excluding its conflict of laws rules. In any action or proceeding arising under this Contract, each party (a) consents to the jurisdiction of Nevada Courts, and of the pertinent appellate courts, and consents to the venue of such action or proceeding in Lyon County, Nevada courts, (b) irrevocably agrees that all actions or proceedings arising out of or relating to this Contract shall be litigated in such courts, and (c) consents to personal jurisdiction within Lyon County, Nevada. Each party accepts for itself, generally and unconditionally, the exclusive jurisdiction and venue of the aforesaid courts and waives any defense of lack of personal jurisdiction, improper

DS
TH Contractor's Initial

Initial
SK CoF Representative

CONTRACT

A Contract for Professional Services

venue, inconvenient forum or any similar defense, and irrevocably agrees to be bound by any non-appealable judgment rendered thereby in connection with this Contract.

- 25. INTEGRATED CONTRACT:** This Contract (including any addenda, exhibits, or attachments incorporated into and made a part of this contract) constitutes the entire agreement and understanding among the parties regarding the matters set forth herein and supersedes all previous negotiations, discussions, and understandings regarding such matters. The parties acknowledge and represent that they have not relied on any promise, inducement, representation, or other statement made in connection with this Contract that is not expressly contained herein. The terms of this Contract are contractual and not a mere recital.
- 26. COUNTERPARTS:** This Contract may be executed in multiple counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.
- 27. ADVICE OF COUNSEL:** Each party hereto represents and agrees that it has had the opportunity to seek and has sought from attorneys any such advice as it deems appropriate with respect to signing this Contract or the meaning of it. Each party has undertaken such independent investigation and evaluation as it deems appropriate and is entering into this Contract in reliance on that and not in reliance on any advice, disclosure, representation or information provided by or expected from any other party or such party's attorneys. This is an agreement of settlement and compromise, made in recognition that the parties may have different, disputed or incorrect understandings, information and contentions, as to facts and law, and with each party compromising and settling any potential correctness or incorrectness of its understandings, information and contentions as to the facts, law, claims, duties, disclosures and conduct occurring before or during the entry into this Contract. No conduct, failure, misunderstanding or misinformation and no claim of fraud or fraudulent inducement occurring prior to or in connection with the execution hereof shall be a ground for rescission hereof or for recovery of damages, except as otherwise expressly provided herein.
- 28. MODIFICATION; NO WAIVER:** The provisions of this Contract, including this paragraph, may be modified or waived only in writing signed by both parties. No waiver with respect to any portion of this Contract shall apply to any other portion of the Contract, and a waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion. No course of dealing by any party, and no failure, omission, delay, or forbearance by any party in exercising such party's rights or remedies shall be deemed a waiver of any such rights or remedies or a modification of this Contract.
- 29. INTERPRETATION OF AGREEMENT:** This Contract shall be construed without regard to the party or parties responsible for its preparation and shall be deemed to have been prepared collectively by the parties. Any ambiguity or uncertainty arising

DS
TH Contractor's Initial

Initial
SK CoF Representative

CONTRACT

A Contract for Professional Services

herein shall not be interpreted or construed against any party hereto on the basis that a party prepared or drafted a particular provision of this Contract.

30. **COOPERATION OF PARTIES**: The parties agree to cooperate to accomplish the purpose of this Contract and to execute any and all supplementary documents and to take all additional actions not inconsistent with the terms set forth in this Contract that are necessary and appropriate to give full force and effect to the terms and intent of this Contract.
31. **NON-DISCRIMINATION**: In connection with the performance of work under this Contract, Contractor agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, or age, including, without limitation, with regard to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including, without limitation, apprenticeship. Contractor further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

DS
TH Contractor's Initial

Initial
SK CoF Representative

CONTRACT
A Contract for Professional Services

In witness whereof, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby:

CITY OF FERNLEY

Mayor, City of Fernley Date

City Clerk, City of Fernley Date

Approved as to form:

City Attorney, City of Fernley Date

Originating Department:

Signed by: _____ 11/3/2025
Seong Kim

Department Head Date

DS
TH _____ Contractor's Initial

Initial
SK _____ CoF Representative

CONTRACT

A Contract for Professional Services

CONTRACTOR, being first duly sworn, deposes and says: That CONTRACTOR. is the Contractor; that NAME OF PERSON REPRESENTING CONTRACTOR has read the foregoing Contract; and that he understands the terms, conditions, and requirements thereof.

CONTRACTOR

BY: Tanner Hiatt

TITLE: Secretary

FIRM: A&K Earth Movers, Inc.

BUSINESS LICENSE #: BL01-1074

Address: 515 Windmill Drive

City: Fallon State: NV Zip Code: 89406

Telephone: 775-423-6085 Fax #: 775-825-6171

E-mail Address: tanner.hiatt@akearthmovers.com

DocuSigned by:

1F767E9635D3470C
(Signature of Contractor)

DATE SIGNED this 3rd day of November, 20²⁵.

DS

Contractor's Initial

Initial

CoF Representative



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: November 19, 2025

REPORT TO: Mayor and City Council

REPORT FROM: Lydia Altick, Acting City Manager

FINANCIAL IMPACT:

Yes: . No:

CURRENTLY BUDGETED:

Yes:. No:

FUND/ACCOUNT:

N/A

ACTION REQUESTED: Consent

AGENDA ITEM:

Discussion and possible action to approve the extension of the Southwest Gas Franchise Agreement for 25 years.

AGENDA ITEM BRIEF:

Southwest Gas has a 25-year franchise with the City of Fernley to provide natural gas service to residents and businesses within the community. The current franchise (attached) expires on July 1, 2026.

Section 4 of the Franchise provides that, upon written application by Southwest at least six months before the end of the 25-year franchise term, the City of Fernley may extend the franchise for an additional 25 years. Southwest Gas provided a written request to former City Manager Benjamin Marchant on June 5, 2025. Section 4 has been updated to extend the Franchise Agreement for an additional 25 years.

Section 12 of the Franchise Agreement has been updated to include 5% of gross revenues collected from the sale or delivery of gas within the boundaries of the City of Fernley to be paid to the city within 30 days following the end of each quarter. Southwest Gas has been paying 5% of gross revenues to the City of Fernley since February 2024 in accordance with Ordinance 2023-006.

RECOMMENDED MOTION:

" I move to extend the Southwest Gas Franchise Agreement for 25 years."

BUSINESS IMPACT (per NRS Chapter 237):

A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

See attached report for background, analysis, alternatives.

ALTERNATIVES:

.

BACKGROUND:

Southwest Gas has a 25-year franchise with the City of Fernley to provide natural gas service to residents and businesses within your community.

The current franchise (attached) expires on July 1, 2026.

RELEVANT LAWS, STATUTES, AND REGULATIONS:

A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

FINANCIAL IMPLICATIONS:

N/A

ATTACHMENTS:

1. Southwest Gas October 16, 2002
2. SWG Franchise Amendment

**NATURAL GAS FRANCHISE AGREEMENT
BETWEEN THE CITY OF FERNLEY, NEVADA
AND SOUTHWEST GAS CORPORATION**

THIS FRANCHISE is granted this 16th day of October, 2002, by the City of FERNLEY, NEVADA to SOUTHWEST GAS CORPORATION, a California corporation. In consideration of the premises and the performance by Southwest Gas Corporation of the conditions hereinafter set forth, the City of Fernley hereby gives and grants to Southwest Gas Corporation this Franchise for the operation and maintenance of a natural gas distribution system and all necessary appurtenances in the incorporated limits of the City of Fernley for the term and upon the conditions hereinafter set forth.

Section 1. Intent

The intent of this Franchise is to: (i) grant to Southwest Gas Corporation a Franchise to operate and maintain a natural gas distribution system and all necessary appurtenances within the incorporated limits of the City of Fernley for the term and upon the conditions set forth in this Franchise and (ii) establish, implement and foster a positive working relationship between the City of Fernley and Southwest Gas Corporation to maximize the coordination of and minimize the costs associated with the use of public rights-of-way while at the same time recognizing Southwest Gas Corporation's statutory duty and obligation to provide natural gas service to the public.

Section 2. Definitions

Whenever in this instrument the words and phrases hereinafter defined in this section are used, they shall have the respective meanings assigned to them in the following definitions.

(a) "City" or "Fernley" shall mean the City of Fernley, Nevada, a municipal corporation.

(b) "Grantee" shall mean Southwest Gas Corporation and its lawful successors or assigns with respect to the Franchise hereby granted.

(c) "Gross Revenues" shall mean all the gross receipts of the Grantee from all natural gas sales service within the City.

(d) "Franchise" shall mean the right, privilege and franchise hereinafter more particularly described.

(e) The phrases "public road," "public roads," "right-of-way," and "easement" shall mean the public highways, streets, roads, ways, alleys, bridges, easements and places as the same now or may hereafter exist within the City, including state highways now or hereafter established within the City to whatever extent, if any, the City may have jurisdiction to authorize the use of same for the purpose herein specified.

(f) The phrase "pipes and appurtenances" shall mean pipes, pipelines, mains, services, traps, vents, vaults, manholes, meters, gauges, regulators, valves, conduits, appliances, attachments, appurtenances, and without limitation to the foregoing, any other property located or to be located in, upon, along, across, under or over the public roads within the City, and used or useful in conveying and/or distributing natural gas.

(g) The phrase "installing, maintaining, and using" shall mean to lay, construct, erect, install, operate, maintain, use, repair, replace, or remove.

(h) The term "Public Works Department" shall mean the Fernley Public Works Department, any of its employees authorized to act on its behalf or any person or entity designated to act on behalf of the Department.

Section 3. Franchise Granted

City hereby grants to Grantee a non-exclusive Franchise for installing, maintaining, and using pipes and appurtenances in such parts of the public roads, easements, and other public places of the City as Grantee may from time

to time elect to use for the purpose of conveying and distributing natural gas to the public for any and all purposes.

Section 4. Term

(a) The term of this Franchise begins on the date of the City's approval, retroactive to July 1, 2001, and remains in full force and effect for a period of twenty-five (25) years, from and after such date unless sooner terminated pursuant to the terms of this Franchise.

(b) Upon written application by Grantee at least six (6) months prior to the end of the twenty-five (25) year Franchise term, Fernley may in its discretion extend this Franchise for an additional twenty-five (25) years, subject to terms and conditions as may be mutually agreed upon between the City and Grantee.

Section 5. Use

Grantee shall have the right to install, maintain and use any or all of such pipes and appurtenances from time to time as may be necessary and proper.

Section 6. Manner of Installation, Construction, and Maintenance

(a) All pipes and appurtenances laid and used pursuant to the provisions of the Franchise and in the exercise thereof shall be installed, constructed, and maintained in a good and workmanlike manner. Said pipes and appurtenances shall be installed, constructed, and maintained in compliance with all valid laws, ordinances and codes from time to time in force and upon such terms as may be provided by the City which are not inconsistent with the laws of the state of Nevada and the orders, rules, and regulations of the Public Utilities Commission of Nevada, the United States Department of Transportation and the Federal Energy Regulatory Commission (if applicable). All such pipes and appurtenances shall be constructed, installed, and maintained as not to interfere with the safety of persons and property.

(b) Prior to the construction, extension, relocation, or any other laying

or using of pipes and appurtenances pursuant to this Franchise, Grantee shall apply to the Public Works Department for a permit in order to cut the street or otherwise use the public street right-of-way. Permits shall be granted for such work in a timely manner in accordance with the provisions of the City Code and, subject to the provisions of subsection (c) below, such conditions as the Public Works Department deems reasonably necessary and desirable to prevent undue interference with public access and to ensure replacement of public roads in good condition. Any fees for such permits shall only reflect the City's costs for processing Grantee's application and for inspection of construction. Grantee must also obtain whatever authorization is necessary from the Nevada Department of Transportation for any work conducted in the public right-of-way under its respective jurisdiction within the City.

(c) Any permit condition(s) imposed by the Public Works Director shall be reasonable and necessary to ensure compliance with this Franchise. Said conditions shall become operative, unless objected to in writing by Grantee within ten (10) days of the issuance of the applicable permit. If Grantee so objects, such condition(s) shall not apply until the City, in the exercise of its police powers, adopts the challenged condition(s).

(d) Notwithstanding the provision of subsection (b) of this section, Grantee is granted the right to undertake such emergency activities necessary to provide and maintain reliability and safety of its pipes and appurtenances. If such action is required, Grantee shall, within two (2) working days after the action, advise the Public Works Director of the work performed to maintain its system.

Section 7. Restoration of Public Roads and Other Property

(a) Grantee shall at its own cost and expense, repair such public roads or other property, or so much of them as may have been damaged as a result of

being disturbed or excavated for the purpose of installing, maintaining, and using said pipes and appurtenances, in accordance with construction standards adopted by the City or the governmental entity having jurisdiction over such roads. Said repairs must restore such public roads or other property to a condition which is comparable to the condition of the public roads and property prior to the damages by Grantee.

(b) If any portion of any public road or other property shall be damaged by reason of defects in any of the pipes and appurtenances maintained or constructed under this grant, or by reason of any other cause arising from the operation or existence of any pipes and appurtenances constructed or maintained under this grant, said Grantee shall, at its own cost and expense, immediately repair such damage and restore such public road, or portion thereof. Said repairs must restore such public roads or other property to a condition which is comparable to the condition of the public roads or property prior to the damages by Grantee.

(c) All repair work performed by Grantee shall be subject to inspection by the Public Works Director and, work performed on public property or roads under the jurisdiction of the City, shall be performed in accordance with the industry construction standards and to the reasonable satisfaction of the Public Works Director.

(d) In the event Grantee shall cause damage to public or private property while performing its duties under this section, it shall promptly repair such damage. In the event the damages are of such a nature that Grantee is unable to perform such repairs, Grantee shall, upon reasonable notice from the City, reimburse the City for all costs of making such repairs.

Section 8. Relocation of Pipes and Appurtenances

(a) Grantee shall relocate, without expense to the City, any pipes and

appurtenances maintained or used under this Franchise within the public rights-of-way or other public property if and when such relocation is made necessary by any lawful construction, reconstruction, change of grade, alignment, or width of any public road, or the construction or reconstruction of City operated utilities, drainage, or flood control. The City, however, shall reimburse Grantee for such expense if monies are available for such purpose under the provision of any state, county or federal funding or relocation program. The City shall furthermore require any third party requesting the City to make such change, and/or Grantee to relocate any pipes and appurtenances, to pay Grantee for the cost of such relocation work prior to the commencement of such work. This provision shall remain in effect only so long as such public rights-of-way or other public property shall remain under the jurisdiction of the City as a public right-of-way or other public property. Upon the City's abandonment or vacation of such public rights-of-way or other public property, the City shall reserve an easement to Grantee in the order of vacation for any pipes and appurtenances maintained or used by Grantee under this Franchise within such abandoned rights-of-way or other public property.

(b) The City will not exercise its rights to require Grantee to relocate any pipes and appurtenances maintained or used under this Franchise for the convenience of any third party or in an unreasonable or arbitrary manner. The City and Grantee will also cooperate on the planning for the relocation and selection of a new location for any pipes and appurtenances to minimize the cost of such relocation.

Section 9. Location and Marking of Subsurface Installations

The City and Grantee agree to comply with the provisions of Nevada Revised Statutes Chapter 455 regarding the location and marking of subsurface installations as such term is defined in Nevada Revised Statutes §455.101.

Section 10. Retention of Police Powers

The City reserves the right to make all future regulations or ordinances deemed reasonably necessary for the preservation of the health, safety and public welfare of the City.

Section 11. Indemnification and Hold Harmless

Grantee, by its acceptance of this Franchise and as a condition thereof agrees for itself, its successors and assigns that throughout the entire term of this Franchise that it, its successors and assigns shall and do indemnify and hold harmless and agree to defend the City, and employees thereof from any and all suits, claims, damages, and judgments ensuing from injury or death to persons and injury to property including property of Grantee due to Grantee's negligence or willful misconduct in the exercise of this Franchise within the City, except to the extent caused by the negligence or willful misconduct of the City, its employees, agents, or contractors.

Section 12. Franchise Fee/Business License Fee

(a) The parties acknowledge that, prior to the City's incorporation, Grantee was paying Lyon County a business license fee of 1% of Gross Revenues plus a franchise fee of 2% of Gross Revenues, for a total of 3%.

(b) From 1 July 2001, the date of the City's incorporation, through 30 September 2002, Grantee has been paying the City's business license fee of 1% of Gross Revenues and has continued to collect the 2% franchise fee, setting the franchise payments aside pending execution of this Franchise. Upon execution of this Franchise, said set-aside payments shall be paid to the City.

(c) Effective 1 October 2002, the City's business license fee was increased from 1% to 2%, and Grantee has paid or will pay accordingly. Grantee shall not collect nor pay any City franchise fees from and after 1 October 2002 throughout the remainder of the term of this Franchise. Grantee shall therefore

pay a total of 2% during the month of October 2002.

(d) Effective 1 November 2002, Grantee's applicable City business license fee will increase from 2% to 3%, and Grantee shall collect and pay accordingly, restoring Grantee's total fee to 3% of Gross Revenues.

(e) Grantee, its successors and assigns, shall maintain a City business license throughout the term of this Franchise.

(f) Grantee shall, commencing upon the date of the City's approval of this Franchise, pay the business license fee to the City within thirty (30) days following the end of each calendar quarter throughout the term of this Franchise.

Section 13. Right to Audit

The City may, at any reasonable time, examine the books and records of Grantee for the purpose of verifying Grantee's compliance with any of the terms of this Franchise.

Section 14. Regulation of Rates and Service

Grantee shall maintain and operate its system and render efficient service in accordance with the rates, rules, tariffs, and regulations prescribed by the Public Utilities Commission of the State of Nevada.

Section 15. Franchise has no Monetary Value

The acceptance of the Franchise granted herein shall be deemed to be an agreement on the part of Grantee to place no monetary value upon this Franchise for rate making purposes nor in the event that any property of Grantee is obtained by the City through legal right of condemnation or by other legal means.

Section 16. Law Governing

This Franchise will be governed by the laws of Nevada with respect to both its interpretation and performance.

Section 17. Place of Suit

Any action at law, suit in equity or judicial proceeding for enforcement of this Franchise or any provisions thereof shall be instituted only in the courts of Nevada and venue will be in the courts of Lyon County, Nevada.

^{18.}
Section 19. Termination

(a) If Grantee shall fail, neglect, or refuse to comply with any of the provisions or conditions hereof, and shall not, within thirty (30) calendar days after written demand for compliance, begin the work of compliance, or after such beginning shall not prosecute the same with due diligence to completion, then the City may declare this Franchise forfeited and order Grantee to abandon its gas mains, distribution lines, supply lines, appliances, and appurtenances from the public roads, rights-of-way, easements and all public property and may declare the maintenance of same therein a public nuisance.

(b) The City may sue in its own name for the forfeiture of this Franchise, or for any breach thereof, in the event of noncompliance by Grantee, its successors and assigns, with any of the conditions thereof.

AGREED TO THIS THE 16th DAY OF October, 2002.

SOUTHWEST GAS CORPORATION

By: [Signature]

Title: VICE PRESIDENT NORTHEAST NV

ATTEST:

By: [Signature]

Title: Assistant Corporate Secretary

APPROVED AS TO FORM:

By: Rebecca Ann Harold
_____, City Attorney

CITY OF FERNLEY, NEVADA

By: [Signature]

Title: Mayor

ATTEST:

By: [Signature]

Title: City Clerk

CONTRACT AMENDMENT

PARTIES

- This Contract Amendment (hereinafter referred to as the “Amendment” or Agreement) is entered into on December 3, 2025, by and between City of Fernley, (hereinafter referred to as the “First Party”), and Southwest Gas Corporation (hereinafter referred to as the “Second Party”) (collectively referred to as the “Parties”).

REFERENCE TO ORIGINAL NATURAL GAS FRANCHISE AGREEMENT

- This Contract Amendment hereby amends the original Natural Gas Franchise Agreement between the City of Fernley and Southwest Gas Corporation, dated October 16, 2002, (“Original Agreement”) entered into by and between [Parties to Original Agreement]. All terms and conditions of the Original Agreement remain in full force and effect except for as expressly modified by this Amendment.

DESCRIPTION OF AMENDMENTS

- The Parties hereby agree that the following amendments shall be made to the Original Agreement:
 1. Section 4: The term of the Franchise is hereby extended beginning June 30, 2026, and shall remain in full force and effect for a period of twenty-five (25) years, from and after such date unless sooner terminated pursuant to the terms of this Franchise.
 2. Section 12: The Franchise Fee/Business License Fee due under the Franchise is hereby revised as follows: The Second Party shall pay to the First Party five (5) percent of the gross revenues collected from the sale or delivery of gas by the Second Party to customers within the boundary of the City of Fernley to be paid within thirty (3) days following the end of each calendar quarter throughout the term of this franchise unless amended pursuant to NRS 354.59883.

These amendments shall supersede any conflicting provisions in the Original Agreement and shall be incorporated as part of the Original Agreement upon execution of this Amendment.

EFFECTIVE DATE OF AMENDMENTS

- The amendments outlined in this Agreement shall become effective as of June 30, 2026, unless otherwise specified herein. All obligations, rights, and responsibilities under the Original Agreement, as amended by this Agreement, shall be interpreted and enforced from the effective date of these amendments onward.

AMENDMENTS

- The Parties agree that any amendments made to this Agreement must be in writing where they must be signed by both Parties to this Agreement.
- As such, any amendments made by the Parties will be applied to this Agreement.

SEVERABILITY

- In an event where any provision of this Agreement is found to be void and unenforceable by a court of competent jurisdiction, then the remaining provisions will remain to be enforced in accordance with the Parties’ intention.

DISPUTE RESOLUTION

- Any dispute or difference whatsoever arising out of or in connection with this Agreement shall be submitted to (Arbitration/mediation/negotiation) in accordance with, and subject to the laws of the state of Nevada.

GOVERNING LAW

- This Agreement shall be governed by and construed in accordance with the laws of the state of Nevada.

SIGNATURE AND DATE

- The Parties hereby agree to the terms and conditions set forth in this Agreement and such is demonstrated throughout their signatures below:

Agreed to this 3rd day of December 2025.

Southwest Gas Corporation

City of Fernley

By: _____

By: _____

Title: _____

Title: _____

Attest:

Attest

By: _____

By: _____

Title: _____

Title: _____

Approved as to form:

By: _____

Title: _____



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: November 19, 2025

REPORT TO: Mayor and City Council

REPORT FROM: Lydia Altick, Acting City Manager

FINANCIAL IMPACT:

Yes: X

No:

CURRENTLY BUDGETED:

Yes: X

No:

FUND/ACCOUNT:

GL No. 100-418-322

ACTION REQUESTED: Consent

AGENDA ITEM:

Discussion and possible action to approve a contract with PacStates for IT Co-Managed IT Service Provider.

AGENDA ITEM BRIEF:

The City of Fernley sent out an RFP on September 10, 2025 for Co-Managed IT Service Provider. The City received four proposals. Based on an evaluation conducted by the City IT selection committee, PacStates received the highest rating. Contract negotiations have resulted in a three-year contract for these services with PacStates. Monthly services are \$20,755.00, with an onboarding one-time fee of \$20,755.00, for a total of \$41,510 due at the signing of the contract.

RECOMMENDED MOTION:

I move to enter into a contract with PacStates for \$41,510.00.

BUSINESS IMPACT (per NRS Chapter 237):

A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

See attached report for background, analysis, alternatives.

ALTERNATIVES:

The City Council may choose not to approve the contract with PacStates.

BACKGROUND:

PacStates has been working with the City over the years, providing limited services. In 2025, PacStates completed an assessment detailing the IT shortfalls and needs required in order to bring IT services up to date and in compliance with state and federal requirements.

RELEVANT LAWS, STATUTES, AND REGULATIONS:

NRS

FINANCIAL IMPLICATIONS:

This service has been budgeted for FY 2025-2026.

ATTACHMENTS:

1. PacStates IT Co-Managed MSP_contract_attA_attB

CONTRACT

A Contract for Professional Services

THIS CONTRACT is made and entered into this ____ day of _____, _____, by and between the CITY OF FERNLEY, a municipal corporation within the State of Nevada whose address is 595 Silver Lace Blvd, Fernley, Nevada 89408 (the "City"), and PacStates, an IT Co-Managed Service Provider, whose address is 240 S. Rock Blvd., Suite 117, Reno, NV 89502 ("Contractor").

WHEREAS, Nevada Revised Statutes ("NRS") Chapter 266 authorizes the City to engage the services of independent contractors; and

WHEREAS, the services of Contractor are deemed to be both necessary and in the best interests of the City; and

WHEREAS, the City desires to retain the services of Contractor on the terms and conditions set forth in this Contract;

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. **CONTRACT TERM:** This Contract shall be effective from the day it is approved by the City Council (which date shall be inserted into the introductory paragraph of this Contract) and, subject to appropriation, shall remain in full force and effect until the services are completed unless terminated earlier pursuant to Section 6.

