

**MINUTES OF THE
FERNLEY CITY COUNCIL MEETING
JULY 15, 2026**

1. INTRODUCTORY ITEMS

1.1. Pledge of Allegiance

1.2. Roll Call

Present: Mayor Neal E. McIntyer, Councilwoman Felicity Zoberiski, Councilman Albert Torres, Councilman Ryan Hanan, Councilman Joe Mendoza, City Attorney Aaron Mouritsen, City Clerk Kim Swanson, Admin Specialist II Rachael Goetz, City Treasurer Robert Carson, Building Official Charity Birkel, Planning Director Michele Rambo, Senior Planner Treston Rodriguez, City Engineer Salvador Pleitez, Deputy Public Works Director Olivia John, Utilities Director Ozzie Henke, Grant Administrator Trisha Livingston,

1.3. Public Forum

Becki Howlett thanked the community for the 4th of July turn out.

Guy Lane expressed concerns regarding the power district and Flock cameras in the neighborhood.

Tom Holmes questioned the new town homes going in Fremont Street. His neighbor received a letter about losing land, and he was concerned.

John Bogle, Vine Street and received an emanate domain letter. He questioned how the emanate domain will affect his financing for his house. He also opposes the flock cameras.

1.4. (For Possible Action) Approval of Agenda

Motion: I MOVE TO APPROVE THE AGENDA AS PRESENTED.

Action: Approve, **Moved by:** Councilman Ryan Hanan, **Seconded by:** Councilwoman Felicity Zoberiski. **Vote:** Passed, **Summary:** Yes 4, **Yes:** Councilwoman Zoberiski, 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

Kim Swanson, City Clerk read the new business licenses.

2.4. Possible Action to Approve the Will-Serve Request from Lyon County School District - Fernley High School, Commons & Culinary Improvements for

0.11 ERC's for Water and 0.94 ERC's for Sewer for Lyon County Parcel 021-181-01 located at 1300 Hwy 95A, Fernley, NV 89408.

2.5. Possible Action to Approve the Will-Serve Request from Fernley QOZB, LLC – Final Parcel Map for 0.89 ERCs for Water for Lyon County Parcel 021-232-53 located at 305 Stanley Drive, Fernley, NV.

2.6. Discussion and Possible Action to approve a contract with A & K Earth Movers, Inc. for the Mesa Drive Water Main Extension Project in the amount not to exceed \$245,000.00.

2.7. Discussion and Possible action to approve the purchase of 15 ASPIRO Aspirator floating surface aerators from Komline Aerator Solutions in the amount of \$396,825.00, per Nevada Division of Environmental Protection (NDEP) requirement for the East Wastewater Treatment Plant.

2.8. Discussion and Possible Action to approve a contract with Lumos & Associates for Construction Management Services for the East Lift Station Improvements in the amount of \$47,400.00.

2.9. Possible Action to Approve the Will-Serve Request from Jones Development Company – Texcel Remodel for 0.075 ERCs and 0.399 ERCs of Sewer for Water for Lyon County Parcel 021-251-18 located at 2275 Newlands Drive, Suite 102, Fernley, NV.

2.10. Discussion and possible approval of a contract with Resource Development Company to construct and replace the Micro Filtration Reverse Flow Stainless Steel piping at the Water Treatment Plant for the price of \$521,150.00

2.11. (Possible Action) Approval of a grant application to the U.S. Department of Transportation's Bridge Investment Program for the Fernley Gustafson Road Bridge Replacement project.

2.12. Discussion and possible approval of a contract with Olympus and Associates Inc. for the Treatment Water Reservoir 1 Rehabilitation Project in the amount of \$931,750.00.

2.13. For Possible Action to purchase one (1) 3/4-ton, four-wheel drive pickup truck with service body for the City of Fernley's Wastewater Department for an amount not to exceed \$80,000.

2.14. For Possible Action to purchase one (1) 10-yard dump truck for the City of Fernley's Fleet Department for an amount not to exceed \$250,000.