2. **CONTRACTOR'S SERVICES:**

a. **Description of Services.**

i. **Attachments:**

1. **Attachment A.** Scope of Work. Contractor hereby agrees to provide the services set forth in the Scope of Work attached hereto as Attachment A and incorporated herein by this reference.

ii. **Standard Of Care.** Notwithstanding anything to the contrary in this agreement or in any other contract document relating to the project, in performing its work under this agreement Contractor shall perform its services to the standard of care of a reasonable professional that is performing the same or similar work, at the same time and locality and under the same or similar conditions faced by Contractor Cooperation with City. Contractor agrees that its officers, associates, employees and subcontractors will cooperate with the City in providing the services under this Contract and will be, with advance

CONTRACT

A Contract for Professional Services

notice, available for consultation with the City at such reasonable times as to not conflict with the City's other responsibilities.

- iii. **General Warranty.** Contractor warrants that all services, deliverables, and/or work product under this Contract shall be completed in a workmanlike manner consistent with standards in the trade, profession, or industry; shall conform to or exceed the specifications set forth in the incorporated attachments; and shall be fit for ordinary use, of good quality, with no material defects.

3. REQUIRED APPROVALCOMPENSATION AND TERMS OF PAYMENT:

- a. **Compensation.** The City agrees to pay Contractor for the services set forth in the Scope of Work either a lump sum fee or an hourly fee based on the Fee Schedule attached hereto as Attachment B and incorporated herein by this reference.
 - b. **Reimbursable Expenses.** Contractor agrees that all of its direct and indirect expenses are included in the lump sum or hourly fee set forth in the Fee Schedule, unless the Fee Schedule specifically provides otherwise.
 - c. **Payment Invoicing.** Contractor shall submit an invoice for payment for the services provided by Contractor based on the manner or method of payment set forth in Attachment A (Scope of Work) and Attachment B (Fee Schedule).
 - d. **Timeliness of Billing.** Contractor acknowledges and agrees that timeliness of billing is of the essence to this Contract and recognizes that the City is on a fiscal year ending on June 30. All invoices for services rendered prior to July 1 must be submitted to the City no later than 30 days after the end of the fiscal year.
4. **NOTICE:** All notices or other communications required or permitted to be given hereunder shall be deemed delivered: (i) when written notice is received by the party to whom it is directed, if delivered personally, or by email; or (ii) three (3) days after deposit with the United States Post Office, if mailed by certified mail, return receipt requested, postage prepaid and addressed to the party to be notified. Notices shall be addressed as follows:

If to the City: City Manager
 City of Fernley
 595 Silverlace Blvd.
 Fernley, NV 89408

If to Contractor: _____

CONTRACT

A Contract for Professional Services

5. INSPECTION & AUDIT:

- a. **Books and Records.** Contractor agrees to keep and maintain under general accepted accounting principles (GAAP) full, true and complete records, contracts, books, and documents as are necessary to fully disclose to the City, the State of Nevada or the United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.
- b. **Inspection & Audit.** Contractor agrees that the relevant books, records (written, electronic, computer related or otherwise), including, without limitation, relevant accounting procedures and practices of Contractor or its subcontractors, financial statements and supporting documentation, and documentation related to the performance of this Contract shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location of Contractor where such records may be found, with or without notice by the City, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives. All subcontracts shall reflect the requirements of this paragraph.
- c. **Period of Retention.** All books, records, reports, and statements relevant to this Contract must be retained a minimum three years and for five years if any federal funds are used under this Contract. The retention period runs from the date of payment for the relevant services by the City, or from the date of termination of this Contract, whichever is later. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

6. TERMINATION OR SUSPENSION:

- a. **Suspension.** The City may suspend, without cause, the performance by Contractor under this Contract for such period of time as the City, in its sole discretion, may prescribe by providing written notice to Contractor. The suspension shall be effective as of the date set forth in the written notice. With such suspension, the City agrees to pay Contractor the amount of compensation earned as of the effective date of the suspension.

CONTRACT

A Contract for Professional Services

- b. **Termination Without Cause.** The City reserves the right to terminate this Contract without cause or default on the part of Contractor with thirty (30) days' prior written notice to Contractor. In the event of termination, without cause or default, the City agrees to pay Contractor for the services performed before the date that notice of termination is received by Contractor.
- c. **Termination for Non-Appropriation.** Contractor acknowledges that the City is a governmental entity and the Contract's validity is based upon the availability of public funding under its authority. The City reserves the right to reduce estimated or actual quantities, in whatever amount necessary, without prejudice or liability to the City, if funding is not available or if legal restrictions are placed upon the expenditure of monies for the services required under this Contract. In addition, without prejudice or liability to the City, if funding is not appropriated or otherwise made available to support the continuation of this Contract in any fiscal year succeeding the first fiscal year, this Contract will be deemed to have been terminated automatically when appropriated funds expire and are not available.
- d. **Default or Breach.** A default or breach (an "Event of Default") may be declared with or without termination. Each of the following shall constitute an Event of Default:
 - i. If Contractor fails, in the judgment of the City, to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Contract, and such failure continues for more than thirty (30) days after written notice is delivered to Contractor provided that if the nature of such breach is such that although curable, the breach cannot reasonably be cured within a thirty (30) day period, an Event of Default shall not exist if Contractor shall commence to cure such breach and thereafter rectifies and cures such breach with due diligence, but in no event later than sixty (60) days after the written notice;
 - ii. If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or
 - iii. If Contractor: (i) becomes insolvent, subject to receivership, or voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; (ii) makes a general assignment for the benefit of creditors; (iii) admits in writing to the inability to pay its debts as they become due;

CONTRACT

A Contract for Professional Services

or (iv) takes any action for the purpose of effecting any of the foregoing.

- e. **For Cause Termination and Time to Correct. For Cause Termination and Time to Correct.** This Contract may be terminated by the non-defaulting party upon a declared default or breach only after service of formal written notice as specified in paragraph (4), and the subsequent failure of the defaulting party within a reasonable time of receipt of that notice to provide evidence, satisfactory to the non-defaulting party, showing that the declared default or breach has been corrected or is being corrected as expeditiously as is prudent and practicable.
- f. **Winding Up Affairs upon Termination.** If this Contract is terminated for any reason, the parties agree that the provisions of this paragraph survive termination:
 - i. The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination.
 - ii. Contractor shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if requested by the City.
 - iii. Contractor shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if requested by the City; and
 - iv. Contractor shall preserve, protect, and promptly deliver possession to the City of all proprietary information in accordance with Section 18.
 - v. If dispute(s) arise during the winding up of affairs upon termination, the parties agree to meet and negotiate in good faith to resolve any such disputes(s).

7. **REMEDIES:** Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages exclusive of lost profits.

8. **ATTORNEYS' FEES, COSTS, AND EXPENSES:** Unless otherwise stated herein, the parties will bear their own attorneys' fees, costs, and expenses in connection with the negotiation, execution, and performance of this Contract.

CONTRACT

A Contract for Professional Services

9. **LIMITED LIABILITY:** Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in the Attachments. Damages for any default or breach by the City shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to Contractor, for the fiscal year budget in existence at the time of the default or breach.
10. **FORCE MAJEURE:** Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of this Contract after the intervening cause ceases.
11. **INDEMNIFICATION:** Contractor shall indemnify, defend, and hold harmless the City, its elected officials, officers, employees, agents, and consultants (collectively, the "City party") from and against any and all claims, liabilities, damages, losses, suits, actions, decrees, arbitration awards, judgments, and any other costs or expenses, including reasonable attorney fees (collectively, "Liabilities"), which may be recovered from or sought against the City party as a result of, by reason of, or as a consequence of: (i) any act or omission, negligent or otherwise, on the part of Contractor, its officers, employees, independent contractors, sub-contractors, vendors, suppliers, consultants, or agents; or (ii) any default in the performance of any obligation of Contractor to be performed under the terms of this Contract, regardless of whether such default is an Event of Default hereunder. In no event shall the language of this Section constitute or be construed as a waiver or limitation of the City's rights or defenses with regard to sovereign immunity, governmental immunity, or other official immunities and protections provided by the Federal and State constitutions or by law. It is expressly agreed that Contractor shall defend the City party at Contractor's expense, by legal counsel reasonably satisfactory to the City, against the Liabilities and in the event that Contractor fails to do so, the City shall have the right, but not the obligation, to defend the same and to charge all direct and incidental costs, including attorney's fees and court costs, to Contractor. Contractor's indemnity obligations herein are not intended to nor shall they relieve any insurance carrier of its obligations under policies required to be carried by Contractor pursuant to the provisions of this Contract. Contractor's obligations under this Section 11 shall survive any termination of this Contract.

The City shall indemnify, defend, and hold harmless the Contractor, its officers, employees and agents (collectively, the "Contractor party") from and against any and all claims, liabilities, damages, losses, suits, actions, decrees, arbitration awards, judgments, and any other costs or expenses, including reasonable attorney fees (collectively, "Liabilities"), which may be recovered from or sought against the Contractor as a result of, by reason of, or as a consequence of: (i) any act or omission,

CONTRACT

A Contract for Professional Services

negligent or otherwise, on the part of City, its officers, employees or agents,; or (ii) any default in the performance of any obligation of City to be performed under the terms of this Contract, regardless of whether such default is an Event of Default hereunder. In no event shall the language of this Section constitute or be construed as a waiver or limitation of the Contractor's rights or defenses that may be available to it pursuant to Federal or Nevada law. It is expressly agreed that City shall defend the Contractor party at City's expense, by legal counsel reasonably satisfactory to the Contractor, against the Liabilities and in the event that City fails to do so, the Contractor shall have the right, but not the obligation, to defend the same and to charge all direct and incidental costs, including attorney's fees and court costs, to City.

12. INDEPENDENT CONTRACTOR: Contractor is associated with the City only for the purposes and to the extent specified in this Contract, and in respect to performance of the contracted services pursuant to this Contract, Contractor is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for the City whatsoever with respect to the indebtedness, liabilities, and obligations of Contractor or any other party. Contractor shall be solely responsible for, and the City shall have no obligation with respect to: (1) withholding of income taxes, FICA or any other taxes or fees; (2) industrial insurance coverage; (3) participation in any group insurance plans available to employees of the City; (4) participation or contributions by either Contractor or the Public Employees Retirement System; (5) accumulation of vacation leave or sick leave; or (6) unemployment compensation coverage provided by the City. Contractor shall indemnify and hold the City harmless from, and defend the City against, any and all losses, damages, claims, costs, penalties, liabilities, and expenses arising or incurred because of, incident to, or otherwise with respect to any such taxes or fees. Neither Contractor nor its employees, agents, or representatives shall be considered employees, agents, or representatives of the City.

13. INSURANCE: Unless expressly waived in writing by the City, Contractor shall, at Contractor's sole expense, procure, maintain and keep in force during the entire term of this Contract those policies of insurance which have been agreed to by the parties as evidenced by the parties initials in the signature spaces provided below. The City shall have no liability except as specifically provided in this Contract. Contractor shall not commence work before Contractor has provided the required evidence of insurance to the City. Any insurance or self-insurance available to the City shall be in excess of, and non-contributing with, any insurance required from Contractor. Contractor's insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by the City, Contractor shall provide the City with renewal or replacement evidence of insurance no less than thirty (30) days before the expiration or replacement of the required insurance. If at any time during the

CONTRACT

A Contract for Professional Services

period when insurance is required by this Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as Contractor has knowledge of any such failure, Contractor shall immediately notify the City and immediately replace such insurance or bond with an insurer meeting the requirements.

☐

COF

☐

CTR

- a. **Workers' Compensation and Employer's Liability Insurance.** Industrial insurance protecting Contractor and the City from potential employee claims based upon job-related sickness, injury, or accident, during the performance of this Contract. Contractor shall provide a work certificate issued by a qualified insurer in accordance with NRS 616B.627. Prior to commencing any work, Contractor shall complete and provide the following written request to a qualified insurer:

CONTACTOR NAME has entered into a contract with Owner to perform work from THE ____ DAY OF _____, 20__ to THE ____ DAY OF _____, 20__ and requests that an industrial insurance provider qualified and licensed to offer such insurance within the State of Nevada, provide to The City of Fernley, Nevada 1) a certificate of coverage issued pursuant to NRS 616B.627 and 2) notice of any lapse in coverage or nonpayment of coverage that Contractor is required to maintain. The certificate and notice should be mailed to:

City of Fernley
595 Silver Lace Blvd
Fernley, NV 89408

Contractor may, in lieu of furnishing a certificate of an insurer, provide an affidavit indicating that Contractor is a sole proprietor and that: (1) In accordance with the provisions of NRS 616B.659, Contractor has not elected to be included within the terms, conditions, and provisions of NRS chapters 616A to 616D, inclusive; and (2) Contractor is otherwise in compliance with those terms, conditions and provisions.

☐

COF

☐

CTR

- b. **Professional Liability Insurance.**

- i. Minimum Coverage Limit required (not deductible amount): \$1,000,000 Each Claim, \$2,000,000 Aggregate.
- ii. Retroactive date: Prior to commencement of the performance of this Contract
- iii. Discovery period: Three (3) years after the termination date of this Contract.

- c. **General Requirements.**

CONTRACT

A Contract for Professional Services

- i. Additional Insured: By endorsement to the general liability insurance policy evidenced by Contractor, ***the City of Fernley, its officers, employees, and immune contractors*** shall be named as additional insureds for all liability arising from this Contract.
 - ii. Waiver of Subrogation: Each insurance policy shall provide for a waiver of subrogation in favor of the City.
 - iii. Cross-Liability: All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.
 - iv. Deductibles and Self-Insured Retentions: Insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by the City. Such approval shall not relieve Contractor from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000 per occurrence, unless otherwise approved by the City.
 - v. Policy Cancellation: Except for ten days' notice for non-payment of premium, each insurance policy shall be endorsed to state that; without thirty (30) days prior written notice to the City, the policy shall not be canceled, non-renewed or coverage and/or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mail to the address shown below.
 - vi. Approved Insurer: Each insurance policy shall be issued by insurance companies: (a) authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to the City and having agents in the State of Nevada upon whom service of process may be made; and (b) currently rated by A.M. Best as "A-VII" or better.
- d. **Evidence of Insurance.** Prior to the start of any work, Contractor must provide the following documents to the City:
- i. Certificate of Insurance: The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to the City to evidence the insurance policies and coverages required of Contractor.
 - ii. Additional Insured Endorsement: An Additional Insured Endorsement (CG20 10 or C20 26), signed by an authorized insurance company representative, **must** be submitted to the City to evidence the endorsement of the City as an additional insured per General Requirements, Subsection 1) above.

CONTRACT

A Contract for Professional Services

- iii. Schedule of Underlying Insurance Policies: If an Umbrella or Excess insurance policy is evidenced to comply with minimum limits, a copy of the underlying schedule from the Umbrella or Excess insurance policy may be required.
- iv. Review and Approval: Documents specified above must be submitted for review and approval by the City prior to the commencement of work by Contractor. Neither approval by the City nor failure to disapprove the insurance furnished by Contractor shall relieve Contractor of Contractor's full responsibility to provide the insurance required by this Contract. Compliance with the insurance requirements of this Contract shall not limit the liability of Contractor or its sub-contractors, employees or agents to the City or others, and shall be in addition to and not in lieu of any other remedy available to the City under this Contract or otherwise. The City reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements. Contractor will mail all required insurance documents to the City at the address identified in section 4 of this Contract.
- e. **Failure to Maintain Required Coverages**. If Contractor fails to carry the required insurance, the City may: (i) order Contractor to stop further performance of the Contract, and declare contractor in breach, terminate the Contract if such breach is not remedied; or (ii) purchase replacement insurance and withhold the costs or premium payments made from the payments due to Contractor or charge the replacement insurance costs back to Contractor.

14. COMPLIANCE WITH LEGAL OBLIGATIONS: Contractor shall procure and maintain for the duration of this Contract any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract. Contractor will be responsible to pay all taxes, assessments, fees, premiums, permits, and licenses required by law. Real property and personal property taxes are the responsibility of Contractor in accordance with NRS 361.157 and 361.159. Contractor agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract.

15. WAIVER OF BREACH: Failure to declare a breach or the actual waiver of any particular breach of this Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other default or breach.

16. SEVERABILITY: If any portion, provision, or part of this Contract is held, determined, or adjudicated by any court of competent jurisdiction to be invalid, unenforceable, or

CONTRACT

A Contract for Professional Services

void for any reason whatsoever, each such portion, provision, or part shall be severed from the remaining portions, provisions, or parts of this Contract, and such determination or adjudication shall not affect the validity or enforceability of such remaining portions, provisions, or parts.

- 17. ASSIGNMENT/DELEGATION:** To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by the City, such offending portion of the assignment shall be void, and shall be a breach of this Contract. Contractor shall neither assign, transfer nor delegate any rights, obligations, or duties under this Contract without the prior written consent of the City.
- 18. PROPRIETARY INFORMATION:** Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by Contractor (or its subcontractors) in performance of its obligations under this Contract shall be the exclusive property of the City and all such materials shall be delivered into the possession of the City by Contractor upon completion, termination, or cancellation of this Contract. Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Contractor's obligations under this Contract without the prior written consent of the City. Notwithstanding the foregoing, the City shall have no proprietary interest in any materials licensed for use by the City that are subject to patent, trademark, or copyright protection.
- 19. PUBLIC RECORDS:** Pursuant to NRS 239.010, information or documents received from Contractor may be open to public inspection and copying. The City will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. Contractor may label specific parts of an individual document as a "trade secret" or "confidential," provided that Contractor thereby agrees to indemnify and defend the City for honoring such a designation. The failure to so label any document that is released by the City shall constitute a complete waiver of any and all claims for damages caused by any release of the records.
- 20. FEDERAL FUNDING:** In the event federal funds are used for payment of all or part of this Contract:
- a. Contractor certifies, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt.

CONTRACT

A Contract for Professional Services

67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

- b. Contractor and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.
- c. Contractor and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)

21. LOBBYING: The parties agree, whether expressly prohibited by federal, state or local law, or otherwise, that no funding associated with this Contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence any of the following: (a) any federal, state, county or local agency, legislature, commission, council or board; (b) any federal, state, county or local legislator, commission member, council member, board member, or other elected official; or (c) any officer or employee of any federal, state, county or local agency; legislature, commission, council or board.

22. CERTIFICATION REQUIRED BY NEVADA SENATE BILL 26 (2017): By signing this Agreement, the CONSULTANT provides a written certification, as a material part of this Agreement, that the CONSULTANT is not currently engaged in, and during the Term shall not engage in, a boycott of Israel. The term "boycott of Israel" has the meaning ascribed to that term in Section 3 of Nevada Senate Bill 26 (2017). The CONSULTANT shall be responsible for fines, penalties, and repayment of any State of Nevada or federal funds that may arise (including those that the CITY pays, becomes liable to pay, or becomes liable to repay) as a direct result of the CONSULTANT's non-compliance with this Section. If, at any time during the formation or duration of this Agreement, CONSULTANT is engaged or engages in a boycott of Israel, it will constitute a material breach of this Agreement.

23. PROPER AUTHORITY: Contractor represents and warrants Contractor has full power and authority to enter into this Contract. Any services performed by Contractor before this Contract is effective or after it ceases to be effective are performed at the sole risk of Contractor.

24. GOVERNING LAW; VENUE: This Contract will be interpreted, and the rights and liabilities of the parties determined, in accordance with the laws of the State of Nevada, excluding its conflict of laws rules. In any action or proceeding arising under

CONTRACT

A Contract for Professional Services

this Contract, each party (a) consents to the jurisdiction of Nevada Courts, and of the pertinent appellate courts, and consents to the venue of such action or proceeding in Lyon County, Nevada courts, (b) irrevocably agrees that all actions or proceedings arising out of or relating to this Contract shall be litigated in such courts, and (c) consents to personal jurisdiction within Lyon County, Nevada. Each party accepts for itself, generally and unconditionally, the exclusive jurisdiction and venue of the aforesaid courts and waives any defense of lack of personal jurisdiction, improper venue, inconvenient forum or any similar defense, and irrevocably agrees to be bound by any non-appealable judgment rendered thereby in connection with this Contract.

- 25. INTEGRATED CONTRACT:** This Contract (including any addenda, exhibits, or attachments incorporated into and made a part of this contract) constitutes the entire agreement and understanding among the parties regarding the matters set forth herein and supersedes all previous negotiations, discussions, and understandings regarding such matters. The parties acknowledge and represent that they have not relied on any promise, inducement, representation, or other statement made in connection with this Contract that is not expressly contained herein. The terms of this Contract are contractual and not a mere recital.
- 26. COUNTERPARTS:** This Contract may be executed in multiple counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.
- 27. ADVICE OF COUNSEL:** Each party hereto represents and agrees that it has had the opportunity to seek and has sought from attorneys any such advice as it deems appropriate with respect to signing this Contract or the meaning of it. Each party has undertaken such independent investigation and evaluation as it deems appropriate and is entering into this Contract in reliance on that and not in reliance on any advice, disclosure, representation or information provided by or expected from any other party or such party's attorneys. This is an agreement of settlement and compromise, made in recognition that the parties may have different, disputed or incorrect understandings, information and contentions, as to facts and law, and with each party compromising and settling any potential correctness or incorrectness of its understandings, information and contentions as to the facts, law, claims, duties, disclosures and conduct occurring before or during the entry into this Contract. No conduct, failure, misunderstanding or misinformation and no claim of fraud or fraudulent inducement occurring prior to or in connection with the execution hereof shall be a ground for rescission hereof or for recovery of damages, except as otherwise expressly provided herein.
- 28. MODIFICATION; NO WAIVER:** The provisions of this Contract, including this paragraph, may be modified or waived only in writing signed by both parties. No waiver with respect to any portion of this Contract shall apply to any other portion of the Contract, and a waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion. No course of dealing by any

CONTRACT

A Contract for Professional Services

party, and no failure, omission, delay, or forbearance by any party in exercising such party's rights or remedies shall be deemed a waiver of any such rights or remedies or a modification of this Contract.

29. **INTERPRETATION OF AGREEMENT:** This Contract shall be construed without regard to the party or parties responsible for its preparation and shall be deemed to have been prepared collectively by the parties. Any ambiguity or uncertainty arising herein shall not be interpreted or construed against any party hereto on the basis that a party prepared or drafted a particular provision of this Contract.
30. **COOPERATION OF PARTIES:** The parties agree to cooperate to accomplish the purpose of this Contract and to execute any and all supplementary documents and to take all additional actions not inconsistent with the terms set forth in this Contract that are necessary and appropriate to give full force and effect to the terms and intent of this Contract.
31. **NON-DISCRIMINATION:** In connection with the performance of work under this Contract, Contractor agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, or age, including, without limitation, with regard to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including, without limitation, apprenticeship. Contractor further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

CONTRACT

A Contract for Professional Services

In witness whereof, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby:

CITY OF FERNLEY

Mayor, City of Fernley Date

City Manager, City of Fernley Date

City Clerk, City of Fernley Date

Approved as to form:

City Attorney, City of Fernley Date

Originating Department:

Department Head Date

CONTRACT

A Contract for Professional Services

CONTRACTOR, being first duly sworn, deposes and says: That CONTRACTOR. is the Contractor; that Michael W. Buis has read the foregoing Contract; and that he understands the terms, conditions, and requirements thereof.

CONTRACTOR

BY: **Michael W. Buis**

TITLE: **CEO**

FIRM: **PacStates**

BUSINESS LICENSE #: **BL01-1549**

Address: **240 So. Rock Blvd., 117**

City: **Reno** State: **NV** Zip Code: **89502**

Telephone: **775.284.4103** Fax #: **775.828.2039**

E-mail Address: **mbuis@pacstatesnv.com**

(Signature of Contractor)

DATE SIGNED this ____ day of _____, 20__.

Attachment A



PacStates

Integrated Business Technology
One Company, One Call

We have prepared a quote for you

**City of Fernley - RFP - PSC OCP Co-Manage IT
Agreement 2025 - 3 yrs**

Quote # 003151
Version 2

Prepared for:

City of Fernley - City Hall

Lydia Altick
laltick@cityoffernley.org

Thursday, October 30, 2025

City of Fernley - City Hall
Lydia Altick
595 Silver Lace Blvd.
Fernley, NV 89408
laltick@cityoffernley.org

Dear Lydia,

Subject: Proposal for Flat-Rate Co-Managed IT Services

Dear Lydia Altick,

PacStates Communications is pleased to submit our proposal to provide **Flat-Rate Co-Managed IT Services** for City of Fernley. We understand the critical role that secure, reliable, and cost-predictable IT operations play in supporting your mission. Our program is specifically designed to meet those needs while delivering long-term value and compliance assurance. Our services will be based on all equipment that must be upgraded and modernized in order for us to provide our SLAs.

As your partner, PacStates will deliver:

- **Predictable Flat-Rate Coverage** – Unlimited support, travel, professional services, and technology consulting included in a single monthly fee.
- **Security-First Protection** – Integrated **EDR, MDR, SIEM, and annual penetration testing**, aligned with **NIST 2.0** and municipal compliance requirements.
- **Triple-Redundant Backup** – Local appliance, device-to-cloud, and cloud-to-cloud protection, with quarterly restore testing.
- **Public-Sector Expertise** – Proven experience supporting municipalities, utilities, and agencies across Nevada with reliable IT services and compliance-ready solutions.

Our approach ensures City of Fernley benefits from both **day-to-day IT stability** and **long-term strategic guidance**. With PacStates, your team gains a dedicated partner that blends proactive monitoring, advanced cybersecurity, disaster recovery resilience, and executive-level IT consulting.

We appreciate the opportunity to earn your trust and look forward to collaborating with your team. Please contact us directly with any questions or to arrange a presentation of our proposal.

Thank you for considering PacStates Communications.



Ryan Baskharoon
vCIO
PacStates

Executive Summary

PacStates Communications – Flat-Rate Co-Managed IT Services

PacStates Communications is proud to propose a **comprehensive, flat-rate co-managed IT program** designed to give [Client/Agency Name] predictable costs, enterprise-class security, resilient disaster recovery, and proactive technology leadership.

Unlike traditional IT providers who charge hourly or by the incident, PacStates delivers **all-inclusive support under a fixed monthly fee**. This means:

- **No surprise costs.** Travel, onsite support, professional services, and consulting are all included.
- **Built-in resilience.** Triple-redundant backup ensures data is always secure and recoverable.
- **Enterprise-class cybersecurity.** EDR, MDR, SIEM (24x7 monitoring), and annual penetration testing are integrated to keep systems secure and audit-ready.
- **Strategic partnership.** Our team works hand-in-hand with your IT staff, providing professional services and virtual CIO consulting to guide your technology roadmap.
- **Full Vendor Management** - Microsoft 365, GIS, ERP, Permitting and case management applications, CJIS Systems, LegalEdge Case management, and Phone provider, Internet Provider, Adobe, Printer and Copier

Four Pillars of PacStates' Flat-Rate Co-Managed Program

1. **Security Management**

- Advanced threat protection, intrusion prevention, and VPN for secure remote access.

2. **Backup & Disaster Recovery**

- Hourly automated backups, same-day virtualization, and **triple redundancy** (appliance + device-to-cloud + cloud-to-cloud).

3. **Professional Services & Technology Consulting**

- Quarterly technology reviews, solution engineering, proof-of-concept testing, training, and ongoing IT strategy.

4. **Hassle-Free Vendor & Network Management**

- 24x7 monitoring, patching, email continuity, and single point-of-contact vendor coordination.

SOW - PSC

Scope of Work (SOW) – Flat-Rate Co-Managed IT Services with Hardware Replacement Projects

Prepared by PacStates Communications

1. Introduction

This Scope of Work (SOW) defines the **flat-rate co-managed IT services** PacStates (“Vendor”) will provide to City of Fernley.

The co-managed model allows City of Fernley’s internal IT staff to retain direct control over daily operations while leveraging PacStates’ enterprise-class monitoring, cybersecurity, escalation support, compliance resources, wireless management, professional services, and technology consulting — all for a **predictable fixed monthly fee**.

Unlike many providers, **onsite travel, professional services, and consulting are included** in the flat-rate program, ensuring no unexpected charges for essential IT needs.

Our services are based off all necessary equipment that needs to be update and replaced like: Firewalls, switches, Access points, Desktops, Laptops, Backup devices, UPS.

2. Project Objectives?

- Deliver unlimited co-managed IT services and escalation support at a **flat monthly fee**.
- Enhance cybersecurity posture with **EDR, MDR, SIEM, and annual penetration testing**.
- Provide **onsite technician presence daily during onboarding, and once per week ongoing thereafter and will be reviewed as necessary to adjust the frequency**.
- Include **all travel, professional services, and consulting** within the flat-rate program.
- Provide **Wi-Fi heatmapping, design, and ongoing wireless management**.
- Implement **triple-redundant backups** with appliance, device-to-cloud, and cloud-to-cloud coverage.
- Support lifecycle planning and hardware refresh projects through structured engagements.
- Deliver audit-ready compliance documentation and transparent reporting.

3. Scope of Services (Flat-Rate Co-Managed Coverage)

1. Monitoring & Infrastructure Management

- 24/7 monitoring of servers, endpoints, and cloud.
- Patch, firmware, and vulnerability management.

2. Help Desk & Escalation Support

- Unlimited Tier 2–3 escalation.
- Unlimited remote and **onsite support (travel included)**.
- **Dedicated onsite technician daily during onboarding period**.
- **Post-onboarding: scheduled onsite technician visits once or twice per week, in addition to unlimited remote and escalation support.**

3. Cybersecurity & Compliance

- **EDR, MDR, SIEM, and Annual Penetration Testing.**

SOW - PSC

- Firewall management, vulnerability scanning, and policy enforcement.
- Compliance with **NIST 2.0, CJIS, HIPAA, PCI DSS**.

4. **Wireless Network Design & Management**

- Wi-Fi heatmapping, predictive surveys, optimization, and management.

5. **Backup & Disaster Recovery (Triple Redundant)**

- **Onsite Appliance** for fast restores.
- **Device-to-Cloud** for offsite recovery.
- **Cloud-to-Cloud** for SaaS platform protection.
- Quarterly validation testing.

6. **Professional Services (Included)**

- Configuration, deployment, and optimization of IT systems within the managed environment.
- Assistance with migrations, upgrades, and policy enforcement.
- Project support for covered technologies without additional hourly billing.

7. **Technology Consulting (Included)**

- Quarterly and ad-hoc consulting sessions with senior engineers and vCIO (Virtual CIO).
- Strategic IT roadmap development aligned with client mission and budget.
- Recommendations on emerging technologies, procurement strategies, and compliance planning.

8. **Full Vendor Management** - Microsoft 365, GIS, ERP, Permitting and case management applications, CJIS Systems, LegalEdge Case management, and Phone provider, Internet Provider, Adobe, Printer and Copier

4. **Hardware Replacement Projects (Quoted Separately)**

- All Hardware will need to be replaced: Desktops, Laptops that are 10th gen CPU and lower, Firewalls, Switches, Access Points, backup appliances, and UPS.
- Annual lifecycle assessment and refresh planning.
- Will use the most cost effective Procurement either through our vendors or through the state/local contract vehicles (NASPO, GSA, State of Nevada).
- Installation, configuration, and validation of new hardware.
- Seamless migration of data and services.
- Chain-of-custody documentation and certified secure disposal of retired assets.

Deliverables:

- Lifecycle plan, BOM, installed and validated equipment, migration reports, disposal certificates.

Pricing:

- Not included in flat-rate program.
- Each project proposed and billed separately at fixed-fee pricing.

5. **Deliverables (Flat-Rate Program)**

- Onboarding package (inventory, baseline, diagrams).
- Client portal for ticketing, reporting, and collaboration.

SOW - PSC

- Monthly reports (service, security, wireless, SLA compliance).
- Quarterly business review reports with roadmap planning.
- **Onsite technician deliverables:**
 - Daily presence during onboarding for direct support, documentation, and knowledge transfer.
 - Weekly/bi-weekly onsite visits post-onboarding to ensure alignment, support, and continuity.
- **Professional services deliverables:** deployment assistance, configurations, and optimization projects.
- **Technology consulting deliverables:** documented strategy sessions, compliance reviews, IT roadmap.
- **Backup validation reports** (triple-redundant testing).
- Wi-Fi heatmaps (initial and updated).
- Disaster Recovery Playbook.

6. Shared Responsibilities Framework – PacStates & Client IT Staff - (Will be define more at the Onboarding Phase)

• 1. Client IT Staff Responsibilities (Local Knowledge & Control)

- Day-to-Day End-User Support (Tier 0/1):
- Password resets, basic troubleshooting, and quick fixes for staff.
- Handling walk-ups or immediate onsite needs.
- Business Applications Ownership:
- Specialized or proprietary software management (e.g., ERP, line-of-business apps).
- Acting as the liaison with software vendors.
- Decision Authority:
- Approving IT strategy, project priorities, and budget allocation.
- Setting organizational IT policies with executive leadership.
- Knowledge Transfer:
- Providing PacStates with system-specific nuances, organizational history, and context.

2. PacStates Responsibilities (Enterprise Tools & Expertise)

- 24/7 Monitoring & Management:
- Servers, endpoints, cloud environments, and network infrastructure.
- Escalation Support (Tier 2–3):
- Handling complex tickets the in-house IT cannot resolve quickly.
- Root cause analysis and remediation.
- Cybersecurity:
- EDR, MDR, SIEM, and annual penetration testing.
- Policy enforcement, threat detection, and incident response.
- Backup & Disaster Recovery:
- Managing triple redundancy (appliance, device-to-cloud, cloud-to-cloud).
- Quarterly restore testing.
- Wireless & Network Management:
- Wi-Fi heatmaps, optimization, and continuous management.
- Professional Services:
- Deployments, upgrades, migrations, and configuration work.

SOW - PSC

- Technology Consulting (vCIO):
- Roadmap planning, budget forecasting, and quarterly strategy reviews.
- Vendor Management:
- Acting as a single point of contact with ISPs, hardware vendors, and cloud providers.

3. Shared / Collaborative Responsibilities

- Onboarding & Transition:
- Daily onsite PacStates technician during onboarding for knowledge transfer, documentation, and stabilization.
- Joint asset inventory, baseline assessments, and network diagrams.
- Weekly / Bi-Weekly Presence (Post-Onboarding):
- PacStates technician onsite once or twice per week for alignment, shadowing, and hands-on support.
- Ticket Collaboration:
- Client IT handles Tier 0/1 support.
- PacStates handles Tier 2/3 and escalations.
- Compliance & Reporting:
- PacStates provides NIST/CJIS-aligned reports.
- Client IT reviews and presents findings internally.
- Strategic IT Reviews:
- Joint participation in Quarterly Technology Business Reviews (TBRs).
- Co-developing the IT roadmap.

7. Service Level Agreement (SLA)

PacStates guarantees the following response and resolution times for all services covered:

Severity Level	Description
Critical (P1)	Complete outage or severe impact to essential business/municipal services (e.g., public safety, finance systems)
High (P2)	Major degradation of service or partial outage affecting multiple users or systems.
Medium (P3)	Standard issues impacting individual users or non-critical systems.
Low (P4)	General service requests, non-urgent issues, or routine tasks.

- **Travel Included: Onsite support for any severity is covered within the flat-rate agreement.**
- **Escalation: Unresolved issues are escalated to PacStates senior engineers, then executive leadership if necessary.**
- **Reporting: SLA performance is documented in monthly service reports and reviewed during quarterly meetings.**

8. Acceptance Criteria

- Unlimited support, professional services, and consulting included with no hourly limits.
- **Onsite technician presence daily during onboarding and weekly/bi-weekly thereafter.**
- SLA compliance met.



SOW - PSC

- Triple-redundant backup tested quarterly.
- Hardware refresh projects approved and validated separately.

9. Pricing & Payment Schedule

- **Flat-Rate Co-Managed Services:** Fixed monthly fee of \$20,755, inclusive of unlimited onsite/remote support, **daily technician presence during onboarding, weekly/bi-weekly onsite presence ongoing, professional services, technology consulting, triple-redundant backups, wireless heatmapping/management, and travel.**
- **Hardware Replacement Projects:** Proposed and billed separately at fixed-fee rates.

Onboarding Project

Description	Price	Qty	Ext. Price
On-Boarding and Setup Fee	\$20,755.00	1	\$20,755.00

Subtotal: \$20,755.00

Managed Services Agreement (MSA)

This Managed Service Agreement (**Agreement**) is made and entered into effective as of the date signed below, by and between: **City of Fernley - City Hall** a professional business entity, hereafter called "**Customer**", and **Pacific States Communication of Nevada, Inc. DBA PacStates**, a professional technology services organization, hereafter called "**MSP**". This Agreement becomes effective upon signature by both parties.

The **Customer** desires to obtain the Professional Technology Services outlined in this Agreement, having identified that these services in part or in whole, facilitate an ideal technological support strategy to be wholly executed by a specific Technology Services Provider. **MSP** hereby agrees and consents to be identified as the **Customer's** exclusive Technology Services Provider, in consideration of providing the services detailed herein, during the entire term of this Agreement.

Therefore, both **Customer** and **MSP** in consideration of mutual conditions and covenants hereinafter described, do agree as follows:

Section 1: Term of Agreement

- a. This Agreement shall remain in force for a period of three (3) contiguous years.
 - I. No later than 60 days prior to the annual anniversary date, this Agreement may be reviewed by, and revisions proposed by, **MSP** to address any necessary adjustments or modifications. Should adjustments or modifications be required that affect the monthly fees paid for the services rendered under this Agreement, these adjustments and/or modifications will be negotiated and agreed to in writing by the **Customer** and **MSP** in advance and without exclusion.
 - II. If no adjustments or modifications can be agreed upon by the **Customer** and **MSP** in advance, then this agreement without such modifications shall remain in effect.
- b. **Customer** agrees to allow **MSP** to assign, delegate, and subcontract services to third party competent contractors upon **Customer's** prior written consent, which shall not be unreasonably withheld. **MSP** shall be responsible for overseeing and managing the assignee's, delegate's and subcontractor's services and performance, and shall remain ultimately liable for all of **MSP's** duties and obligations hereunder through the end of the then-existing term of this Agreement.
- c. This Agreement shall renew for a subsequent 3-year term to be determined pursuant to section 2 beginning on the day immediately following the end of the Initial Term, unless either party gives the other, at least ninety (90) day's prior written notice of its intent not to renew this Agreement.
- d. Should the **Customer** opt to pre-terminate this Agreement, such shall be done in congruence with the terms found in Section 8.
- e. For purposes of this Agreement, all "Services" are those referred to in Appendix C.

Section 2: Payment Schedule

- a. Fees for the Services listed in this Agreement are **\$20,755.00** per month plus applicable taxes, due by the fifth (5th) of each month.
 - I. To enact this agreement, a one-time setup and on-boarding fee of **\$20,755.00** in addition to the first month's service fee of **\$20,755.00** shall be due and payable.

The **Customer** may submit payment via Automated Clearing House (ACH), business check, or credit card by the fifth (5th) of each month, or the first business day after if the fifth (5th) of the month is a weekend or holiday. If **Customer** pays by credit card, a 3.5% processing fee will be applied.
 - II. Late Fees may be assessed on any outstanding balance at eighteen (18%) percent per annum, starting on the sixth (6th) day after its initial due date, until paid in full.



Managed Services Agreement (MSA)

- III. If payment is not received within ten (10) days after its due date, **MSP** will provide **Customer** with certified delivery mail advising **Customer** to pay the outstanding balance and late fees within three (3) business days after receipt of certified mail, otherwise **MSP** reserves its right to suspend Services until payment has been paid in full.
- b. It is understood that any and all Services requested by **Customer** that fall outside of the terms of this Agreement will be provided a written quote in advance, and authorized in writing by **Customer**, and billed as separate, individual Services. In any event, where a change to the monthly amount is mutually agreed upon between the **Customer** and **MSP**, such shall be endorsed and documented, and prorated in the month with an Addendum or Amendment.
- c. It is understood that any applicable Federal, State or Local Taxes shall be added to each invoice for services or materials rendered under this Agreement. **Customer** shall pay any such taxes unless a valid exemption certificate is furnished to **MSP** for the state of use.

Section 3: Service Coverage

a. **Standard Business Hours**

Remote Help Desk and Vendor Management of **Customer's** Technology Network will be provided to the **Customer** by **MSP** through remote (controlled virtual access) means between the hours of 8:00 am – 5:00 pm Monday through Friday.

b. **Emergency Services**

Emergency Services shall be defined as Services performed outside of the hours of 8:00 am – 5:00 pm Monday through Friday, Saturday, Sunday, and PacStates published observed holidays as defined in Appendix F. All services qualifying under these conditions, as well as Services that fall outside this Agreement scope will fall under the provisions as disclosed at the time of the occurrence and follows the current rate sheet in Appendix E. If there are any agreed upon Emergency Services coverage variances will be covered in Appendix G

c. **Support and Escalation**

MSP will respond to **Customer's** Service Tickets under the provisions of **Appendix A**, and with best effort after hours or holidays. Service Tickets must be opened via:

- I. Phone Call to **MSP** Offices (Both During and After Office Hours, contact: 775-828-2030)
- II. Via **Customer** Portal (Double-clicking the Desktop Icon Placed on Each Supported Computer)
- III. By E-Mail (Sending an email to: support@pacstatesnv.com from any internet connected device.)

Each service request will be assigned a Service Ticket number for tracking, which will serve as an ongoing repository of service requests either created by the **Customer** or by **MSP** as a part of ongoing network monitoring. In the event where a service request and an **MSP** resource is available, the **Customer** may engage with **MSP's** Chat Assist dialogue tool through their **Customer** Portal. As the **MSP** resource may find necessary, a service ticket may be created to track or otherwise follow up with a **Customer**-disclosed issue in accordance with the Service Level Agreement (SLA) time-frames and expectations.

Section 4: Monitor and Remediate Services

a. **Support of Hardware and Software**

Subject to any exceptions to be listed and noted in Appendix D, **MSP** shall provide support to all hardware, software, and systems specified in Appendix B, provided that all software is genuine, currently licensed, and vendor supported. Should any hardware or systems fail to meet these provisions, they will be excluded from this Service Agreement. Should 3rd party vendor support charges be



Managed Services Agreement (MSA)

required in order to resolve any issues, these will be passed on to the **Customer** only after providing the nature and associated amount of said charges in writing and obtaining the **Customer's** written authorization to incur stated charges.

b. **Monitoring Services Provided Under This Agreement**

MSP will provide ongoing monitoring and security services of all critical devices as indicated in Appendix B. **MSP** will document critical alerts, scans and event resolutions for the **Customer**. Should a problem be discovered during monitoring, **MSP** shall use best efforts to rectify the condition and protect **Customer's** systems and data in a timely manner through remote and/or in-person means.

Section 5: Network Suitability Requirements

a. **Requisite Network Standards for MSP Support Qualification**

In order for **Customer's** existing environment to qualify for **MSP's** Managed Services, the following requirements must be continually met:

- I. All Servers, Desktops and Computer equipment in the **Customer** Network, must be manufacturer supported.
- II. All Computers and Network Equipment must have Licensed Software and be supported by its manufacturer.
- III. All Wireless data traffic in the environment must be securely encrypted, without exception.

b. **Hardware as a Service (HaaS) Agreement**

- I. With regard to the equipment listed in **Appendix B** and any subsequent additions thereto ("HaaS Equipment"), **Customer** understands that **MSP** is providing HaaS equipment to **Customer** which is included in the payment plan stated in **Section 2(a)**. **MSP** provides a HaaS equipment refresh every thirty-six (36) months. **Customer** agrees that all HaaS equipment provided by **MSP** will remain the sole property of **MSP** which retains a 100% security interest. **Customer** will not attempt to sell, resale, tamper, troubleshoot, repair, add, move off-site, or alter in any way the HaaS equipment, without written permission of **MSP**, which is a default to the provisions of this Agreement.
- II. Pre-termination of this Agreement by either party will invoke the buyout parameters set forth in Section 8. **MSP** shall retain ownership of the administrative passwords, and shall not release these access credentials, until the full value of the Section 8 buyout is received.
- III. Upon a **Customer** default as defined in Section 8(c), **Customer** further acknowledges and gives permission to **MSP** to retrieve the HaaS Equipment listed in this Proposal and any subsequent change orders from the listed location in event of contract termination after a ten (10) day grace period and agrees to compensate **MSP** for out-of-pocket expenses accrued during the recovery (not to exceed \$1,500) in addition to all amounts owing, as per Section 8.
- IV. **Customer** agrees and understands that **MSP** HaaS Equipment is to be maintained completely by **MSP**, without exclusion. Any tampering, repair attempt or service completed by another party on the HaaS equipment listed in Proposal will be identified by **MSP** as a material breach of security, where the **Customer** willfully breaches a material term of this Agreement.

V. **Insurance Requirement**

Customer agrees to make all logical and earnest attempts to keep equipment safe, secure and protected while in their possession. **Customer** agrees to keep current insurance on **MSP** supplied equipment while in their possession and list **MSP** as an additional loss payee. **Customer** will provide proof thereof to **MSP** that it (**MSP**) is listed as an additional loss payee, providing a current copy of its insurance declaration sheet showing **MSP** as a loss payee specifically for mobile equipment coverage (servers). **Customer** further agrees to be responsible for any and all costs for the repair or replacement of **MSP** supplied equipment while in their possession should it be damaged or repaired by an unauthorized third party. Notwithstanding the foregoing, **MSP** shall continue to maintain its own insurance coverage for any loss or damage to the equipment it owns but



Managed Services Agreement (MSA)

which is located in the **Customer's** office. Additionally, **MSP** shall maintain a policy or policies of bodily injury liability and property damage liability insurance with limits of not less than Two Million and 00/100 Dollars (\$2,000,000.00) combined single limit per occurrence and in the aggregate. **MSP** shall also maintain the mandated worker's compensation insurance coverage for its employees as required by the State of Nevada.

Section 6: Services Not Included

- a. As the nature of this Managed Service Agreement is unique and specific to your network infrastructure, it is imperative that a delineation is made between what is included and what is excluded under this Agreement. The following are listed as exclusions to this Agreement:
 - I. Any item that is not listed exclusively in Appendix B or C.
 - II. Any training or education of any kind not listed in Appendix B or C.
 - III. Any physical repair to a Mobile Communications Device (cell phone, tablet, et.al).
 - IV. Any Printer Maintenance kits, including Toner, Ink, Paper, or any consumables thereto.
- b. In any event where **MSP** will add to the list of items excluded under this Agreement, such shall be done at the sole discretion of **MSP**, and the **Customer** will be notified in writing (30 days if possible) in advance of any changes hereto.

Section 7: Confidentiality of Service

- a. **MSP** and its agents may use **Customer** information, as necessary to or consistent with providing the contracted services and will use best efforts to protect against unauthorized use or dissemination, in accordance with subsection 7(d) below.

In order to fulfill **MSP's** duties and responsibilities of maintaining network security and confidentiality, administrative passwords will
- b. be retained by **MSP** and not released to the **Customer** or other third parties; until the full term of the Agreement has expired, or the Agreement has been pre-terminated by either party per section 8.
- c. Upon the mutual agreement of **MSP** and the **Customer**, including payment of all sums due to **MSP**, passwords and other administrative codes will be released to the **Customer** or others at the **Customer's** written direction.
- d. **Service Operations Disclaimer**

Subject to **MSP's** obligation to maintain confidentiality as described in Section 7, **Customer** grants **MSP** authorization to view any data during the regular routine of the repair or system improvement. **Customer** also authorizes **MSP** to reasonably delete, change, and/or rewrite any non-client and/or non-personal employee information (i.e. information which is not Confidential Information or is inapplicable to the firm's informational data) to complete the system repair or improvement that is consistent with the standards and practices in the IT industry. Any said changes will be documented in the associated service ticket.
- e. For any exception(s) or addition(s), see Addendum G.



Managed Services Agreement (MSA)

Section 8: Pre-Termination Cancellation Terms

- a. This Agreement may be terminated by the **Customer** upon thirty (30) days written notice if:
 - I. **MSP** (which shall constitute an **MSP** "default"):
 - i. Fails to fulfill in any material respect its obligations under this Agreement and does not cure such failure within thirty (30) days of receipt of such written notice.
 - ii. Breaches any material term or condition of this Agreement and fails to remedy such breach within thirty (30) days of receipt of such written notice.
 - iii. Terminates or suspends its business operations, unless it is succeeded by a permitted assignee under this Agreement.
 - II. If **Customer** suspends its business operations.
- b. **Customer** agrees that **MSP** reserves the right to pre-terminate this agreement for good cause at any time, with sixty (60) days written notification.
 - I. Should **MSP** pre-terminate the Agreement for any reason other than material **Customer** default hereunder or if Agreement is pre-terminated due to an **MSP** default, **Customer** shall be relieved of paying any further managed services fees and any equipment removal expenses and shall have the option to return HaaS Equipment or buy-out HaaS Equipment at the HaaS Equipment Invoice Price (defined below) with title, free and clear of any liens of encumbrance. **MSP** shall, before expiration of the 60-day period, disclose the administrative passwords and release access credentials to **Customer**
- c. **Customer** Default
 - I. **Customer** shall be deemed to be in "default" under this Agreement (which shall entitle **MSP** to terminate this Agreement and takes possession of the HaaS equipment) only upon thirty (30) days written notice from **MSP** if **Customer**:
 - i. Fails to fulfill, in any material respect, its obligations under this Agreement and does not cure such failure within thirty (30) days of receipt of written notice from **MSP**; or
 - ii. Breaches any material term or condition of this Agreement and fails to remedy such breach within thirty (30) days of receipt of such written notice.
 - II. **Customer** agrees to work with **MSP**, should **Customer** default under the terms of this Agreement. **Customer** acknowledges that **MSP** may take possession of any hardware provided under this Agreement, as described in Appendix B and any subsequent HaaS Equipment added through change orders, should **Customer** default during the term of this Agreement (or before purchasing said HaaS Equipment before this Agreement ends).
- d. Should either party pre-terminate this Agreement, **MSP** will assist the **Customer** with the orderly termination of services, including timely transfer of the services to another designated provider, which includes all passwords, access credentials, and any other material that would assist in the transfer of services, under the following stipulations:
 - I. Only in the event of a pre-termination caused solely by a **Customer** default, **Customer** agrees to pay **MSP** an amount equal to three (3) months of managed service fees and any actual costs of rendering such assistance (not to exceed \$1,500) (collectively, the "Pre-Termination Fee"), and shall pay, as a lump sum (if **Customer** decides to keep the HaaS Equipment), the HaaS Equipment Invoice Price, or return the equipment and hardware to **MSP** and cease all further payments for same. The phrase "actual costs" as used herein, could include but are not limited to: Training, data transfer, license transfers or equipment de-installation and any other costs relating to the transferring of the contract. **Customer's** payment of the lump sum described in the preceding sentence, is necessary in order to ensure a timely transfer of services.