2.15. For Possible Action to purchase one (1) 3/4-ton, four-wheel drive pickup truck with service body for the City of Fernley's Streets and Storm Drains Department for an amount not to exceed \$100,000.

2.16. For Possible Action to purchase one (1) 1-ton, four-wheel drive pickup truck with service body for the City of Fernley's Parks Department for an amount not to exceed \$100,000.

2.17. For Possible Action to purchase one (1) 3/4-ton, four-wheel drive pickup truck for the City of Fernley's Fleet Department for an amount not to exceed \$70,000.

2.18. For Possible Action to purchase one (1) 3/4-ton, four-wheel drive pickup truck with service body for the City of Fernley's Facilities Department for an amount not to exceed \$100,000.

2.19. For Possible Action to purchase one (1) 1/2-ton, four-wheel drive pickup truck for the City of Fernley's Parks Department for an amount not to exceed \$60,000.

2.20. For Possible Action to purchase one (1) 10-yard dump truck for the City of Fernley's Water Distribution Department for an amount not to exceed \$223,141.

2.21. For Possible Action to purchase one (1) full-size SUV for the City of Fernley's Animal Control Department for an amount not to exceed \$60,000.

2.22. Possible Action to Approve the Collective Bargaining Union Agreement between the City of Fernley and IBEW Local 1245 effective 7/1/26-6/30/28.

Moved to 8.5.2026

Motion: I MOVE TO APPROVE THE CONSENT AGENDA WITH ITEM 2.22 MOVED TO THE 8.5.2026 MEETING. **Action:** Approve, **Moved by:** Councilman Ryan Hanan, **Seconded by:** Councilwoman Felicity Zoberski. **Vote:** Passed, **Summary:** Yes 4, **Yes:** Councilwoman Zoberski, 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.

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

Barry Williams Chief Operating Officer expressed his appreciation for the trust and confidence in him as he is serving role of Chief Operating Officer. He reported a Health and Wellness Fair taking place on July 22nd at the Fernley Senior Center. There is a microchip clinic on July 18th at City Hall.

Councilman Joe Mendoza thanked the team for the 4th of July event, and he attend the LEPSI meeting where they discussed earthquakes.

Councilman Albert Torres reported the FCTA will be sponsoring a few events this month including the Junior Rodeo. FSCSC will be having their ice cream social at the Senior Center during the Health and Wellness Fair. In June, FSCSC handed out 50 fans to seniors. Donations are still being accepted.

Councilwomen Felicity Zoberski thanked everyone for the 4th of July event.

Councilman Hanan, reported he on recent meetings and event he has attended.

Mayor McIntyre thanked the 4th of July committee for such a great 4th. He also congratulated the Junior Little League team for winning State. They've won district three years in a row and state twice. They will now advance to the regionals in Arizona. The mayor presented them with \$5,000 to help support them.

4. PROCLAMATIONS BY THE MAYOR

There were none.

5. PRESENTATIONS

5.1. Presentation by Kategos AI, on AI technologies.

Puneet Kalia, CEO and founder of Kategos AI explained they are a strategy-first AI consulting firm based out of Carson City. He presented how the future of AI can help government agencies, save time and increase productivity.

6. PUBLIC HEARINGS

6.1. (For Possible Action) Discussion and second reading of Bill #386, an Ordinance establishing the Fernley Power District as a municipal electric utility of the City of Fernley pursuant to NRS 266.290; setting forth the public utility proposed to be established, the estimated cost thereof, and the proposed manner and terms of payment; defining the initial service area within the victory logistics district; establishing the Fernley Power District board as the governing body of the district and prescribing its composition, member selection, and powers and duties; delegating to the board administrative and regulatory authority over the district; and other matters properly related thereto.

Michele Rambo, Planning Director, stated this is the second reading of this bill was continued from the June 17th meeting to this meeting to allow the City's Consultant additional time to review information and to answer questions.

City Attorney Mouritsen outlined the options available to the City Council regarding the Fernley Power District ordinance. He explained that the Council could adopt the ordinance as written, continue the matter until August 5 to allow time to review the consultants' findings following their July 21 final meeting, or adopt the ordinance with amendments.