Managed Services Agreement (MSA)

II. **Customer** agrees to pay the Pre-Termination Fee to **MSP**, under the following criteria:

- i. **Customer** will be sent a Pre-Termination Quotation, for approval and signature – wherein if executed, payment shall be immediately necessary in order to ensure a timely transfer of services to another credible provider.

III. If Agreement is pre-terminated for any reason other than **Customer** default, **Customer** owes no Pre-Termination Fee and can purchase HaaS Equipment at the HaaS Equipment Invoice Price (or as provided in Section 8(b)(1)).

- e. **Customer** acknowledges that in the event of pre-termination, **MSP** shall use any and all remedies under the law, to protect any equipment or intellectual property provided in this Agreement.
- f. **MSP** will coordinate a convenient time with **Customer** to take possession of the HaaS Equipment, which will provide **Customer** the opportunity to schedule with the building's Property Management team. **MSP** further agrees that they will repair any damage caused by the removal of the HaaS Equipment and indemnify **Customer** from any and all liability associated with such damage.
- g. At the end of each Term, **Customer** may purchase any HaaS Equipment, and any subsequent HaaS Equipment added through change orders, for a total amount of Fair Market Value (FMV)
- h. The "HaaS Equipment Invoice Price" shall be calculated by pro-rating **MSP's** actual cost of the HaaS Equipment, and any subsequent HaaS Equipment added through change orders, being purchased over the remaining portion of the then-existing 3-year term, plus 20% for **MSP's** profit margin from the pro-rated amount. By way of example only, if this Agreement is terminated at the 18-month mark of any 3-year term, the HaaS Equipment Invoice Price shall be equal to 50% of **MSP's** actual cost of purchasing that equipment, plus 20% for **MSP's** profit margin from the pro-rated amount.

Section 9: Service Conduct Definitions

- a. **MSP** at times, may send its employees as authorized agents to the **Customer's** site or service location, during the term of this Agreement. The **Customer** in no way, may solicit, inquire or otherwise make an arrangement of employment, contract or covenant, either direct or indirect, with a current employee of **MSP**, during this Agreement and surviving for a period of three (3) years after an employee is employed by **MSP**.
 - I. IN THE EVENT OF BREACH OF **SECTION 9a** OF THIS AGREEMENT, THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX, PRIOR TO THE SIGNING OF THIS AGREEMENT, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY **MSP** IF CUSTOMER FAILS TO PERFORM ITS OBLIGATIONS UNDER **SECTION 9** OF THIS AGREEMENT. THEREFORE, IF **CUSTOMER** BREACHES **SECTION 9a** OF THIS AGREEMENT, **MSP** SHALL BE ENTITLED TO LIQUIDATED DAMAGES IN THE AMOUNT OF THE FULL VALUE TO REPLACE EMPLOYEE, INCLUDING BUT NOT LIMITED TO SALARY, REPLACEMENT FEES, DAMAGES, AND LOST REVENUE, ETC.
- b. Except during the last 120 days of the term of this Agreement or if **Customer** reasonably believes or suspects that **MSP** is not properly performing its services under this Agreement, **Customer** acknowledges that during the term of this Agreement, no subsidiary Technology Service Provider, either by invitation or by solicitation, may be allowed to investigate, scope or diagnose the **Customer's** Technology Network, in part or in whole. Notwithstanding the foregoing, **MSP** acknowledges and agrees that **Customer** maintains certain vendors who are required to investigate and/or review our hardware, backup systems and/or security, whether for insurance, or other purposes. **Customer** will provide written notice prior to these types of requests.
 - I. In the event where **MSP** learns that the **Customer** has allowed another Technology Service Provider to investigate, scope or diagnose the **Customer's** Technology Network in violation of **subsection 9(b)** above, and such investigation, scope or diagnosis harms the **Customer's** Technology Network thereby causing **MSP** to expend a material amount of time and/or expense addressing and resolving the harm as detailed (evidence of harm) in the associated service ticket. If possible, a **resolution estimate** will be provided for Customer approval. **Customer** will be at a minimum responsible for said associated costs, and may be deemed to be in default of this Agreement, and **MSP** may terminate the Agreement within 14 days of learning of said default, in accordance with



Managed Services Agreement (MSA)

terms set forth herein, including but not limited to any available legal remedies under the law.

- II. In any event, where a legal entity or firm has been solicited to investigate the **Customer's** Technology Network, or any supported device thereto, the **Customer** must immediately notify and request the assistance of **MSP** to comply with an external request. **MSP** may request documentation, including subpoenas or legal service notifications, to assert the nature of the network investigation, in order to ensure that proper access is provided and scheduled for compliance.

Section 10: Jurisdiction and Venue of Enforcement

- a. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Nevada, without reference to any conflict of laws principles. Jurisdiction and Venue for any litigation between the parties (whether sounding in contract, tort, equity or otherwise) shall exclusively lie in the **County of Lyon, City of Fernley**, and the parties hereby consent thereto. This Agreement constitutes the entire agreement between **Customer** and **MSP** for the services outlined herein. This Agreement may be modified only by a writing signed by both parties; no amendments, modifications or waivers shall arise or be inferred from verbal statements, silence, conduct or inaction, and the parties hereby waive the application of any case law to the contrary.
- b. If any collection action, litigation or arbitration, is necessary to enforce the terms of this agreement or which otherwise arises from or relates to this agreement (whether sounding on contract, tort, equity or otherwise), the prevailing party in any such proceeding shall be entitled to recover from the losing party reasonable attorneys' fees, court costs and non-taxable litigation expenses in addition to any other relief to which the prevailing party may be entitled, including those fees and costs incurred on appeal and in collection. **MSP** hereby agrees that this subsection entitles **Customer** to recover for the time and costs its in-house attorneys spend representing **Customer** in any litigation or arbitration with **MSP** (i.e., time billed by **Customer's** attorney owners and employees shall be recoverable under the terms of this subsection).
- c. If any provision in this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way. If any party is rendered unable, wholly or in part, by force majeure to carry out its obligations under this agreement, other than the obligation to make money payments, that party shall give the other party prompt written notice of the force majeure with reasonably full particulars concerning it; thereupon, the obligations of the party giving notice, so far as they are affected by the force majeure, shall be suspended during, but no longer than, the continuance of the force majeure. The affected party shall use all reasonable diligence to remove the force majeure situation as quickly as practicable.

Section 11: Injunctive Relief

Customer consents and acknowledges that breach of this Agreement may cause **MSP** irreparable harm for which money damages are inadequate compensation, and **Customer** thus agrees that **MSP** shall be entitled to injunctive relief to enforce this Agreement, in addition to damages and other legal available remedies, and **Customer** consents to such injunctive relief.

Section 12: WAIVER OF JURY TRIAL.

MSP AND CUSTOMER EACH HEREBY KNOWINGLY, INTENTIONALLY, IRREVOCABLY AND UNCONDITIONALLY, AFTER CONSULTATION WITH COUNSEL, WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY LITIGATION OR OTHER PROCEEDING ARISING FROM, RELATING TO OR CONCERNING THIS AGREEMENT (WHETHER SOUNDING IN CONTRACT, TORT, EQUITY OR OTHERWISE). THIS PROVISION IS A MATERIAL INDUCEMENT FOR BOTH PARTIES' AGREEMENT TO ENTER INTO THIS AGREEMENT.

Section 13: Actual Liability Limitations

Managed Services Agreement (MSA)

Customer agrees and acknowledges that in no event shall **MSP** be held liable for indirect, special, incidental or consequential damages arising under this contract, including but not limited to loss of profits or revenue, loss of use of equipment, lost data, costs of substitute equipment, or other costs. **MSP** or its suppliers shall not be liable for any indirect, incidental, consequential, economic or property damages whatsoever (including any damages for loss of business profits, business interruption, loss of data or other.)

Section 14: Acceptance of Terms and Conditions

This Service Agreement covers those services and equipment listed in all Appendices, or as modified with an Addendum or Amendment which may result in an adjustment to the **Customer's** monthly charges. Should the **Customer** wish to acquire additional equipment or services and wants **MSP** to provide service, prior approval from **MSP** must be obtained and endorsed exclusively.

The undersigned **Customer** entity, for value received and hereafter valued, and in exchange for the **MSP's** full performance under this Agreement, hereby unconditionally guarantee(s) to **MSP**, a Nevada corporation, full payment of all sums due and owing, pursuant to the terms indicated.

IN WITNESS WHEREOF, the parties hereto have caused this Managed Services Agreement to be signed by their duly authorized representatives as of the date set forth below.

Accepted by:

Authorized Signature

City of Fernley - City Hall
Customer

Date

Appendix A - Response

Customer Expectation for Response and Resolutions by MSP

The following schedule shows the Targeted Times for Response and Resolution

Description of Trouble Situation	Priority Status	Response Time	Resolution Time	Escalation Threshold
Service not available (All users and functions unavailable)	Critical	Within 15 mins to 1 hour	4 hours or Best Effort	2 hours
Significant degradation of service (large number of users or business critical functions affected)	High	Within 30 mins to 1 hour	8 hours or Best Effort	8 hours
Limited degradation of service (limited number of users or functions affected; business process can continue)	Medium	Within 1 to 2 hours	2 Business days or Best Effort	48 hours
Small service degradation (business process can continue, one user affected)	Low	Within 4 business hours	5 Business days or Best Effort	96 hours
Please Acknowledge:				



Appendix B - Hardware

A complete list of Serial numbers for all supported devices will be added after onboarding.

Description of Equipment / Licesnse	Qty of Customer Owned	Qty of MSP Owned
Managed Networks:	0	1
Managed Firewalls:	2	0
Managed Network Switches	22	0
Managed Wireless Access Point:	16	0
Managed Desktops:	67	0
Managed Laptops:	20	0
Managed Servers:	3	0
Managed Backup:	0	1
Desktop Phone Handsets	35	0
M365 Business Premium Licenses:	0	115
Email Encryption	0	115
Managed Anti-Spam	0	1
Managed Anti-Virus	0	3
Managed End-Protection	0	1
Email Backup	0	115
Website Domain Monitoring	0	0
Managed UPS	70	0
NVR - Network Video Recorder	0	0
Managed NAS - Network Attached Storage	1	0
Please Acknowledge:		



Appendix C - Services

Services Covered Under This Agreement

Services	Yes	No
All Bases Covered - Support Services		
Full Service Help Desk Support with Onsite Assistance - 24x7x365	X	
Full Service Help Desk Support with Onsite Assistance - Standard Business Hours - MSA Section 3a		X
Remote Help Desk Support - 24x7x365	X	
Remote Help Desk Support - Standard Business Hours - MSA Section 3a		X
Desktop Phone Support	X	
Smartphone Support	X	
Mobile Device Management	X	
Taking Initiative with Your Network Maintenance		
Application and AV Updates	X	
Critical Monitoring 24x7x365	X	
Continual Event and Alert Monitoring and Remediation	X	
Hassle Free Vendor Management		
Manage Technology Relationships	X	
Single Point-of-Contact for Vendor Issues	X	
Security Management		
Physical Security and Unified Threat Management	X	
Intrusion Prevention	X	
Ransomware and Data Theft Protection	X	
Web Content Filtering and Reporting	X	
Malware, Botnets and Phishing Protection	X	
VPN – Remote Access	X	
Professional Service		
Technology Consulting	X	
Technology Solution Engineering	X	
Project Management and Onsite Implementation	X	
Technology Business Reviews	X	
Annual Phone and Internet Services Audit	X	



Appendix C - Services

Services Covered Under This Agreement

Services	Yes	No
Proof of Concept Lab Testing	X	
Training Facilities and Rental Equipment	X	
Cyber Security and Education		
Quarterly Phish Threat Testing	X	
Staff Education and Training (Security Awareness Training)	X	
Domain Monitoring and Reporting	X	
Annual Penetration Testing	X	
Backup and Disaster Recovery		
Backups Performed Automatically	X	
Data is Secure in Multiple Places	X	
Automatic Nightly Offsite Transfer	X	
Backup Verification and Reporting	X	
Email and M365 User Backups	X	
Please Acknowledge:		

Appendix D - Vendor Mgt

Vendors Covered Under This Agreement

Vendor	Contact	Phone
Spectrum	Customer Service	888.369.2408
GIS	Customer Service	888.764.0633
Printer/Copier Vendor	Customer Service	TBD
Pacstates - Mitel	Customer Service	775-828-2020
ERP - permitting and case management applications	Customer Service	800.526.3178
Microsoft	Customer Service	775.828.2020
Adobe	Customer Service	800.833.6687
LegalEdge Case Management	Customer Service	TBD
CJIS Systems	Customer Service	TBD
Please Acknowledge:		

Appendix E - Rate Sheet

Current Hourly Rate Chart for MSP Clients

The following Rate Chart shows the hourly rate for services that are outside of normal business hours stated under Section 3.

Rate Description	Rate
After Hours IT Support Hourly Rate	\$185.00
Holiday IT Support Hourly Rate	\$225.00
Weekend IT Support Hourly Rate	\$225.00
Please Acknowledge:	



 Appendix F - PSC Holidays



PacStates
Integrated Business Technology

PAID HOLIDAY SCHEDULE

These 2024 - 2025 Holidays will be observed by PacStates:

2024

<i>Thanksgiving Day</i>	Thursday	November 28 th
<i>Family Day</i>	Friday	November 29 th
<i>Christmas Day</i>	Tuesday	December 24 th
<i>Family Day</i>	Wednesday	December 25 th

2025

<i>New Years Day</i>	Wednesday	January 1 st
<i>President's Day</i>	Monday	February 17 th
<i>Memorial Day</i>	Monday	May 26 th
<i>Independence Day</i>	Friday	July 4 th
<i>Labor Day</i>	Monday	September 1 st
<i>Nevada Day</i>	Friday	October 31 st
<i>Thanksgiving Day</i>	Thursday	November 27 th
<i>Family Day</i>	Friday	November 28 th
<i>Christmas Day</i>	Thursday	December 25 th
<i>Family Day</i>	Friday	December 26 th

<i>Family Day for New Years</i>	Thursday	January 1 st
---------------------------------	----------	-------------------------

Please Acknowledge:



City of Fernley - RFP - PSC OCP Co-Manage IT Agreement 2025 - 3 yrs



Prepared by:

PacStates

Ryan Baskharoon

7758282020

Fax 7758282029

RBaskharoon@pacstatesnv.com

Prepared for:

City of Fernley - City Hall

595 Silver Lace Blvd.

Fernley, NV 89408

Lydia Altick

(775) 575-5455

laltick@cityoffernley.org

Quote Information:

Quote #: 003151

Version: 2

Delivery Date: 10/30/2025

Expiration Date: 10/24/2025

Quote Summary

One-Time Charges

Description	Amount
Onboarding Project	\$20,755.00
Total: \$20,755.00	

Monthly Recurring Summary

Description	Amount
Monthly Services	\$20,755.00
Monthly Total: \$20,755.00	

Summary of Selected Payment Options

Description	Amount
MSP: Due at signing	
Total of Payments	\$41,510.00

IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be signed by their duly authorized representatives as of the date set forth below.

PacStates

City of Fernley - City Hall

Signature:



Name:

Ryan Baskharoon

Title:

vCIO

Date:

10/30/2025

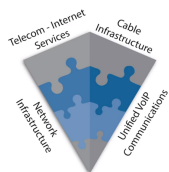
Signature:

Name:

Lydia Altick

Date:

References



IDF Cable Rack

References

PacStates takes pride in our commitment to the cable infrastructure trade with our attention to detail in every phase - evaluation, design and implementation.

Carson Tahoe Regional Medical Center

- Original construction 2004-2006
- SMC, BHS, Minden 2009 -2010
- Redline, Wireless Access Points, Eagle Medical, scanners 2011-2012
- Triage, EMC 2016
- Minden expansion, tube system 2018
- Professional Circle 2019
- Main hospital expansion 2020
- Continuous Cable / Fiber projects since 2004 - Today
- **Verkada Surveillance and Access Control system wide retrofit**

Scott Mattes

Director

Carson Tahoe Regional Medical Center

scott.mattes@carsontahoe.org

Direct (775) 445-8120

Dave Lamb

Facilities Manager

Carson Tahoe Regional Medical Center

dave.lamb@carsontahoe.org

Direct (775) 445-5457





References

Kingsbury Grade Improvement District

- **Judy Brewer**
Office Manager
Tel: (775) 588-3548
- tel:7755883548 Email: Judy@kgid.org

PacStates has been managing our IT Services for over 4 years now.

Churchhill County

Shannon Ernst

CNHD Interim Administrator,
Director and Public Guardian
Churchill County Social Services

(775)428-0211, Direct

(775)423-6695, Main

(775)427-0035, Cell

(775)423-8057, Fax

shannon.ernst@churchillcountynv.gov

**** PLEASE NOTE NEW ADDRESS: 270 South Maine Street, Suite B, Fallon, Nevada 89406**



www.churchillcountynv.gov



References



References

Carson City School District

- Various projects since 2004 - Today

Raymond Medeiros

IT Director

Carson City School District

rmedeiros@carson.k12.nv.us

Cell (775) 220-0831

Mark Johnson

Capital & Special Projects Manager

Carson City School District

mjohnson@carson.k12.nv.us

Direct (775) 283-2170



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: November 19, 2025

REPORT TO: Mayor and City Council

REPORT FROM: Kim Swanson, City Clerk

FINANCIAL IMPACT:

Yes: X

No:

CURRENTLY BUDGETED:

Yes:

No: X

FUND/ACCOUNT:

100-320-100

ACTION REQUESTED: Consent

AGENDA ITEM:

(Possible Action) Approval the Non-Exclusive ("Open") Waste Franchise Agreement for Multi-family and Non-Residential Waste Collection for Nevada Recycling & Salvage, LLC

AGENDA ITEM BRIEF:

Nevada Recycling & Salvage, LLC has applied for a City of Fernley Waste Hauler Permit and paid all relevant fees. They have a current State of Nevada Business License and a City of Fernley Business License. The company will be collecting and hauling commercial waste from businesses in the City of Fernley to a disposal facility.

RECOMMENDED MOTION:

"I move to approve the Non-Exclusive ("Open") for Multi-family and Non-Residential Waste Collection Franchise Agreement for Nevada Recycling & Salvage, LLC."

BUSINESS IMPACT (per NRS Chapter 237):

A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

See attached report for background, analysis, alternatives.

ALTERNATIVES:

BACKGROUND:

The Waste Hauler permit is \$2,500.00 annually. The Franchise Fees for this type of business generates 8% of the total gross revenue collected from the customers.

RELEVANT LAWS, STATUTES, AND REGULATIONS:

FINANCIAL IMPLICATIONS:

ATTACHMENTS:

1. NV Reclying & Salvage

NON-EXCLUSIVE FRANCHISE AGREEMENT FOR
MULTI-FAMILY AND NON-RESIDENTIAL WASTE COLLECTION
BETWEEN
THE CITY OF FERNLEY
AND

This Multi-Family and Non-Residential Waste Collection Franchise Agreement, is made and entered into this 4 day of July, 2025, by and between the CITY OF FERNLEY, a political subdivision of the State of Nevada, (hereinafter referred to as "City") and Nevada Recycling & Salvage Nevada limited liability company, (hereinafter referred to as "Franchisee").

RECITALS

WHEREAS, Nevada Revised Statutes (NRS) 268.081 authorizes a City to displace or limit competition in the area of collection and disposal of garbage and other waste;

WHEREAS, NRS 268.081 authorizes a City to displace or limit competition in the area of collection and disposal of garbage and other waste;

WHEREAS, NRS 268.083 authorizes a City to grant an non-exclusive franchise to any person to provide garbage and waste collection and disposal services within the boundaries of a City; and

WHEREAS, Franchisee has represented and warranted to City that it has the experience, responsibility, and qualifications to provide waste collection services from multi-family and non-residential customers and the safe transport of such waste to permanent disposal facilities;

WHEREAS, City declares its intent to maintain reasonable rates for reliable collection, transportation and disposal of garbage and recyclable material within the City;

WHEREAS, City and Franchisee have agreed to enter into a franchise agreement and wish to set-out the terms and conditions of that agreement in writing;

NOW, THEREFORE, the parties agree as follows:

**Article 1
DEFINITIONS**

As used in this Agreement, the following definitions apply:

1.01 City of Fernley or City. The term "City of Fernley" or "City" refers to the incorporated boundaries of the City of Fernley, County of Lyon, and State of Nevada as may be modified.

1.02 Effective Date. The effective date of this franchise agreement shall be the date of approval of this agreement by the City Council and execution of this agreement by the parties.

1.03 Franchisee as used in this Agreement is Nevada Recycling & Salvage, which is the entity awarded a non-residential waste collection franchise according to the terms of this agreement.

1.04 Garbage. The term "garbage" means: Putrescible animal and vegetable waste resulting from the handling, storage, preparation, cooking, and sale and serving of food and beverage.

This includes, but is not limited to:

1. Offal, swill, kitchen and table waste, and other organic animal and vegetable waste;
2. Bottles, cans, cups, plates, utensils, containers, and/or covering of any construction or material that has been in intimate contact with food, confection and/or beverage; and
3. Any component used in the preparation or manufacture of matter intended for animal or human consumption, and;
4. Such matter and/or materials listed in (1) through (3) above that have been discarded without first being sanitized.
5. Infectious Waste as defined by the Nevada State Health Division.

The mixing, addition, or commingling of garbage with rubbish, trash, or other waste material renders the entire resulting mixture as garbage and requires the mixture to be handled as garbage.

1.05 Gross Revenue. The term "gross revenue" as used in this Agreement includes all money, cash, receipts, property, or other things of value collected by Franchisee from non-residential customers who use the service of Franchisee under this agreement.

1.06 Hazardous Waste. The term "hazardous waste" means any waste or combination of wastes, including solids, semisolids, and liquids or contained gases which:

A. Because of its quantity or concentration or its physical, chemical or infectious characteristics may:

1. Cause or significantly contribute to an increase in mortality or serious irreversible or incapacitating illness; or
2. Pose a substantial hazard or potential hazard to human health, public safety or the environment when it is given improper treatment, storage, transportation, disposal or other management;

B. Is identified as hazardous waste by the Nevada Department of Conservation and Natural Resources as a result of studies undertaken for the purpose of identifying hazardous wastes; and

C. Includes, among other wastes, toxins, corrosives, flammable materials, irritants,

strong sensitizers and materials which generate pressure by decomposition, heat or otherwise.

1.07 Multiple Family Dwelling. The term “Multiple Family Dwelling” refers to any premises on which there are five or more attached dwelling units which are grouped together under the management of one person and which do not require separate individual collection of solid waste.

1.08 Putrescible Waste. The term “putrescible” means wastes that are capable of being decomposed by microorganisms with sufficient rapidity as to cause nuisances from odors, gasses and similar objectionable conditions. Food wastes, offal, and dead animals are examples of putrescible waste.

1.09 Recyclable Material has the meaning ascribed to it in NRS 444A.013 and means solid waste that can be processed and returned to the economic mainstream in the form of raw materials or products, as determined by regulations adopted by the Nevada State Environmental Commission and the Nevada State Division of Health.

1.10 Refuse. The term “refuse” refers generally to all forms of discarded solid waste, including garbage, rubbish and waste matter.

1.11 Single Family Dwelling. The term “single family dwelling” means a building or dwelling designed or used for single-family occupancy and where no business is conducted (other than a licensed home occupation business), and includes a mobile home, modular home, and multi-unit attached occupancies consisting of four units or less which includes, but is not limited to, duplexes, apartments, condominiums, or other attached occupancies consisting of four units or less.

1.12 Single Family Dwelling Waste. The term “single family dwelling waste” means waste produced by residents owning or having control over a single family dwelling located on a property within the City of Fernley.

1.13 Solid Waste. All putrescible and non-putrescible materials in solid or semisolid form that have been discarded or abandoned by their owner, including domestic or household waste resulting from the ordinary domestic use or occupation of a house, flat, apartment, unit, boarding house, hostel or guesthouse; garbage, rubbish such as paper, cardboard, automobiles, cans, wood, glass, bedding, crockery and similar materials, junk vehicles and parts, ashes or incinerator residue, street refuse, dead animals, construction or demolition waste, commercial or industrial waste, garbage, sewage waste, commingled recyclables, source separated recyclables and other refuse which includes discarded materials that have no useful physical, chemical or biological properties after serving their original purpose and that cannot be reused or recycled for the same or other purposes. The term “solid waste” does not include hazardous waste.

Article 2 GRANT OF NON-EXCLUSIVE FRANCHISE

2.01 Grant of Non-Exclusive Franchise. Subject to the terms of this Agreement, the City does hereby grant to Franchisee, and Franchisee does hereby accept, the non-exclusive duty, right and privilege of collecting, removing, transporting and disposing or otherwise handling waste that is generated, deposited and accumulated from multi-family and non-residential customers within the City, including any area hereinafter annexed by the City.

2.02 Exclusivity. This open solid waste franchise is not exclusive in nature, and is open to an entity who qualifies under the terms of this agreement and City Code.

2.03 Enforcement of Franchise. All multi-family and non-residential units located on two (2) acres or less in the City shall be required by City to utilize the collection and container services of a licensed and permitted Franchisee.

2.04 Term. This non-exclusive franchise shall commence upon the effective date hereof, and continue in full force and effect for a period of one year.

2.05 Title to Solid Waste Stream. The title to the multi-family and non-residential waste stream (excluding Hazardous Wastes) and the property rights associated therewith for the collection and disposal of multi-family and non-residential waste under this Agreement shall be the sole property of Franchisee. For purposes of this Agreement, the transfer of title occurs at the time that the waste is deposited by multi-family and non-residential customers in containers and left at the collection point for collection by Franchisee.

Article 3 OBLIGATIONS OF FRANCHISE HOLDER

3.01 Equipment. Franchisee shall at its cost and expense, furnish a sufficient number of trucks and other equipment, including all drivers and workers required for the service, operation, and maintenance of said trucks and other equipment for the purposes of providing a weekly, unless otherwise provided for, and satisfactory solid waste collection and disposal service in the areas covered hereby.

3.02 Sanitary Operation. Franchisee shall at all times exercise diligence in the supervision of its personnel to the end that care is taken to deposit all solid waste inside collection vehicles, leaving no garbage or other waste matter upon any street, alley, walkway or other public place within the City, or upon any private property used for the collection of garbage and other waste matter. Collection vehicles shall be safe, adequate and clean, constructed in such a manner to be covered so as to prevent the spilling, dripping or blowing of any contents from the vehicle. Franchisee's collection equipment shall be modern, up-to-date, maintained in good repair, and reasonably water tight. The exterior of the equipment shall be kept clean, presentable and cleaned of any debris and/or litter after dumping.

3.03 Public Relations and Customer Service. The City and Franchisee acknowledge and agree that the Franchisee shall at all times in the performance of its duties and responsibilities under this Agreement, maintain good relations with the public and shall promptly respond to customer issues.

To this end:

A. Franchisee shall diligently exercise supervision and training of its personnel so that the public coming into contact with such personnel shall be treated decently and courteously at all times.

B. Franchisee shall provide an office and telephone number within City of Fernley wherein customers can transact business with Franchisee, during regular and posted office hours, which shall be not less than eight hours per day between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. The office shall accept and administer all requests for service initiations, terminations, and modifications, including special services and complaints.

C. Franchisee shall maintain a computer log of all oral and written service complaints registered with Franchisee from customers. Franchisee shall be responsible for the prompt and courteous attention to, and prompt and reasonable resolution of, all customer complaints.

D. Franchisee shall report annually to the City Manager or City Council, as requested by the City, regarding compliance with its responsibilities under this section.

3.04 Approved Landfill and/or Transfer Station. Franchisee shall be required to deposit all solid waste collected pursuant to this Franchise Agreement at an approved landfill site. For purposes of this Franchise Agreement, an approved landfill site is one holding a valid permit to permanently deposit municipal solid waste in accordance with all applicable laws and regulations of the United States and/or the State of Nevada, including the Nevada Environmental Commission and the Nevada State Health Division.

It shall be the sole responsibility of Franchisee to provide for the permanent deposit of collected pursuant to this Agreement, in accordance with all applicable Federal, State and Local laws and regulations. Franchisee shall comply with this requirement by operating its own landfill or by entering into an agreement with the operator of a landfill that meets the requirements of this Agreement. As part of this contract, Franchisee shall submit to the City a request for approval of the selected landfill or landfills to be utilized by Franchisee prior to utilizing the landfill(s) during the term of this Agreement. City shall approve such request in a timely manner and shall not unreasonably withhold their approval.

3.05 General.

A. Franchisee shall:

1. Provide waste receptacles or bins of sufficient capacity and quantity so as to contain all refuse generated by an account;
2. Be responsible for the collection and disposal of overflow refuse around receptacles. Following the collection of refuse or the emptying of waste receptacles, the area where the refuse was placed for collection shall be left free of refuse, litter, liquid waste and other debris;

3. Provide bulky item collection service for each account. The Franchisee is responsible for the removal and proper disposal of all bulky items placed for collection for each account it services. The Franchisee shall remove such items within forty-eight hours of servicing an account or receiving a request for collection from the account or from the City. Each Franchisee shall maintain a log of such requests for bulky item collection and make such log available for inspection by the City.

4. Pay an annual application processing fee of \$1500.00.

5. Pay an annual Community Clean-up fee of \$1000.00 (One thousand dollars) for the cleanup of abandoned or dumped waste or for use by the City for abatement procedures.

B. All Franchisees providing solid waste collection services shall comply with the American with Disabilities Act (42 U.S.C. 12101 etseq.) as it may be amended from time to time.

C. Nothing in this section shall excuse compliance with any other Municipal Code section nor any other applicable law or regulation.

Article 4 FRANCHISE FEE

4.01 Franchise Fee. Franchisee and its successors and assigns shall pay to City in quarterly installments on the 15th day of the month following each calendar quarter during the term hereof an amount equal to eight percent (8%) of the "gross revenues" collected by Franchisee under this Agreement. If a franchise fee is received by the City after the due date, a late fee of ten percent (10%) per month of the delinquent amount will be assessed to the Franchisee.

4.02 Record Keeping. During the life of this Agreement, Franchisee shall keep full, true, and correct books, records, and accounts, establishing the identity and number of customers served by it, and the amount of its gross monthly revenues which said books, records, and accounts shall at all times be open to inspection by the duly authorized representatives of City during regular business hours. Further, Franchisee shall furnish to City a monthly statement of all of its gross revenues attested as being correct by a representative of Franchisee duly authorized to do so.

4.03 Audit Requirement. Franchisee shall be required to submit to certain "agreed upon procedures" performed by City staff or a qualified independent person or firm to verify gross revenues as defined in this Agreement and the associated franchise fees payable or paid to the City. The verification and review to be conducted shall be limited to an analysis of Franchisee's revenue and shall not include any analysis or review of Franchisee's expenses or costs associated with performance under the terms of this Agreement. The Franchisee shall reimburse the City for the cost of conducting the agreed upon procedures in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7500.00). The City will not require the agreed upon procedures more often than every three (3) calendar years, with the procedure generally covering a three (3) year period. Following completion of the agreed upon procedures, the Franchisee will be provided a copy of the report of the procedures performed, the results and summary of amount due to City or to be refunded to Franchisee. Franchisee shall have thirty (30) days following receipt of the report to

appeal the results of the report to the City Council.

City shall have the right, at any time, to audit and otherwise review any Franchisee's records with regard to Franchisee's revenues generated from activities conducted pursuant to this Agreement.

Article 5 GARBAGE COLLECTION RATES AND PROCEDURES

5.01 Establishing Rates for Collection. The rates for collection shall be established between the Franchisee and the customer.

5.02 Scope of Multi-Family and Non-Residential Rates. For multi-family and non-residential waste collection services, Franchisee shall be entitled to collect the rate as outlined in Exhibit A based upon the following criteria:

A. Senior citizens in multi-family units shall be entitled to a 25% discount rate off the basic service outlined in Exhibit A.

B. Rollout service will be provided at no charge to any customer who is handicapped and cannot bring their container to the curb for pickup service, as determined by Franchisee. Such customers' containers must be located in an easily accessible area.

5.03 Collection Procedures. Franchisee shall be responsible for collection Procedures in accordance with all federal, state, and local laws. Franchisee shall bill quarterly in advance on or about January 1st, April 1st, and July 1st October 1st. Customers shall pay for services within 10 days of the date of the Franchisee's Invoice. Franchisee may, in its discretion and as otherwise legally permitted, impose a service charge on all past due amounts accruing from the date of the invoice. In the event that a customer fails to pay for services for 90 days, Franchisee shall have the right to discontinue service until such time as payment is received.

Article 6 SURETY

6.0 Surety. Franchisee shall forthwith furnish to City a bond running to City in the penal sum of \$75,000 on the condition that said Franchisee shall well and truly observe, fulfill and perform each and every term and condition of this Agreement. Said bond shall be filed with the City Clerk.

Article 7 INDEMNITY AND HOLD HARMLESS AGREEMENT

7.01 General Indemnity. Franchisee, its assigns or successors, shall protect, indemnify, defend, and hold harmless the City, its officers, officials, employees, and agents from and against any and all claims for damages, liability, loss, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with to the extent caused by, or arising from or in connection with the breach of any representations, covenants or warranties of the

Franchisee set forth in this Agreement, or any negligent actions or omissions or willful misconduct of the Franchisee, except for any such loss or damage to the extent caused by the sole negligence or willful misconduct of the City, its officers, officials, employees and agents.

7.02 Environmental Indemnity. Further, Franchisee shall protect, defend, indemnify, and hold harmless the City, its officers, employees, and agents from and against any and all claims for actual damage, natural resources damages, remediation and removal costs, and losses of every kind and description, arising out of or resulting from any cleanup, removal, remedial, or other plan, concerning the release of any hazardous substance or hazardous waste, as hazardous substance and hazardous waste shall be defined by state and federal laws, as amended from time to time. This indemnity shall not apply with respect to any hazardous waste or hazardous substance generated by the City or its residents or business and delivered by City to Franchisee. The foregoing indemnity is for the exclusive benefit of the City and parties indemnified, and in no event shall such indemnity inure to the benefit of any third party.

7.03 Notice. Franchisee shall have no obligation to indemnify or defend hereunder unless the City provides written notice to Franchisee upon the City being served a written complaint giving rise to Franchisee's obligation to indemnify hereunder within fifteen (15) days or within ninety (90) days if the City files an answer in response to the Complaint.

Article 8

LIABILITY INSURANCE

8.01 Coverage. Franchisee shall guarantee that in the exercise of duties under the franchise, every reasonable and proper precaution to avoid damage or injury to persons or property shall be used and that the franchisee shall at all times and under all circumstances indemnify and hold harmless the City of Fernley, the Fernley City Council, the Mayor, and the employees of the City for any and all liability from each and all such damage, injury, loss or expenses caused or occasioned by reason of any act, or failure to act of the franchisee, its officers, agents, and employees. The Franchisee further agrees that if the City is sued by any person or business of any kind to recover damages for injury to any person or property on account of actions during performance of duties under the franchise, the Franchisee, its successors and assigns, shall defend all such suits and pay all judgments courts may enter in such suits.

Franchisee shall be required to provide and maintain in full force and effect Commercial General (and Auto) Liability Insurance on an occurrence form, with insurers licensed in the State of Nevada with a current A.M. Best rating of no less than A: VII.

Limits of liability shall be at least \$1,000,000 combined single limit per occurrence and \$2,000,000 aggregate.

Any deductibles and self-insured retentions over \$5,000 must be approved by the City.

The City, its officers, employees, agents, and volunteers shall be named as additional insured. The Franchisees insurance shall be primary as respects the City as it relates to the performance of this

agreement. Failure to comply with reporting or other provisions of the policy shall not affect coverage provided to the City. Coverage shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability; and shall be endorsed to state that coverage will not be voided, suspended, cancelled or reduced except after 30 days prior written notice, certified mail, return receipt requested has been given to the City. Franchisee shall furnish the City with certificates and original endorsements effecting coverage required by this clause. Endorsements must be signed by a person authorized by that insurer to bind coverage on its behalf.

Pursuant to NRS Chapters 616A through 616D, Franchisee shall provide Workers' Compensation insurance to statutory limits and employer's liability of at least \$1,000,000.

Franchisee shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Article 9

DEFAULT; FORCE MAJEURE; CHANGE IN LAW

9.01 Default. In the event of any material failure or refusal of Franchisee to comply with any obligation or duty imposed on Franchisee under this Agreement, the parties shall meet and confer in good faith in an effort to agree on a resolution and cure of the breach. In the event the parties are unable to agree, and the City may declare an event of default hereunder; and in the event of such default Franchisee shall cure such default within 30 days after receipt of written notice of such default, breach or deficiency from the City.

A. Grounds for default or revocation of a permit shall include, but are not limited to, the following:

1. Failure to comply with any of the provisions of this Agreement;
2. Failure to pay in a timely manner any fees Imposed by the City;
3. Intentional misstatement of tonnage and origins of refuse collected or transported;
4. Violation of local, State or Federal law in any capacity
5. Becoming a debtor in any proceeding in bankruptcy

9.02 Force Majeure. The performance of this Agreement may be discontinued or temporarily suspended in the event of circumstances beyond the City's or Franchisee's control, whether or not foreseeable, including, without limitation Force Majeure. Franchisee shall not be deemed to be in default and shall not be liable for failure to perform under this Agreement if Franchisee's performance is prevented or delayed by circumstances beyond the City's or Franchisee's control, whether or not foreseeable, including, without limitation, Force Majeure. For purposes of this Agreement, the term "Force Majeure" means acts of God, landslides, lightning, forest fires, storms, floods, freezing and earthquakes, civil disturbances, acts of the public enemy, wars, blockades, acts of terrorism, public riots, explosions, and governmental restraint.

9.03 Changes in Law. In the event that new or amended local, state or federal laws, rulings or regulations are enacted after the effective date of this Agreement and have the effect of preventing or precluding compliance with one or more provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such new or amended local, state or federal laws or regulations, and the parties shall enter into an amendment of this Agreement that reflects the extent to which the provisions hereof have been so modified or suspended. Nothing in this Agreement shall prohibit Franchisee from obtaining or seeking to obtain modification, reversal or repeal of such law, ruling or regulation or restrict Franchisee's right to legally contest the validity of such law, ruling or regulation. Franchisee shall not be considered in breach of this Agreement during such time as Franchisee is contesting or appealing any notice of violation, ordinance, rule, regulation, ruling or law.

9.04 Public Safety. Franchisee shall execute its privileges and duties under this Agreement with reasonable and proper precaution to avoid injury to persons or damage to property. Franchisee shall hold and save harmless the City from any and all injuries, damage, loss, claims, or expenses caused or occasioned by any act or omission of Franchisee, its officers, agents, and employees, connected with or in any way arising out of this franchise agreement. If any claim or suit is asserted against City by any person or property in connection with or in any way arising out of this Agreement, Franchisee, its successors and assigns, at their own cost and expense, shall defend all such claims or suits and forever indemnify and save harmless the City from all judgments and liabilities arising therefrom.

Article 10 MISCELLANEOUS PROVISIONS

10.01 Binding Effect. This Agreement shall inure to the benefit of, and be binding upon, the parties, and their respective successors and permitted assigns.

10.02 Independent Contractor. Franchisee is an independent contractor and shall not be deemed an employee of the City.

10.03 Additional Fees. Franchisee shall pay, in the same manner as any other business, a City business license, real and personal property taxes, building permit fees, and other such fees.

10.04 Amendment. This Agreement, including any term or provision hereto may be amended only by an instrument in writing and signed by the parties hereto.

10.05 Saving Clause and Entirety. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and enforceability of any of the remaining provisions of this Franchise Agreement.

10.06 Notices. All notices required or permitted to be given under this Franchise Agreement shall be in writing and shall be personally delivered or sent by US certified mail, postage prepaid, return

receipt requested, addressed as follows:

To Franchisee:

Nevada Recycling & Salvage
1085 Telegraph St

To City:

Reno NV 89502

City Manager
City of Fernley
595 Silver Lace Blvd.
Fernley, NV 89408

Or to such other address as either party may from time to time designate by notice to the other given in accordance with this paragraph. Notice shall be deemed effective on the date personally served or sent by tele copier or, if mailed, three (3) business days from the date such notice is deposited in the US mail.

In Witness whereof, the parties have executed this Agreement effective the day and year first above written.

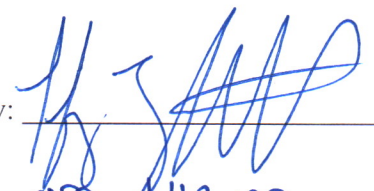
CITY:

City of Fernley, Nevada

FRANCHISEE:

By: _____
Mayor

Attest:

By: 
Office HR manager
775 322 5788

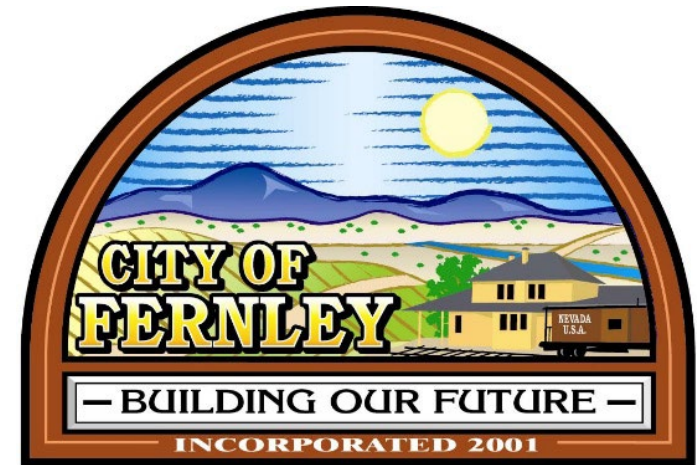
City Clerk

Approved As To Form By:

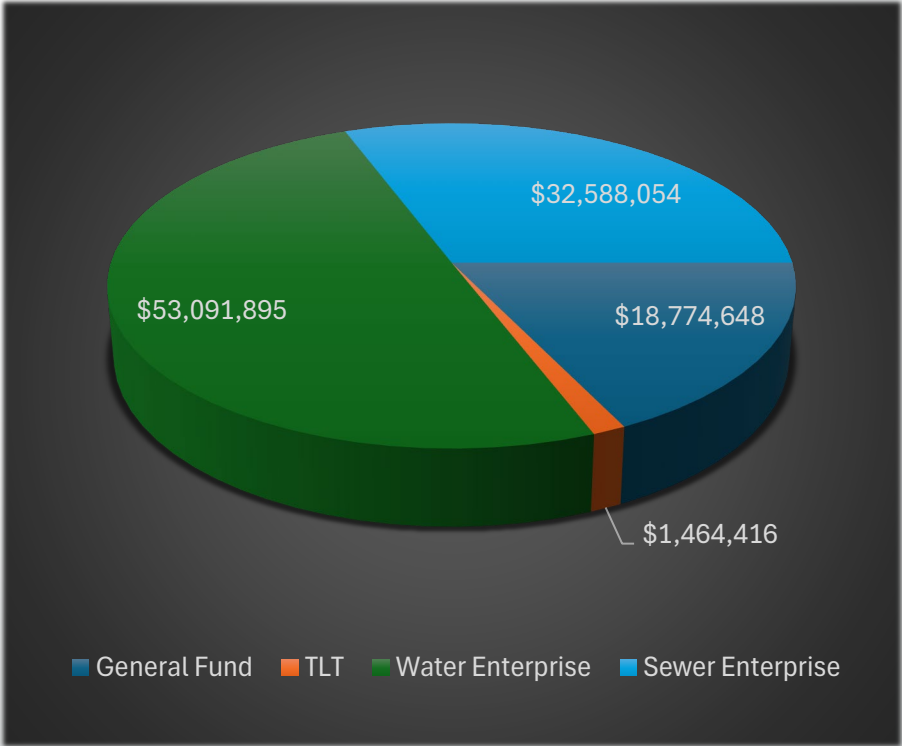
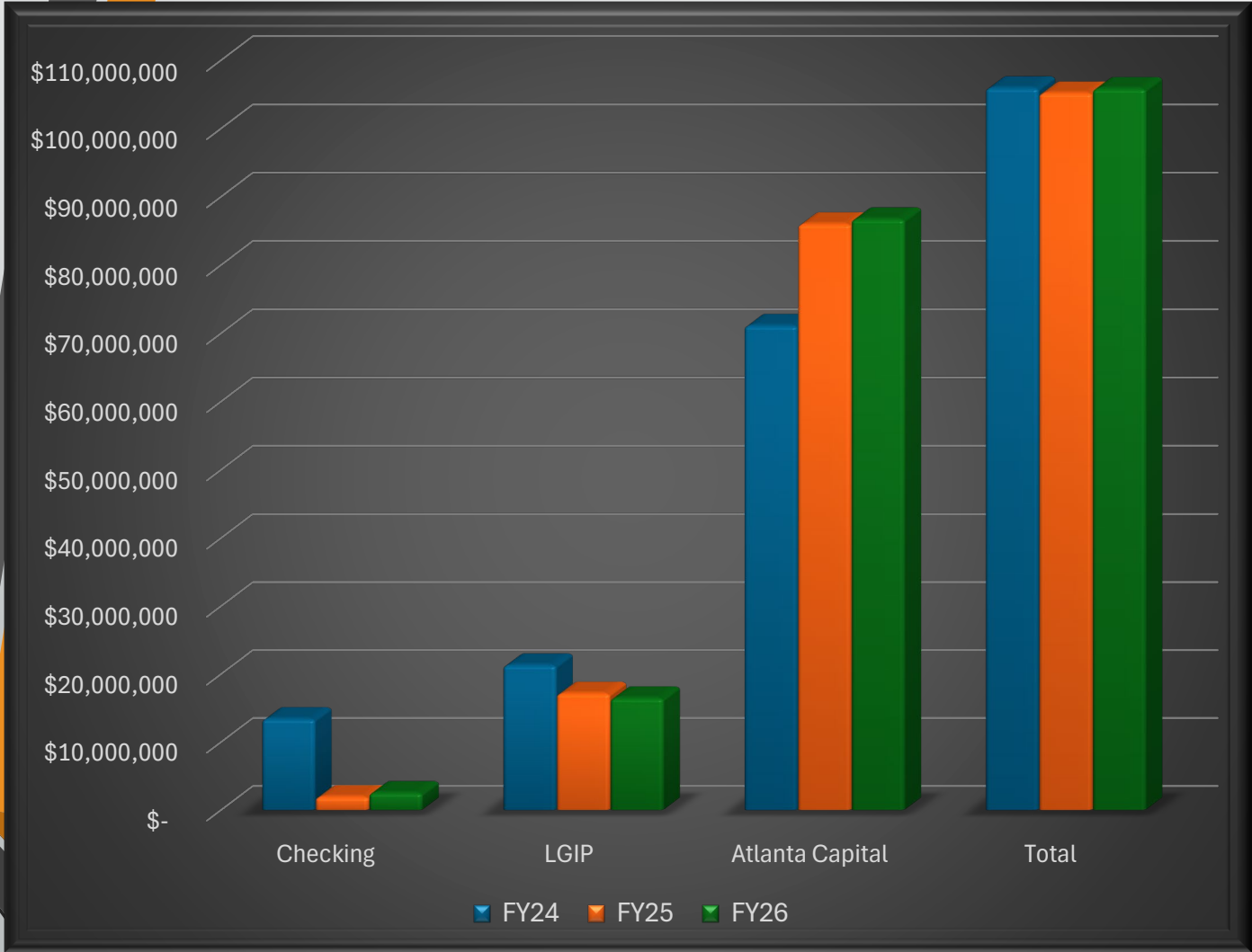
Aaron Mouritsen, City Attorney

CITY OF FERNLEY

Quarterly Financial
Presentation September 30,
2025 (Unaudited)



Cash & Investment Breakdown



Budget vs Actual - General Fund Revenues As of 9/30/25

	FY2026 Budget	FY2026 Actuals	Percent of Budget	Category Percent
Taxes	\$ 6,062,007	\$ 1,791,412	29.55%	64.06%
Licenses and Permits	5,091,000	563,842	11.08%	20.16%
Intergovernmental	910,562	197,854	21.73%	7.08%
Fines and Forfeitures	123,700	61,903	50.04%	2.21%
Interest Earnings	101,500	146,020	143.86%	5.22%
Miscellaneous Revenue	97,500	29,196	29.94%	1.04%
Indirect Costs	818,022	-	0.00%	0.00%
Sale of Assets	-	6,263		0.22%
<i>Total Less RTC</i>	<u>13,204,291</u>	<u>2,796,490</u>	<u>21.18%</u>	
RTC Reimbursable	<u>7,500,000</u>	<u>260,014</u>	<u>3.47%</u>	<u>8.51%</u>
<i>Total General Fund Revenues</i>	<u>\$ 20,704,291</u>	<u>\$ 3,056,503</u>	<u>14.76%</u>	

Budget vs Actual - General Fund by Category As of 9/30/25

	FY2026 Budget	FY2026 Actuals	Percent of Budget	Category Percent
Salaries	\$ 4,638,945	\$ 815,083	17.57%	27.49%
Benefits	2,182,993	390,861	17.90%	13.18%
Outside Services	5,401,233	1,008,234	18.67%	34.00%
Supplies	1,134,800	159,499	14.06%	5.38%
Capital Outlay	3,726,000	591,726	15.88%	19.95%
<i>Expenditures Less RTC</i>	17,083,971	2,965,402	17.36%	
RTC Reimbursable	7,500,000	260,014	3.47%	8.77%
Contingency	730,952	-		
<i>Total General Fund Expenditures</i>	<u>\$ 25,314,923</u>	<u>\$ 3,225,416</u>	<u>12.74%</u>	

Fund Balance

	6/30/2026 FY2025 Budget	9/30/2025 FY2025 Actuals
Net Change In Fund Balance	(4,610,632)	(168,912)
Beginning Fund Balance	15,363,871	15,363,871
Ending Fund Balance	<u>10,753,239</u>	<u>15,194,959</u>

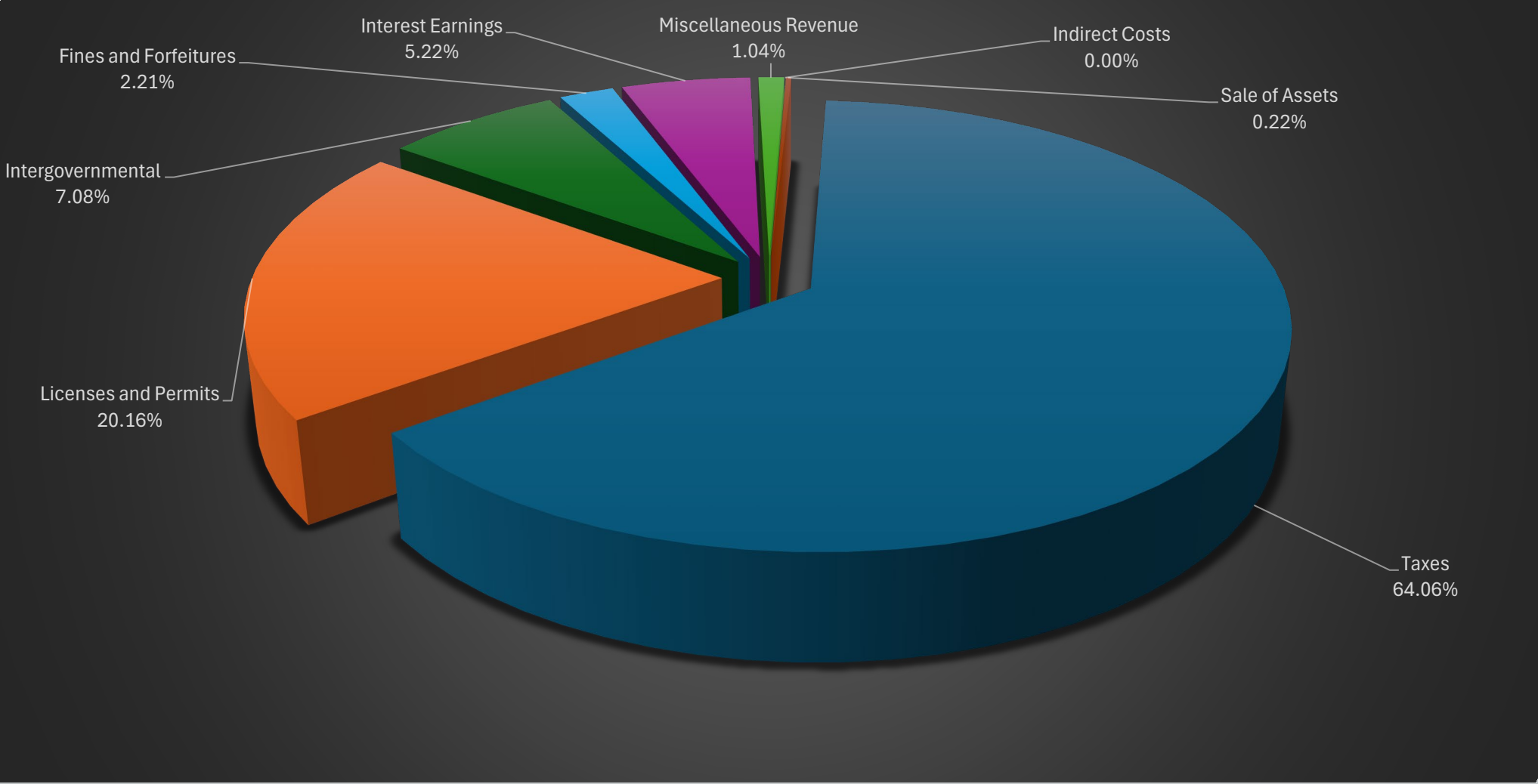
Budget vs Actual – General Fund By Department

As of 9/30/25

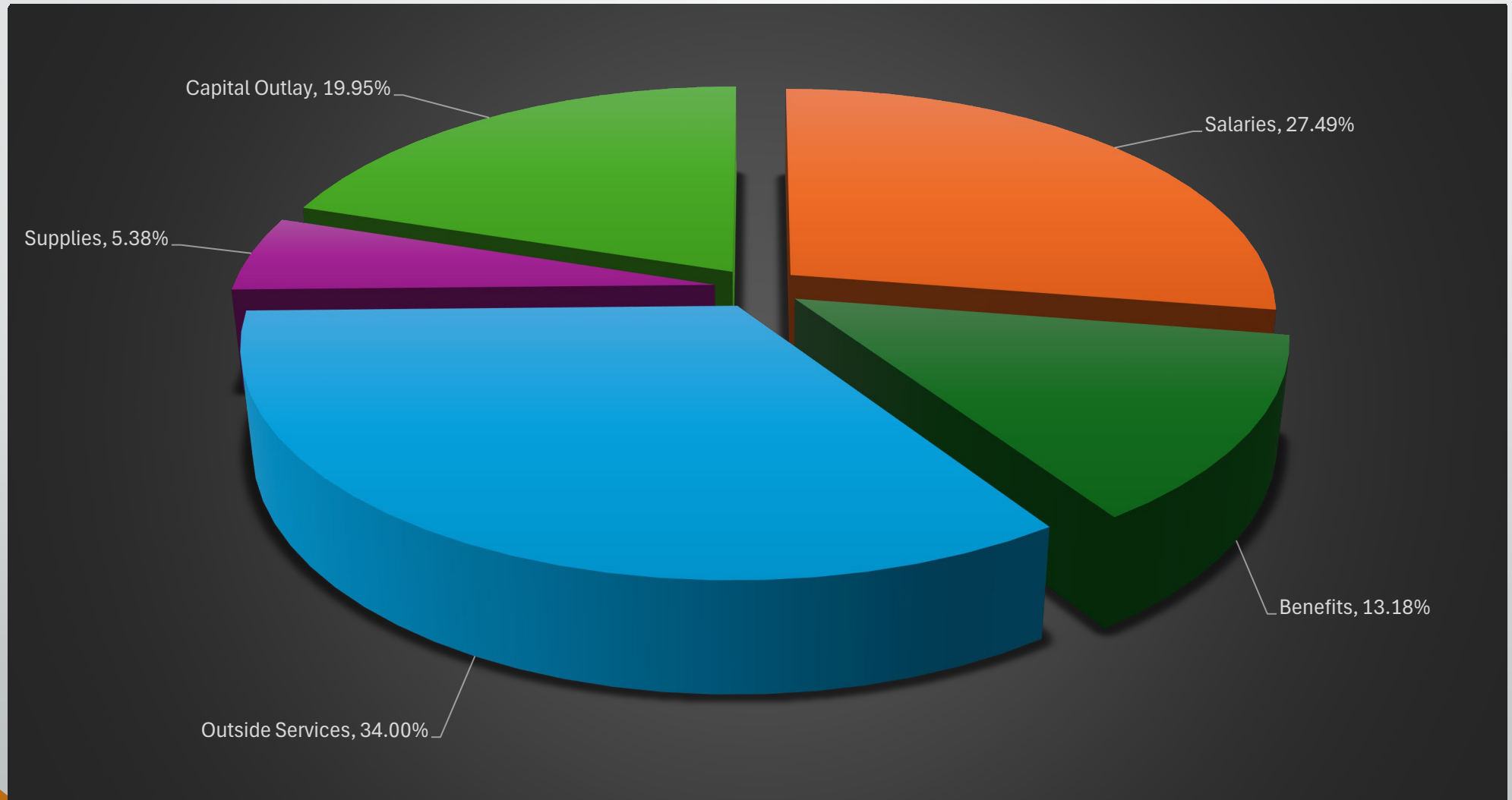
	FY2026 Budget	FY2026 Actuals	Percent of Budget
Mayor & City Council	\$ 287,207	\$ 67,238	23.41%
Office of the City Manager	930,078	297,552	31.99%
Office of the City Attorney	782,047	160,740	20.55%
Office of the City Treasurer	365,074	79,991	21.91%
Office of the City Clerk	418,202	76,489	18.29%
General Services - Facilities	2,177,349	411,751	18.91%
Information Technology	884,234	221,098	25.00%
Human Resources	163,090	19,337	11.86%
Municipal Court	782,644	161,076	20.58%
Streets and Storm Drains	2,887,300	524,148	18.15%
Fleet	233,083	52,905	22.70%
Animal Control	479,498	50,171	10.46%
Vector Control	251,683	33,936	13.48%
Office of the City Engineer	1,057,258	190,641	18.03%
General Services - Parks	2,033,464	304,122	14.96%
Cemetery	218,900	2,507	1.15%
Building and Safety	638,796	136,439	21.36%
Planning & Community Devel	2,017,458	133,773	6.63%
Code Enforcement	476,606	41,488	8.70%
Expenditures Less RTC	17,083,971	2,965,402	17.36%
RTC Reimbursable	7,500,000	260,014	3.47%
Contingency	730,952	-	0.00%
<i>Total General Fund</i>			
<i>Expenditures</i>	\$ 25,314,923	\$ 3,225,416	12.74%

Revenue Source as a Percent of Total Revenue

As of 9/30/25

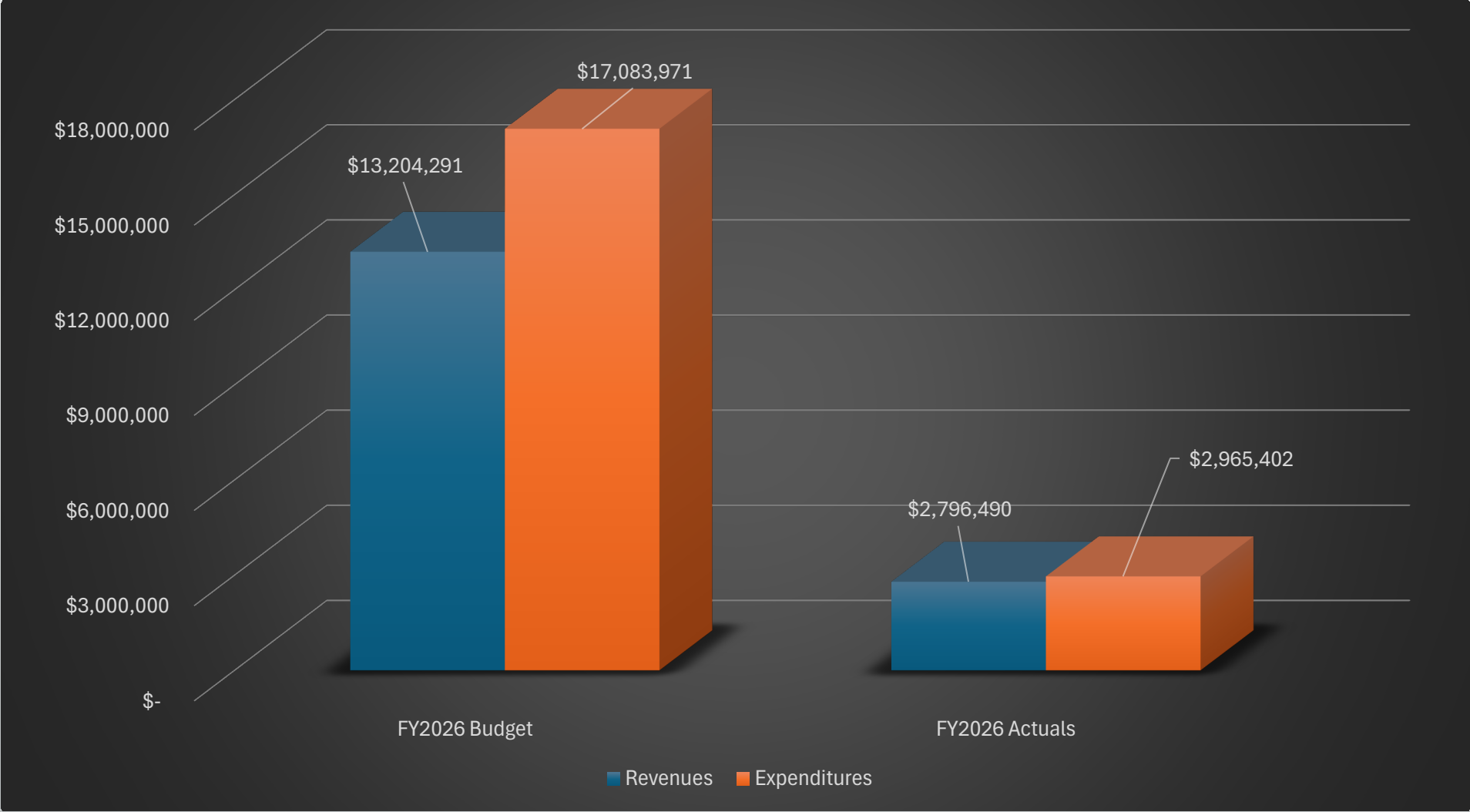


Expenditure Source as Percent of Total Expenditures As of 9/30/25



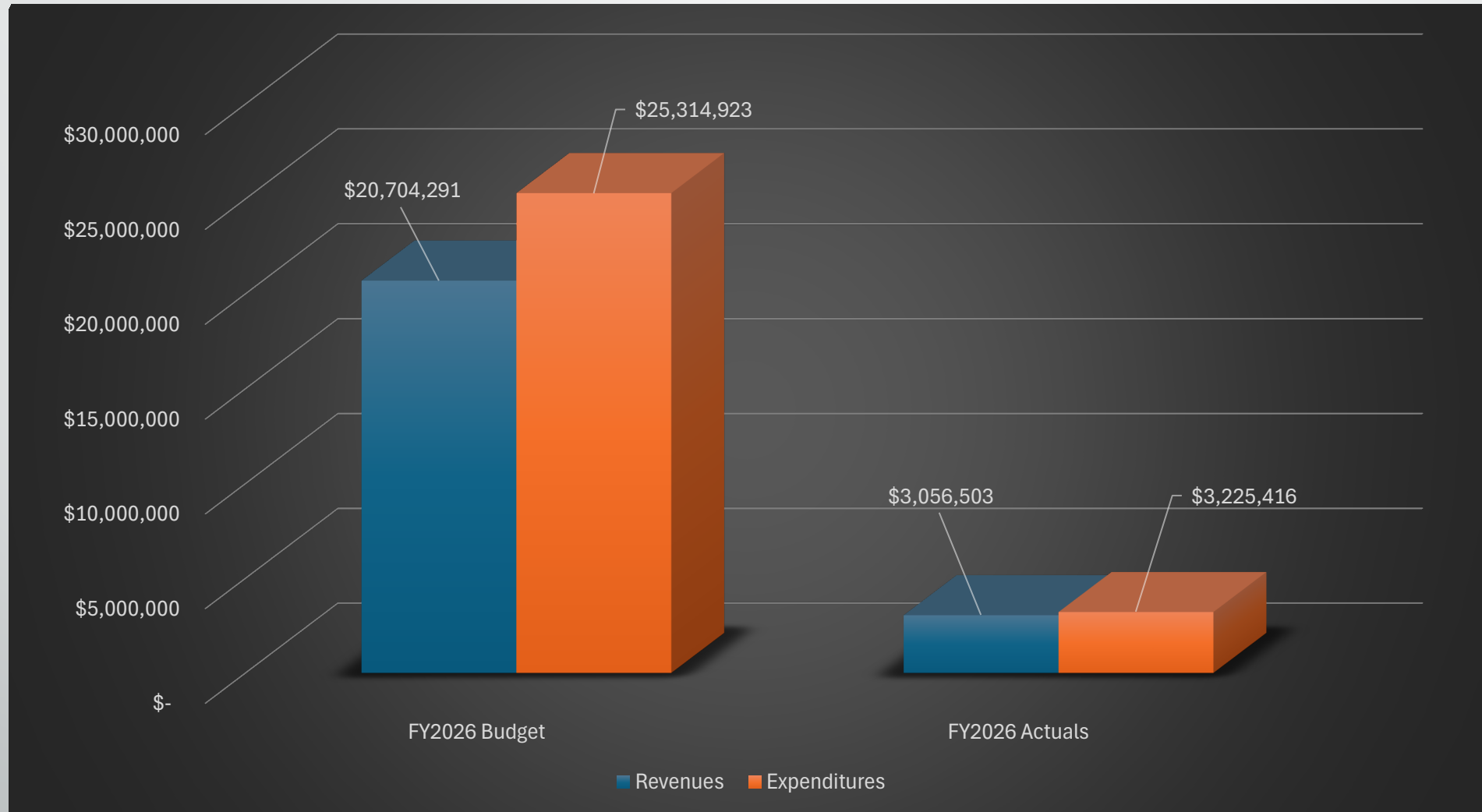
Budget vs Actual – General Fund Less RTC

As of 9/30/25



Budget vs Actual – General Fund With RTC

As of 9/30/25



Budget vs Actual

As of
9/30/2025

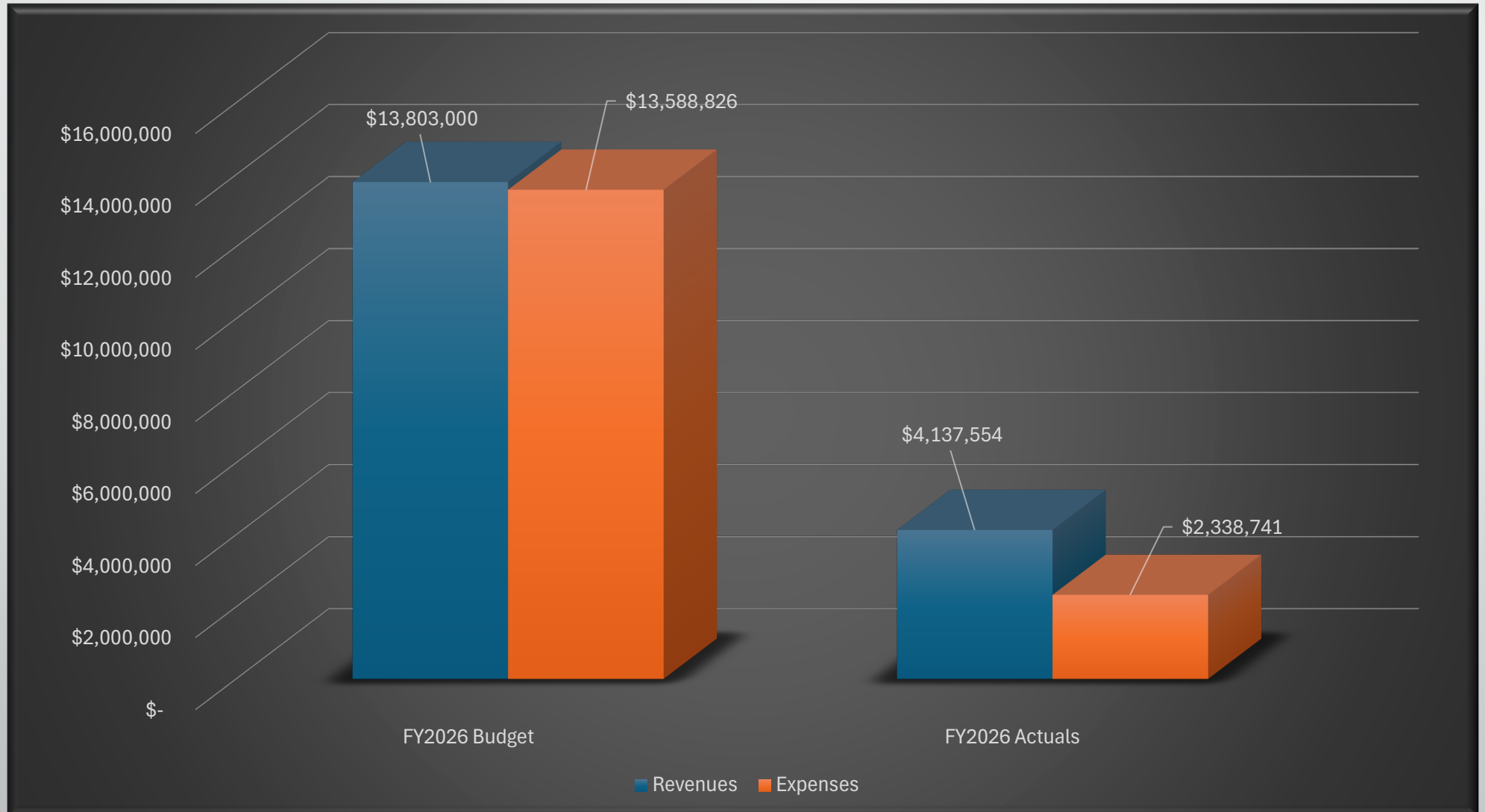
Water Enterprise Fund

	<u>FY2026 Budget</u>	<u>FY2026 Actuals</u>	<u>FY2026 Remaining Budget</u>
Revenues			
Operating Revenue	\$ 12,050,000	\$ 3,547,518	\$ 8,502,482
Non-Operating Revenue	153,000	427,853	(274,853)
Capital Contributions	<u>1,600,000</u>	<u>162,183</u>	<u>1,437,817</u>
Total Revenue	13,803,000	4,137,554	9,665,446
Expenses			
WD Non-Operating Expense	1,663,718	831,859	831,859
WD Operating Expense	9,474,666	786,657	8,688,009
WTP Operating Expense	<u>2,450,442</u>	<u>720,225</u>	<u>1,730,217</u>
Total Expenses	<u>13,588,826</u>	<u>2,338,741</u>	<u>11,250,085</u>
Increase (Decrease) Net Position	\$ <u>214,174</u>	\$ <u>1,798,813</u>	\$ <u>1,584,639</u>

***Capital Asset Depreciation has not been posted**

Budget vs Actual

As of 9/30/25



Water Capital Expenses

Equipment	YTD
Meter Tech Pickup	\$ 40,358
SCADA Tech Pickup	42,782
Water Distribution Pickup	42,782
Utility SUV	31,038

Capital Projects	CIP Estimate	ITD
Cedar Street Construction	\$ 1,000,000	\$ -
Fernley Industrial Park Construction	70,000	-
Mesa Dr Water Main Extension	500,000	23,617
Red Rock Rd Extension	420,000	-
Ricci Tank 1.5 MG Construction	2,500,000	-
Sage Tank Valve Replacement	1,000,000	-
Surface Water Integration	4,000,000	-
Reservoir #1 Rehab	250,000	-
Highway 50 Looping Main	4,500,000	264,396

Budget vs Actual

As of 9/30/25

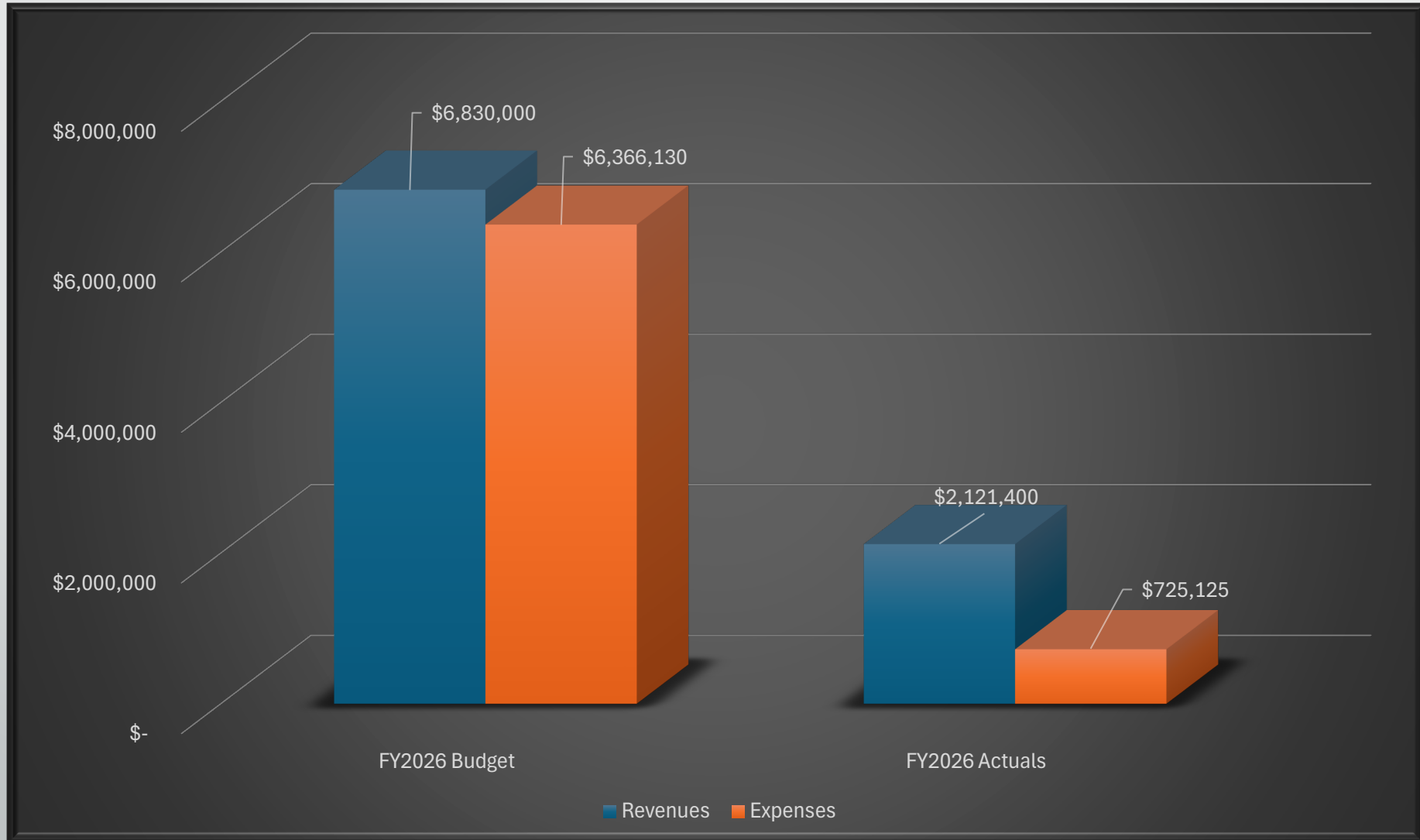
Sewer Enterprise Fund

	FY2026 Budget	FY2026 Actuals	FY2025 Remaining Budget
Revenues			
Operating Revenue	\$ 5,265,000	\$ 1,488,802	\$ 3,776,198
Non-Operating Revenue	65,000	261,759	(196,759)
Capital Contributions	1,500,000	370,839	1,129,161
Total Revenue	<u>6,830,000</u>	<u>2,121,400</u>	<u>4,708,600</u>
Expenses			
Non-Operating Expense	131,505	66,089	65,416
Operating Expense	6,234,625	659,036	5,575,589
Total Expenses	<u>6,366,130</u>	<u>725,125</u>	<u>5,641,005</u>
Increase (Decrease) Net Position	\$ <u>463,870</u>	\$ <u>1,396,275</u>	\$ <u>932,405</u>

***Capital Asset Depreciation has not been posted**

Budget vs Actual

As of 9/30/25



Sewer Capital Expenses

Equipment	YTD	
Wastewater Pickup	\$	69,102
Capital Projects	CIP Estimate	ITD
Cedar Street Construction	\$ 1,000,000	\$ -
Donner Trails Lift Station Capacity	300,000	-
Fernley Industrial Park Construction	750,000	-
Pond 4A/4B Relining	1,900,000	49,938
Red Rock Rd Extension	10,000	-
River Ranch Extension	2,500,000	-
South Airm Interceptor	350,000	101,061



CITY OF FERNLEY

City Council AGENDA REPORT

Meeting Date: November 19, 2025

REPORT TO: Mayor and City Council

REPORT FROM: Lydia Altick, Acting City Manager

FINANCIAL IMPACT:

Yes: X

No:

CURRENTLY BUDGETED:

Yes: X

No:

FUND/ACCOUNT:

GL No. 100-418-741

ACTION REQUESTED: Motion

AGENDA ITEM:

Discussion and possible action to approve a six-month contract with PacStates for a city-wide infrastructure modernization and cloud identity migration plan.

AGENDA ITEM BRIEF:

This project delivers a comprehensive infrastructure modernization across four city locations, spanning six phases, to ensure seamless migration and zero operational disruption. It encompasses the replacement of all network hardware and end-user systems while transitioning identity authentication and access management to Microsoft Entra for a secure, cloud-integrated ecosystem.

The deployment ensures the following:

- High-availability at every network layer
- Power resilience via APC triple-battery systems
- Modernized endpoints standardized under Microsoft 365 management
- Zero-trust cloud identity integration with Entra ID and Intune

The City's network is due for an overhaul. It has been over ten years since the network was set up. This project represents a proactive approach, as opposed to a piecemeal approach and continually fixing equipment. Current systems are slow or not functioning, which inhibits work production. The proposal is an estimate. Therefore, the City will only be charged for the infrastructure and labor that are utilized.

RECOMMENDED MOTION:

I move to enter into a contract with PacStates for \$577,554.31 for IT enterprise infrastructure modernization and cloud identity migration plan.

BUSINESS IMPACT (per NRS Chapter 237):

A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

See attached report for background, analysis, alternatives.

ALTERNATIVES:

The Fernley City Council may choose not to engage PacStates to modernize the IT network and infrastructure.

BACKGROUND:

PacStates has been working with the City over the years, providing limited services. On March 19, 2025, PacStates presented the findings and solutions of their IT Network Assessment to the Fernley City Council. The assessment details the IT shortfalls and needs required to bring IT services up to date and in compliance with state and federal requirements.

RELEVANT LAWS, STATUTES, AND REGULATIONS:

NRS 332, 266

FINANCIAL IMPLICATIONS:

The project was budgeted for \$100,000 in FY 2025-2026. The balance will come out of the General Fund.

ATTACHMENTS:

1. PacStates_Network Upgrade & Infrastructure Modernization Contract_attA_attB

CONTRACT

A Contract for Professional Services

THIS CONTRACT is made and entered into this ____ day of _____, _____, by and between the CITY OF FERNLEY, a municipal corporation within the State of Nevada whose address is 595 Silver Lace Blvd, Fernley, Nevada 89408 (the "City"), and PacStates, an IT Services Provider, whose address is 240 S. Rock Blvd., Suite 117, Reno, NV 89502 ("Contractor").

WHEREAS, Nevada Revised Statutes ("NRS") Chapter 266 authorizes the City to engage the services of independent contractors; and

WHEREAS, the services of Contractor are deemed to be both necessary and in the best interests of the City; and

WHEREAS, the City desires to retain the services of Contractor on the terms and conditions set forth in this Contract;

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. **CONTRACT TERM:** This Contract shall be effective from the day it is approved by the City Council (which date shall be inserted into the introductory paragraph of this Contract) and, subject to appropriation, shall remain in full force and effect until the services are completed unless terminated earlier pursuant to Section 6.

2. **CONTRACTOR'S SERVICES:**

a. **Description of Services.**

i. **Attachments:**

1. **Attachment A.** Scope of Work. Contractor hereby agrees to provide the services set forth in the Scope of Work attached hereto as Attachment A and incorporated herein by this reference.

ii. **Standard Of Care.** Notwithstanding anything to the contrary in this agreement or in any other contract document relating to the project, in performing its work under this agreement Contractor shall perform its services to the standard of care of a reasonable professional that is performing the same or similar work, at the same time and locality and under the same or similar conditions faced by Contractor Cooperation with City. Contractor agrees that its officers, associates, employees and subcontractors will cooperate with the City in providing the services under this Contract and will be, with advance

CONTRACT

A Contract for Professional Services

notice, available for consultation with the City at such reasonable times as to not conflict with the City's other responsibilities.

- iii. **General Warranty.** Contractor warrants that all services, deliverables, and/or work product under this Contract shall be completed in a workmanlike manner consistent with standards in the trade, profession, or industry; shall conform to or exceed the specifications set forth in the incorporated attachments; and shall be fit for ordinary use, of good quality, with no material defects.

3. REQUIRED APPROVALCOMPENSATION AND TERMS OF PAYMENT:

- a. **Compensation.** The City agrees to pay Contractor for the services set forth in the Scope of Work either a lump sum fee or an hourly fee based on the Fee Schedule attached hereto as Attachment B and incorporated herein by this reference.
 - b. **Reimbursable Expenses.** Contractor agrees that all of its direct and indirect expenses are included in the lump sum or hourly fee set forth in the Fee Schedule, unless the Fee Schedule specifically provides otherwise.
 - c. **Payment Invoicing.** Contractor shall submit an invoice for payment for the services provided by Contractor based on the manner or method of payment set forth in Attachment A (Scope of Work) and Attachment B (Fee Schedule).
 - d. **Timeliness of Billing.** Contractor acknowledges and agrees that timeliness of billing is of the essence to this Contract and recognizes that the City is on a fiscal year ending on June 30. All invoices for services rendered prior to July 1 must be submitted to the City no later than 30 days after the end of the fiscal year.
4. **NOTICE:** All notices or other communications required or permitted to be given hereunder shall be deemed delivered: (i) when written notice is received by the party to whom it is directed, if delivered personally, or by email; or (ii) three (3) days after deposit with the United States Post Office, if mailed by certified mail, return receipt requested, postage prepaid and addressed to the party to be notified. Notices shall be addressed as follows:

If to the City: City Manager
 City of Fernley
 595 Silverlace Blvd.
 Fernley, NV 89408

CONTRACT

A Contract for Professional Services

5. INSPECTION & AUDIT:

- a. **Books and Records.** Contractor agrees to keep and maintain under general accepted accounting principles (GAAP) full, true and complete records, contracts, books, and documents as are necessary to fully disclose to the City, the State of Nevada or the United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.
- b. **Inspection & Audit.** Contractor agrees that the relevant books, records (written, electronic, computer related or otherwise), including, without limitation, relevant accounting procedures and practices of Contractor or its subcontractors, financial statements and supporting documentation, and documentation related to the performance of this Contract shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location of Contractor where such records may be found, with or without notice by the City, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives. All subcontracts shall reflect the requirements of this paragraph.
- c. **Period of Retention.** All books, records, reports, and statements relevant to this Contract must be retained a minimum three years and for five years if any federal funds are used under this Contract. The retention period runs from the date of payment for the relevant services by the City, or from the date of termination of this Contract, whichever is later. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

6. TERMINATION OR SUSPENSION:

- a. **Suspension.** The City may suspend, without cause, the performance by Contractor under this Contract for such period of time as the City, in its sole discretion, may prescribe by providing written notice to Contractor. The suspension shall be effective as of the date set forth in the written notice. With such suspension, the City agrees to pay Contractor the amount of compensation earned as of the effective date of the suspension.
- b. **Termination Without Cause.** The City reserves the right to terminate this Contract without cause or default on the part of Contractor with ten (10) days' prior written notice to Contractor. In the event of termination, without

CONTRACT

A Contract for Professional Services

cause or default, the City agrees to pay Contractor for the services performed before the date that notice of termination is received by Contractor.

- c. **Termination for Non-Appropriation.** Contractor acknowledges that the City is a governmental entity and the Contract's validity is based upon the availability of public funding under its authority. The City reserves the right to reduce estimated or actual quantities, in whatever amount necessary, without prejudice or liability to the City, if funding is not available or if legal restrictions are placed upon the expenditure of monies for the services required under this Contract. In addition, without prejudice or liability to the City, if funding is not appropriated or otherwise made available to support the continuation of this Contract in any fiscal year succeeding the first fiscal year, this Contract will be deemed to have been terminated automatically when appropriated funds expire and are not available.
- d. **Default or Breach.** A default or breach (an "Event of Default") may be declared with or without termination. Each of the following shall constitute an Event of Default:
 - i. If Contractor fails, in the judgment of the City, to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Contract, and such failure continues for more than fifteen (15) days after written notice is delivered to Contractor provided that if the nature of such breach is such that although curable, the breach cannot reasonably be cured within a fifteen (15) day period, an Event of Default shall not exist if Contractor shall commence to cure such breach and thereafter rectifies and cures such breach with due diligence, but in no event later than sixty (60) days after the written notice;
 - ii. If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or
 - iii. If Contractor: (i) becomes insolvent, subject to receivership, or voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; (ii) makes a general assignment for the benefit of creditors; (iii) admits in writing to the inability to pay its debts as they become due; or (iv) takes any action for the purpose of effecting any of the foregoing.

CONTRACT

A Contract for Professional Services

- e. **For Cause Termination and Time to Correct. For Cause Termination and Time to Correct.** This Contract may be terminated by the non-defaulting party upon a declared default or breach only after service of formal written notice as specified in paragraph (4), and the subsequent failure of the defaulting party within a reasonable time of receipt of that notice to provide evidence, satisfactory to the non-defaulting party, showing that the declared default or breach has been corrected or is being corrected as expeditiously as is prudent and practicable.
- f. **Winding Up Affairs upon Termination.** If this Contract is terminated for any reason, the parties agree that the provisions of this paragraph survive termination:
 - i. The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination.
 - ii. Contractor shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if requested by the City.
 - iii. Contractor shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if requested by the City; and
 - iv. Contractor shall preserve, protect, and promptly deliver possession to the City of all proprietary information in accordance with Section 18.
 - v. If dispute(s) arise during the winding up of affairs upon termination, the parties agree to meet and negotiate in good faith to resolve any such disputes(s).
- 7. **REMEDIES:** Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages exclusive of lost profits.
- 8. **ATTORNEYS' FEES, COSTS, AND EXPENSES:** Unless otherwise stated herein, the parties will bear their own attorneys' fees, costs, and expenses in connection with the negotiation, execution, and performance of this Contract.
- 9. **LIMITED LIABILITY:** Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in the

CONTRACT

A Contract for Professional Services

Attachments. Damages for any default or breach by the City shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to Contractor, for the fiscal year budget in existence at the time of the default or breach.

10. FORCE MAJEURE: Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of this Contract after the intervening cause ceases.

11. INDEMNIFICATION: Contractor shall indemnify, defend, and hold harmless the City, its elected officials, officers, employees, agents, and consultants (collectively, the "City party") from and against any and all claims, liabilities, damages, losses, suits, actions, decrees, arbitration awards, judgments, and any other costs or expenses, including reasonable attorney fees (collectively, "Liabilities"), which may be recovered from or sought against the City party as a result of, by reason of, or as a consequence of: (i) any act or omission, negligent or otherwise, on the part of Contractor, its officers, employees, independent contractors, sub-contractors, vendors, suppliers, consultants, or agents; or (ii) any default in the performance of any obligation of Contractor to be performed under the terms of this Contract, regardless of whether such default is an Event of Default hereunder. In no event shall the language of this Section constitute or be construed as a waiver or limitation of the City's rights or defenses with regard to sovereign immunity, governmental immunity, or other official immunities and protections provided by the Federal and State constitutions or by law. It is expressly agreed that Contractor shall defend the City party at Contractor's expense, by legal counsel reasonably satisfactory to the City, against the Liabilities and in the event that Contractor fails to do so, the City shall have the right, but not the obligation, to defend the same and to charge all direct and incidental costs, including attorney's fees and court costs, to Contractor. Contractor's indemnity obligations herein are not intended to nor shall they relieve any insurance carrier of its obligations under policies required to be carried by Contractor pursuant to the provisions of this Contract. Contractor's obligations under this Section 11 shall survive any termination of this Contract.

12. INDEPENDENT CONTRACTOR: Contractor is associated with the City only for the purposes and to the extent specified in this Contract, and in respect to performance of the contracted services pursuant to this Contract, Contractor is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for the

CONTRACT

A Contract for Professional Services

City whatsoever with respect to the indebtedness, liabilities, and obligations of Contractor or any other party. Contractor shall be solely responsible for, and the City shall have no obligation with respect to: (1) withholding of income taxes, FICA or any other taxes or fees; (2) industrial insurance coverage; (3) participation in any group insurance plans available to employees of the City; (4) participation or contributions by either Contractor or the Public Employees Retirement System; (5) accumulation of vacation leave or sick leave; or (6) unemployment compensation coverage provided by the City. Contractor shall indemnify and hold the City harmless from, and defend the City against, any and all losses, damages, claims, costs, penalties, liabilities, and expenses arising or incurred because of, incident to, or otherwise with respect to any such taxes or fees. Neither Contractor nor its employees, agents, or representatives shall be considered employees, agents, or representatives of the City.

- 13. INSURANCE:** Unless expressly waived in writing by the City, Contractor shall, at Contractor's sole expense, procure, maintain and keep in force during the entire term of this Contract those policies of insurance which have been agreed to by the parties as evidenced by the parties initials in the signature spaces provided below. The City shall have no liability except as specifically provided in this Contract. Contractor shall not commence work before Contractor has provided the required evidence of insurance to the City. Any insurance or self-insurance available to the City shall be in excess of, and non-contributing with, any insurance required from Contractor. Contractor's insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by the City, Contractor shall provide the City with renewal or replacement evidence of insurance no less than thirty (30) days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by this Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as Contractor has knowledge of any such failure, Contractor shall immediately notify the City and immediately replace such insurance or bond with an insurer meeting the requirements.

COF

CTR

- a. **Workers' Compensation and Employer's Liability Insurance.** Industrial insurance protecting Contractor and the City from potential employee claims based upon job-related sickness, injury, or accident, during the performance of this Contract. Contractor shall provide a work certificate issued by a qualified insurer in accordance with NRS 616B.627. Prior to commencing any work, Contractor shall complete and provide the following written request to a qualified insurer:

CONTACTOR NAME has entered into a contract with Owner to perform work from THE ____ DAY OF _____, 20__ to THE ____ DAY OF _____, 20__ and requests that an industrial insurance provider qualified and licensed to offer such insurance within the State of Nevada, provide to The City of Fernley, Nevada 1) a certificate of

CONTRACT

A Contract for Professional Services

coverage issued pursuant to NRS 616B.627 and 2) notice of any lapse in coverage or nonpayment of coverage that Contractor is required to maintain. The certificate and notice should be mailed to:

City of Fernley
595 Silver Lace Blvd
Fernley, NV 89408

Contractor may, in lieu of furnishing a certificate of an insurer, provide an affidavit indicating that Contractor is a sole proprietor and that: (1) In accordance with the provisions of NRS 616B.659, Contractor has not elected to be included within the terms, conditions, and provisions of NRS chapters 616A to 616D, inclusive; and (2) Contractor is otherwise in compliance with those terms, conditions and provisions.

COF

CTR

b. **Professional Liability Insurance.**

- i. Minimum Coverage Limit required (not deductible amount): \$1,000,000 Each Claim, \$2,000,000 Aggregate.
- ii. Retroactive date: Prior to commencement of the performance of this Contract
- iii. Discovery period: Three (3) years after the termination date of this Contract.

c. **General Requirements.**

- i. Additional Insured: By endorsement to the general liability insurance policy evidenced by Contractor, ***the City of Fernley, its officers, employees, and immune contractors*** shall be named as additional insureds for all liability arising from this Contract.
- ii. Waiver of Subrogation: Each insurance policy shall provide for a waiver of subrogation in favor of the City.
- iii. Cross-Liability: All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.
- iv. Deductibles and Self-Insured Retentions: Insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by the City. Such approval shall not relieve Contractor from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000 per occurrence, unless otherwise approved by the City.

CONTRACT

A Contract for Professional Services

- v. Policy Cancellation: Except for ten days' notice for non-payment of premium, each insurance policy shall be endorsed to state that; without thirty (30) days prior written notice to the City, the policy shall not be canceled, non-renewed or coverage and/or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mail to the address shown below.
 - vi. Approved Insurer: Each insurance policy shall be issued by insurance companies: (a) authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to the City and having agents in the State of Nevada upon whom service of process may be made; and (b) currently rated by A.M. Best as "A-VII" or better.
- d. **Evidence of Insurance.** Prior to the start of any work, Contractor must provide the following documents to the City:
- i. Certificate of Insurance: The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to the City to evidence the insurance policies and coverages required of Contractor.
 - ii. Additional Insured Endorsement: An Additional Insured Endorsement (CG20 10 or C20 26), signed by an authorized insurance company representative, **must** be submitted to the City to evidence the endorsement of the City as an additional insured per General Requirements, Subsection 1) above.
 - iii. Schedule of Underlying Insurance Policies: If an Umbrella or Excess insurance policy is evidenced to comply with minimum limits, a copy of the underlying schedule from the Umbrella or Excess insurance policy may be required.
 - iv. Review and Approval: Documents specified above must be submitted for review and approval by the City prior to the commencement of work by Contractor. Neither approval by the City nor failure to disapprove the insurance furnished by Contractor shall relieve Contractor of Contractor's full responsibility to provide the insurance required by this Contract. Compliance with the insurance requirements of this Contract shall not limit the liability of Contractor or its sub-contractors, employees or agents to the City or others, and shall be in addition to and not in lieu of any other remedy available to the City under this Contract or otherwise. The City reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements. Contractor will mail all required insurance documents to the City at the address identified in section 4 of this Contract.

CONTRACT

A Contract for Professional Services

- e. **Failure to Maintain Required Coverages.** If Contractor fails to carry the required insurance, the City may: (i) order Contractor to stop further performance of the Contract, and declare contractor in breach, terminate the Contract if such breach is not remedied; or (ii) purchase replacement insurance and withhold the costs or premium payments made from the payments due to Contractor or charge the replacement insurance costs back to Contractor.

- 14. **COMPLIANCE WITH LEGAL OBLIGATIONS:** Contractor shall procure and maintain for the duration of this Contract any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract. Contractor will be responsible to pay all taxes, assessments, fees, premiums, permits, and licenses required by law. Real property and personal property taxes are the responsibility of Contractor in accordance with NRS 361.157 and 361.159. Contractor agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract.
- 15. **WAIVER OF BREACH:** Failure to declare a breach or the actual waiver of any particular breach of this Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other default or breach.
- 16. **SEVERABILITY:** If any portion, provision, or part of this Contract is held, determined, or adjudicated by any court of competent jurisdiction to be invalid, unenforceable, or void for any reason whatsoever, each such portion, provision, or part shall be severed from the remaining portions, provisions, or parts of this Contract, and such determination or adjudication shall not affect the validity or enforceability of such remaining portions, provisions, or parts.
- 17. **ASSIGNMENT/DELEGATION:** To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by the City, such offending portion of the assignment shall be void, and shall be a breach of this Contract. Contractor shall neither assign, transfer nor delegate any rights, obligations, or duties under this Contract without the prior written consent of the City.
- 18. **PROPRIETARY INFORMATION:** Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by Contractor (or its subcontractors) in performance of its obligations under this Contract shall be

CONTRACT

A Contract for Professional Services

the exclusive property of the City and all such materials shall be delivered into the possession of the City by Contractor upon completion, termination, or cancellation of this Contract. Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Contractor's obligations under this Contract without the prior written consent of the City. Notwithstanding the foregoing, the City shall have no proprietary interest in any materials licensed for use by the City that are subject to patent, trademark, or copyright protection.

- 19. PUBLIC RECORDS:** Pursuant to NRS 239.010, information or documents received from Contractor may be open to public inspection and copying. The City will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. Contractor may label specific parts of an individual document as a "trade secret" or "confidential," provided that Contractor thereby agrees to indemnify and defend the City for honoring such a designation. The failure to so label any document that is released by the City shall constitute a complete waiver of any and all claims for damages caused by any release of the records.
- 20. FEDERAL FUNDING:** In the event federal funds are used for payment of all or part of this Contract:
- a. Contractor certifies, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.
 - b. Contractor and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.
 - c. Contractor and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)
- 21. LOBBYING:** The parties agree, whether expressly prohibited by federal, state or local law, or otherwise, that no funding associated with this Contract will be used for

CONTRACT

A Contract for Professional Services

any purpose associated with or related to lobbying or influencing or attempting to lobby or influence any of the following: (a) any federal, state, county or local agency, legislature, commission, council or board; (b) any federal, state, county or local legislator, commission member, council member, board member, or other elected official; or (c) any officer or employee of any federal, state, county or local agency; legislature, commission, council or board.

- 22. CERTIFICATION REQUIRED BY NEVADA SENATE BILL 26 (2017):** By signing this Agreement, the CONSULTANT provides a written certification, as a material part of this Agreement, that the CONSULTANT is not currently engaged in, and during the Term shall not engage in, a boycott of Israel. The term "boycott of Israel" has the meaning ascribed to that term in Section 3 of Nevada Senate Bill 26 (2017). The CONSULTANT shall be responsible for fines, penalties, and repayment of any State of Nevada or federal funds that may arise (including those that the CITY pays, becomes liable to pay, or becomes liable to repay) as a direct result of the CONSULTANT's non-compliance with this Section. If, at any time during the formation or duration of this Agreement, CONSUTLANT is engaged or engages in a boycott of Israel, it will constitute a material breach of this Agreement.
- 23. PROPER AUTHORITY:** Contractor represents and warrants Contractor has full power and authority to enter into this Contract. Any services performed by Contractor before this Contract is effective or after it ceases to be effective are performed at the sole risk of Contractor.
- 24. GOVERNING LAW; VENUE:** This Contract will be interpreted, and the rights and liabilities of the parties determined, in accordance with the laws of the State of Nevada, excluding its conflict of laws rules. In any action or proceeding arising under this Contract, each party (a) consents to the jurisdiction of Nevada Courts, and of the pertinent appellate courts, and consents to the venue of such action or proceeding in Lyon County, Nevada courts, (b) irrevocably agrees that all actions or proceedings arising out of or relating to this Contract shall be litigated in such courts, and (c) consents to personal jurisdiction within Lyon County, Nevada. Each party accepts for itself, generally and unconditionally, the exclusive jurisdiction and venue of the aforesaid courts and waives any defense of lack of personal jurisdiction, improper venue, inconvenient forum or any similar defense, and irrevocably agrees to be bound by any non-appealable judgment rendered thereby in connection with this Contract.
- 25. INTEGRATED CONTRACT:** This Contract (including any addenda, exhibits, or attachments incorporated into and made a part of this contract) constitutes the entire agreement and understanding among the parties regarding the matters set forth herein and supersedes all previous negotiations, discussions, and understandings regarding such matters. The parties acknowledge and represent that they have not relied on any promise, inducement, representation, or other statement made in connection with this Contract that is not expressly contained herein. The terms of this Contract are contractual and not a mere recital.

CONTRACT

A Contract for Professional Services

26. **COUNTERPARTS:** This Contract may be executed in multiple counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.
27. **ADVICE OF COUNSEL:** Each party hereto represents and agrees that it has had the opportunity to seek and has sought from attorneys any such advice as it deems appropriate with respect to signing this Contract or the meaning of it. Each party has undertaken such independent investigation and evaluation as it deems appropriate and is entering into this Contract in reliance on that and not in reliance on any advice, disclosure, representation or information provided by or expected from any other party or such party's attorneys. This is an agreement of settlement and compromise, made in recognition that the parties may have different, disputed or incorrect understandings, information and contentions, as to facts and law, and with each party compromising and settling any potential correctness or incorrectness of its understandings, information and contentions as to the facts, law, claims, duties, disclosures and conduct occurring before or during the entry into this Contract. No conduct, failure, misunderstanding or misinformation and no claim of fraud or fraudulent inducement occurring prior to or in connection with the execution hereof shall be a ground for rescission hereof or for recovery of damages, except as otherwise expressly provided herein.
28. **MODIFICATION; NO WAIVER:** The provisions of this Contract, including this paragraph, may be modified or waived only in writing signed by both parties. No waiver with respect to any portion of this Contract shall apply to any other portion of the Contract, and a waiver on one occasion shall not be deemed to be a waiver of the same or any other breach on a future occasion. No course of dealing by any party, and no failure, omission, delay, or forbearance by any party in exercising such party's rights or remedies shall be deemed a waiver of any such rights or remedies or a modification of this Contract.
29. **INTERPRETATION OF AGREEMENT:** This Contract shall be construed without regard to the party or parties responsible for its preparation and shall be deemed to have been prepared collectively by the parties. Any ambiguity or uncertainty arising herein shall not be interpreted or construed against any party hereto on the basis that a party prepared or drafted a particular provision of this Contract.
30. **COOPERATION OF PARTIES:** The parties agree to cooperate to accomplish the purpose of this Contract and to execute any and all supplementary documents and to take all additional actions not inconsistent with the terms set forth in this Contract that are necessary and appropriate to give full force and effect to the terms and intent of this Contract.
31. **NON-DISCRIMINATION:** In connection with the performance of work under this Contract, Contractor agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation,

CONTRACT

A Contract for Professional Services

gender identity or expression, or age, including, without limitation, with regard to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including, without limitation, apprenticeship. Contractor further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

CONTRACT

A Contract for Professional Services

In witness whereof, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby:

CITY OF FERNLEY

Mayor, City of Fernley Date

City Manager, City of Fernley Date

City Clerk, City of Fernley Date

Approved as to form:

City Attorney, City of Fernley Date

Originating Department:

Department Head Date

CONTRACT

A Contract for Professional Services

CONTRACTOR, being first duly sworn, deposes and says: That CONTRACTOR. is the Contractor; that Michael W. Buis has read the foregoing Contract; and that he understands the terms, conditions, and requirements thereof.

CONTRACTOR

BY: **Michael Buis**

TITLE: **CEO**

FIRM: **PacStates**

BUSINESS LICENSE #: **BL01-1549**

Address: **240 So. Rock Blvd., 117**

City: **Reno** State: **NV** Zip Code: **89502**

Telephone: **775-284-4103**

Fax #: **775-828-2039**

E-mail Address: **mbuis@pacstatesnv.com**

(Signature of Contractor)

DATE SIGNED this _____ day of _____, 20__.

Attachment A



PacStates

Integrated Business Technology
One Company, One Call

We have prepared a quote for you

**CoF - Co-Managed Network Upgrade for MSP
Services**

Quote # 003156
Version 2

Prepared for:

City of Fernley - City Hall

Lydia Altick
laltick@cityoffernley.org



Thursday, October 30, 2025

City of Fernley - City Hall
Lydia Altick
595 Silver Lace Blvd.
Fernley, NV 89408
laltick@cityoffernley.org

Dear Lydia,

We know your time is valuable and we want to thank you for the time to review and discuss [City of Fernley - City Hall's](#) specific designed criteria. Today's business communications and IT infrastructure space is changing more rapidly than ever before. Previously solutions were separate and specific to services, networks and systems. Today technology solutions are crossing over each other – making it extremely difficult for businesses owners and managers to know who provides what part and how that affects everything else – who is responsible! This makes it even more important to have a technology partner that can help with the evaluation, implementation, ongoing planning and support providing the best overall solution to meet your defined success.

Pacific States Communications in 39 years has evolved into – PacStates, an Integrated Business Technology Partner.

We represent multiple solutions for IT Security, computer, virtualization, Telco / Internet services, premise digital, premise VoIP, hosted cloud voice, Unified Communications (UC), surveillance systems and much more. We offer a unique integrated business solution – ***“One Company – One Call”***.

If we can answer any questions or provide clarifications, please do not hesitate to contact me personally. We appreciate your time and the opportunity you have presented and look forward to being your Information Technology partner.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. Baskharoon', enclosed in a light blue rectangular box.

Ryan Baskharoon
vCIO
PacStates



PSC SOW

Enterprise Infrastructure Modernization & Cloud Identity Migration Plan

Duration: 6 Months | **Locations:** 4 Sites

Core Infrastructure: Fortinet + APC + Microsoft Entra (Azure AD)

Executive Summary

This project delivers a complete infrastructure modernization across four corporate locations. It encompasses the replacement of all network hardware and end-user systems while transitioning identity, authentication, and access management to **Microsoft Entra (Azure AD)** for a secure, cloud-integrated ecosystem.

The deployment ensures:

- **High-availability (HA)** at every network layer
- **Power resilience** via APC triple-battery systems
- **Modernized endpoints** standardized under Microsoft 365 management
- **Zero-trust cloud identity** integration with Entra ID and Intune

The engagement will be executed over six structured phases to ensure seamless migration and zero operational disruption.

Phase 1 – Final Design Validation & Pre-Staging

Weeks 1 – 4

Objectives

- Confirm HA architecture and Entra migration sequence
- Pre-stage all Fortinet and APC equipment
- Build golden workstation/laptop images linked to Entra ID

Deliverables

- Finalized topology diagrams and cutover schedule



PSC SOW

- Bench-tested FortiGate 120G HA pair
- Configured FortiSwitch 448E and 148FPOE stacks
- Pre-provisioned FortiAP 241K controllers
- Standardized Windows 11 Entra-joined workstation images
- UPS load and runtime validation reports

Key Tasks

1. Configure HA firewalls with SD-WAN, VLAN, and VPN templates.
2. Pre-stage switch stacks with redundant uplinks and PoE testing.
3. Integrate FortiAPs into FortiCloud / FortiManager.
4. Build and test Entra-joined workstation images (Intune + Autopilot).
5. Validate UPS capacity for network and compute loads.

Phase 2 – Primary (HQ) Deployment

Weeks 5 – 8

Objectives

- Implement new network and endpoint environment at headquarters.
- Establish Entra ID / Intune as central identity and device-management platform.

Deliverables

- Production FortiGate 120G HA pair
- FS-448E FPOE core stack with redundant trunks
- Deployed FortiAP 241K per heat-map design
- APC UPS 3-battery runtime verified (> 45 minutes)
- Replacement of all HQ desktops & laptops with Entra-joined profiles
- Cloud-based authentication live in Entra ID



PSC SOW

Key Tasks

1. Replace and configure HA firewalls; migrate VPNs and SD-WAN.
2. Deploy switch stacks & FortiAPs, validate PoE load.
3. Replace all workstations/laptops, enrolling in Entra ID & Intune.
4. Enable SSO and conditional access policies.
5. Integrate UPS monitoring into NMS / FortiAnalyzer.
6. Validate failover and user authentication under load.

Phase 3 – Site 1 Deployment

Weeks 9 – 12

Objectives

- Replicate HQ environment with full HA and Entra integration.

Deliverables

- FortiGate HA pair, FortiSwitch 148FPOE stack, FortiAP deployment
- All desktops & laptops replaced and Entra-joined
- UPS integrated with network monitoring
- Site connected to HQ via secure SD-WAN

Key Tasks

1. Install network core and configure Entra synchronization.
2. Migrate users to cloud identities; validate email / M365 access.
3. Perform endpoint replacement and Intune policy deployment.
4. Confirm UPS runtime and alerting.

Phase 4 – Site 2 Deployment



PSC SOW

Weeks 13 – 16

Objectives

- Standardize infrastructure and finalize Azure Entra linkage.

Deliverables

- Fully deployed Fortinet stack
- Endpoint fleet migrated
- Cloud identity and MFA operational

Key Tasks

1. Deploy network equipment and test redundancy.
2. Join users to Entra ID; retire on-prem AD dependencies.
3. Validate group policies and Intune compliance.
4. Update network diagrams and Entra tenant documentation.

Phase 5 – Site 3 & Site 4 Deployment

Weeks 17 – 22

Objectives

- Complete rollout of network and endpoint modernization.

Deliverables

- All four sites on standardized Fortinet infrastructure
- Unified Entra ID tenant managing all users and devices
- APC UPS redundancy validated network-wide

Key Tasks

1. Execute sequential weekend cutovers.
2. Deploy and validate HA firewalls & switch stacks.

PSC SOW

3. Replace remaining endpoints; confirm cloud join.
4. Conduct end-to-end performance and resilience tests.

Phase 6 – Optimization & Closeout

Weeks 23 – 26

Objectives

- Optimize configurations, complete training, and transition to operations.

Deliverables

- As-Built documentation (Visio diagrams, configs, serials, VLAN maps).
- Fortinet + APC + Entra integration runbooks.
- Final performance and security validation.
- 30-day post-deployment support period.

Key Tasks

1. Conduct full HA failover testing (firewall, switch, UPS).
2. Validate Entra SSO and conditional access behavior.
3. Optimize QoS, VLAN segmentation, and routing.
4. Deliver administrator training and credential handoff.
5. Final sign-off and project completion review.

Technology Architecture Summary

Component	Model / Platform	Function	Redundancy
Firewall	FortiGate 120G	Core perimeter, VPN, SD-WAN	HA Pair
Core Switch	FortiSwitch 448E FPOE	Core aggregation	Stack x 2, LACP
Edge Switch	FortiSwitch 148F FPOE	Access connectivity	Stack x 2
Wireless AP	FortiAP 241K	Enterprise Wi-Fi 6	Controller-managed
	APC Smart UPS /3	Power redundancy & graceful	

PSC SOW

UPS System	APC Smart-UPS (3-battery)	Power redundancy & graceful shutdown	Triple battery, SNMP
Identity Platform	Microsoft Entra (Azure AD)	Cloud authentication / MFA / SSO	Geo-redundant cloud
Device Mgmt	Microsoft Intune + Autopilot	Endpoint lifecycle and security	Cloud-managed

Monitoring & Management

- Centralized via **FortiManager / FortiAnalyzer** for network devices.
- UPS monitoring integrated via **SNMP** and **PowerChute Business Edition**.
- Identity and endpoint health managed through **Entra / Intune dashboards**.
- Scheduled weekly configuration backups & monthly firmware reviews.

High-Level Schedule

Month	Focus	Key Deliverables
1	Pre-staging & design validation	HA tested, Entra plan finalized
2	HQ deployment	Core site live + Entra go-live
3	Site 1	Full replacement + Intune onboarding
4	Site 2	Unified network + MFA enabled
5	Site 3 & 4	Complete rollout
6	Optimization & handover	Documentation + training

Success Criteria

- All sites on FortiGate HA with < 5 sec failover.
- APC UPS runtime = 45 minutes per site.
- 100 % of endpoints replaced and Entra-joined.
- Conditional Access & MFA enforced organization-wide.
- Unified Fortinet management and reporting operational.

PSC SOW

Hardware / Labor

Product Details	Qty
Labor - UCaaS IT, VoIP, Network Engineering	855.5
Labor - Cable Infrastructure installation	120
Miscellaneous equipment, cables, bolts, screws, etc	1
3 YEAR UNIFIED THREAT PROTECTION (UTP) (IPS, ADVANCED MALWARE PROTECTION, APPLICATION CONTROL, URL, DNS & VIDEO FILTERING, ANTISPAM SERVICE, AND FORTICARE PREMIUM)	2
3 YEAR FORTIGATE CLOUD MANAGEMENT, ANALYSIS AND 1 YEAR LOG RETENTION	2
3 YEAR UNIFIED THREAT PROTECTION (UTP) (IPS, ADVANCED MALWARE PROTECTION, APPLICATION CONTROL, URL, DNS & VIDEO FILTERING, ANTISPAM SERVICE, AND FORTICARE PREMIUM)	2
3 YEAR UPGRADE FORTICARE PREMIUM TO ELITE (REQUIRE FORTICARE PREMIUM)	2
Fortinet Switch - managed - 48 x 10/100/1000 (PoE+) + 4 x 10 Gigabit SFP+ - side to back airflow - rack-mountable - PoE+ (740 W)	12
Fortinet FortiCare - 24x7 Support - 1Y	12
1RU - Wired - 48x GE RJ45 and 4x 10GE SFP+ ports; Dedicated Management 10/100 Port; RJ-45 Serial Console Port- 1GB RAM - 256MB Flash Memory - upport IEEE 802.1w,IEEE 802.3x,IEEE 802.3u,IEEE 802.3ab,IEEE 802.3z -100-240V AC, 50/60 Hz	10
3 Year 24x7 FortiCare Support - 3Year(s) - 24 x 7	10
APC Smar-UPS SRT - 1500VA	1
APC Smart-UPS SRT - 48V	3
Logitech MK270 Wireless Keyboard w/ Mouse - Black	5
24in 1080p IPS Ergonomic Monitor,65W USB-C Flat - 1920 x 1080 - 24Inch - 24Inch - 5Ms - 250 cd/m2 - 60 Hz - 1000:1 - 250 cd/m2 - 16:9 - Anti-glare - 100 x 100 mm	170

Hardware / Labor

Product Details	Qty
Tripp Lite UPS 350VA 210W Desktop PC / MAC Battery Back Up	67
4X8TB SATA NAS HARD DRIVES INCLUDED 4-BAY 1U RACKMOUNT NAS 2.5GBE RAID ISCSI RAIL KIT INCLUDED FOR STANDARD 19in RACK	1
FortiAP-241K 3 Year FortiCare Premium Support	16
Fortinet AP-241K Indoor Wireless AP	16
SASE Device per location	3
Dual Monitor up to 32 inches and 19.8 lbs per Screen, Pneumatic Arm Desk Mount, Articulating Counterbalance, VESA Stand, Classic, STAND-V002O	87
VIVO Dual Monitor up to 32 inches and 19.8 lbs per Screen, Pneumatic Arm Desk Mount, Articulating Counterbalance, VESA Stand, Classic, STAND-V002O (B01N2YFO5Z)	
Displaylink Docking Station 3 Monitors with 130W Power Delivery, 10Gbps USB for MacBook M1/M2/M3/Windows, USB-C(3 HDMI, 2 DisplayPort, 2 USB-C, 4 USB3.1, Ethernet, Audio)	30
WAVLINK Displaylink Docking Station 3 Monitors with 130W Power Delivery, 10Gbps USB for MacBook M1/M2/M3/Windows, USB-C(3 HDMI, 2 DisplayPort, 2 USB-C, 4 USB3.1, Ethernet, Audio) (B0BXP57Z1Z)	
Lenovo ThinkBook 16 Gen 7 (16IN AMD), AMD Ryzen 5 7535HS (3.30GHz, 16MB), 16IN WUXGA Non-Touch, W11P64 ENG, 16.0GB, 1x512GB SSD M.2 2242 PCIe Gen4 TLC, Arctic Grey, AMD Radeon 660M, BT 5.1 or above,Wi-Fi 6 2x2 AX, 100/1000M Ethernet, FPR, 1080P FHD, 3 Cel	30
ThinkCentre M90q Gen 5, Intel Core i5-14500 vPro (E-cores up to 3.70GHz, 24MB), W11P64 ENG, 32.0GB, 1x512GB SSD M.2 2280 PCIe Gen4 TLC Opal, Intel UHD Graphics 770,BT 5.1 or above,IntelAX211vPro, 135W, 3 Year On-site, USB, Traditional, Black-English (US),	67
Lenovo Premier Support Plus Upgrade - PC - Onsite - 3Y	97

Subtotal: \$534,554.31



CoF - Co-Managed Network Upgrade for MSP Services



Prepared by:

PacStates

Ryan Baskharoon

7758282020

Fax 7758282029

RBaskharoon@pacstatesnv.com

Prepared for:

City of Fernley - City Hall

595 Silver Lace Blvd.

Fernley, NV 89408

Lydia Altick

(775) 575-5455

laltick@cityoffernley.org

Quote Information:

Quote #: 003156

Version: 2

Delivery Date: 10/30/2025

Expiration Date: 10/28/2025

Quote Summary

One-Time Charges

Description	Amount
Hardware / Labor	\$534,554.31

Subtotal: \$534,554.31

Administration Fee: \$17,105.74

Estimated Tax: \$25,466.28

Total: \$577,126.33

Payment Options

Description	Payments	Interval	Amount
Payment Option			
Deposit 50%	1	One-Time	\$288,563.16

Summary of Selected Payment Options

Description	Amount
Payment Option: Deposit 50%	
Total of Payments	\$288,563.16

Cash Options: 50% Due upon agreement, 50% balance due upon cutover

Taxes, shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.



PacStates

City of Fernley - City Hall

A handwritten signature in blue ink, appearing to read 'Ryan Baskharoon', is placed over a light blue rectangular background.

Signature: _____

Name: Ryan Baskharoon

Title: vCIO

Date: 10/30/2025

Signature: _____

Name: Lydia Altick

Date: _____

Terms & Conditions V.100

These General Terms and Conditions apply to Customer's purchases of Products and Services from PacStates and together with the Order, Scope of Work and other pertinent documents make up the complete Purchase Agreement ("Agreement") between **PacStates** and **City of Fernley - City Hall** referred to as "**Customer**".

Scope of the Agreement

The Agreement consists of:

Order

Scope of Work

Terms and Conditions

And all other documents contained in this the PDF

Description of Services

PacStates shall provide Customer with the services as described in the Agreement incorporated herein by this reference. The services may be amended from time to time by written content of the parties.

General Terms for Services and Products.

These General Terms apply to Customer and its Affiliates with respect to the purchase of products and services from PacStates as defined in the Scope of Work herein.

Term and Termination.

These Terms and Conditions become effective upon the Customer's acceptance of the Scope of Work and will continue until PacStates has performed the Scope of Work described herein.

PacStates may terminate the Agreement if Customer fails to pay any applicable fees due to PacStates within 30 days after receipt of written notice from PacStates of nonpayment or Customer commits any other material breach and fails to cure such breach within thirty (30) days after receipt of written notice from PacStates.

Payment

Customer will pay PacStates all fees set forth on the Order in accordance with the payment terms set forth on the Order. If no payment terms are specified, then Customer will pay upon receipt of an invoice specifying the amounts due.

All fees payable under this Agreement are exclusive of sales, use, VAT, customs duties, excise, and any other applicable transaction taxes which Customer is responsible to pay. If payment is not received on or before such amounts become due, PacStates may charge interest and such interest will accrue and be payable at the rate of one and one-half percent (1.5%) per month from the date due until paid in full.

All products FOB shipping point, unless specifically specified in agreement

In addition to the amounts set forth in the Order, Customer agrees to pay or reimburse PacStates for all actual, necessary, and reasonable expenses incurred by PacStates in performance of the Agreement.

Services

The services being provided by PacStates are defined in the Scope of Work incorporated herein.

Terms & Conditions V.100

All Necessary Rights.

If, as part of PacState's performance of Services, PacStates is required to use, copy or modify any third-party system (hardware, software or other technology) provided or licensed to Customer, then prior to PacState's performance of such Services, Customer will acquire all rights necessary from third party including waivers and authorizations for PacStates to perform such Services.

Customer Responsibilities

Customer will be responsible for preparing the site for installation, providing adequate space, foundations, heating and cooling, and electrical power and for affording PacStates or its agent reasonable access to the premises for installation and maintenance. Except as specifically provided in the Agreement, Customer is responsible for any special interface equipment or facilities necessary to ensure compatibility between the Licensed hardware and Customer's hardware.

Right to Act as Agent and Site Preparation.

Customer expressly authorizes PacStates, and its' agents and employees to act as agent for Customer in order necessary Services from the telephone utility company and any long-distance carriers, equal access carriers and specialized carriers, whenever applicable. Customer shall provide PacStates with reasonable access to the premises during PacState's working hours and shall furnish elevator service when necessary as well as heat, light, sanitary facilities, electrical power and protection to perform the Services. Customer shall obtain necessary consents and waivers from the owners of the premises in connection with performance of any services at any site other than PacState's premises, and at Customer's expense shall supply all supplemental equipment necessary for the Services, including any applicable conduits, back boxes, commercial wiring and outlets.

Confidentiality

Neither party shall disclose any proprietary or confidential information obtained from the other unless so directed by a court of law or government authority.

Warranty

PacStates warrants that the work will be performed to the best of its ability and in accordance with reasonable and customary practices prevailing at the time for its business. NO OTHER WARRANTIES EXIST, EXPRESS OR IMPLIED. THIS WARRANTY DOES NOT EXCLUDE ANY THIRD-PARTY WARRANTIES.

Remedies

PacStates shall have, and hereby reserves all the rights and remedies that it has, or which are granted to it by operation of law, for damages or breach of this Agreement on the part of the Client.

In the event the Customer breaches or threatens to breach any of the covenants expressed herein, the damages to PacStates will be great and irreparable and difficult to ascertain; therefore, PacStates may apply to a court of competent jurisdiction or injunctive or other equitable relief to restrain such breach or threat of breach, without waiving any other relief in either law or equity.

Attorney's Fees

If any legal proceeding is commenced for the purpose of interpreting or enforcing any provision of this Agreement, at law or in equity, including any proceeding in the United States Bankruptcy Court, the prevailing party shall be entitled to recover attorney's fees incurred in such proceeding, or any appeal thereof, to be set by the court without the necessity of hearing testimony or receiving evidence, in addition to the costs and disbursements allowed by law.

Terms & Conditions V.100

Jurisdiction

The Agreement shall be governed by and construed in accordance with the laws of the State of Nevada and County of Lyon.

Choice of Law

This Agreement shall be interpreted and construed according to the laws of the State of Nevada.

Dispute Resolution

Any controversies or claims arising out of the Agreement will be subject to Arbitration administered by the American Arbitration Association under its commercial arbitration rules. Judgment on any award rendered by the Arbitrator may be entered in any Court having jurisdiction thereof. The parties waive all rights to trial by jury in any action, suit, proceeding, claim or counterclaim brought under or in relation to this Agreement.

Severability

Every provision of this Agreement is intended to be severable. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction, or if it is found in contravention of any federal, state or county statute, county code, or regulation, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby, and shall remain in full force effect.

Waiver of Default

Waiver of any default by either party to this Agreement shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is amended.

Force Majeure

Performance under this Agreement is subject to interruption and delay due to cause beyond the parties' reasonable control, such as acts of God, acts of any government, war or other hostility, including acts of terrorism, civil disorder, the elements, fire, explosion, power failure, equipment failure, industrial or labor dispute, inability to obtain necessary supplies and the like.

Indemnification

Customer will indemnify, defend and hold harmless PacStates from all claims, liabilities or expenses (including reasonable attorney's fees) for (a) physical damage to real property or tangible personal property and bodily injury, including death, to the extent caused by the negligence or willful misconduct of the Customer or any of its Affiliates or each of their respective employees, agents, directors, officers, representatives or contractors arising out of this Agreement and which take place at the Customer's premises; (b) breach of and Third Party Agreement or (c) any violation of applicable laws relating to the Agreement.

Notices

Unless otherwise provided, notices to either party will be in writing to the Customer's business address and deemed effective when received.

Assignment

Customer may not assign this Agreement, or any rights granted in this Agreement to any third party without the written consent of PacStates.

Terms & Conditions V.100

Modifications

No part of this Agreement will be modified in any way except in writing signed by both parties and stating expressly that it constitutes a modification of this Agreement.

Nothing in this Agreement shall create a contractual relationship with, or any other rights in favor of, any third party.

Entire Agreement

This Agreement embodies the entire understanding between the parties with respect to the subject matter of this Agreement, and except as otherwise provided herein, supersedes any and all prior understandings and agreements, oral or written, relating to the subject matter of this Agreement.

Further, Customer hereby represents and warrants that Customer is not relying upon any warranties, promises, guarantees, advertisements or representations made by PacStates or anyone claiming to act on behalf of PacStates other than those expressly expressed in this Agreement.

Headings

The paragraph headings used in this Agreement are for convenience purposes only and shall not be used in the interpretation of the Agreement.

Digital Signatures

The parties intend that a digital signature constitutes an original signature and will be binding on the parties. A document signed and transmitted electronically (e.g. PDF) shall have the same binding effect as an original signature. Each party executing this Agreement warrants that it is duly authorized and has full authority to execute and deliver such document.