Rick Nelson, Senior Vice President of Mark IV and leader of the Victory Project, urged the City Council to adopt the Fernley Power District ordinance on second reading without amendments. He stated that the district is projected to generate approximately \$126–\$157 million for the City's general fund during its first six years. Mr. Nelson emphasized that the 1% franchise fee and fixed power pricing with a 2% annual escalator provide predictability and competitiveness, while changes to the franchise fee or board structure at this stage could create uncertainty and reduce the project's attractiveness to large customers. He noted that the ordinance includes protections for the City, including no taxpayer funding, city debt, or credit exposure,

no impact on residential rates, and compliance with state law. He concluded by asking the Council to adopt the ordinance as published to preserve the anticipated revenue and provide regulatory certainty.

Bob Sweetin, representing the Energy Council, spoke in support of adopting the ordinance as published. He stated that the ordinance has been public for eight weeks without material public objections and that consultants are assisting with operational and utility-related considerations but are not reviewing the ordinance's legality or franchise-fee impacts. He cautioned against adopting proposed amendments, particularly to Section 17 and the franchise fee, noting potential legal concerns and emphasizing that the City retains the ability to amend the ordinance through the established process at a later date. Mr. Sweetin also explained the proposed organizational structure for the Fernley Power District, including a professionally managed board representing the primary developers and the City, and highlighted provisions designed to protect the City from financial liability through indemnification and financial assurances.

Councilman Mendoza clarified for the record that, although the ordinance had been published for several weeks without opposition, a recent public commenter had opposed the overall power plant project.

Rick Nelson responded that the comments were directed at the proposed natural gas generation facility, not the Fernley Power District ordinance, which is intended to incorporate multiple energy sources, including solar, wind, and other generations. Councilwoman Zaborski requested clarification regarding the proposed three-member Power District Board. Mr. Nelson explained that one member would be selected by the Pioneer Power Company, one by the primary developer, and one would be a City-selected at-large member with an electrical or power infrastructure background; all members would be subject to City Council review. He recommended that the fire department not serve as a board member but could participate in an advisory capacity through the conditional use permit and emergency action plan. The Board would provide updates to the City Council at least every six months, with an initial review of bylaws and electric service rules following formation, while the Council would retain authority to request additional meetings or updates as needed.

Councilwoman Zoberski questioned why the proposed franchise fee was set at 1% when national averages are generally higher.

Rick Nelson explained that the lower fee is intended to keep power costs competitive and attract large energy users to the Fernley Power District, with increased electricity sales generating additional revenue as the district expands.

Bob Sweetin stated that the 1% fee was modeled after Storey County and emphasized that the district's large-volume customers differ from typical residential and small-commercial utility users. He also noted that residential franchise fees associated with NV Energy would remain unchanged.

Councilwoman Zoberski acknowledged the explanation but remained uncertain about whether the Story County comparison was directly applicable to Fernley.

Councilman Torres questioned if the council would be giving up its authority by appointing a 3-person group.

Bob Sweetin responded that they would not be giving up these rights. The council would reserve the rights to bring back and amend district framework. However, if a long term contract has been signed, it could restrict changes down the road. The council has ultimate say on who the appointees are.

Councilman Torres asked if the city contracted consultants were requested months ago. Mr. Sweetin confirmed, yes there are consultants and Mark IV feels confident the report the consultants bring back won't change the legal analysis or the financial analysis.

It was then discussed as to why there wouldn't be a step increase in the franchise fees. Mr. Sweetin stated that property values are going to increase significantly while there isn't any inherent objection to a step process or discussion, they would request the cleanest method. Mr. Nelson stressed that if the change is made tonight, it will cause chaos and people will not want to develop here.

Councilman Hanan believed that about 50% of the revenue that is calculated here is for permits and property tax and those are further reaching that benefits the fire district and schools ect. When looking at just the property taxes themselves, it has nothing to do with trends or power, it has to do with using that component to encourage people to come here and having this property tax component that benefits the pool, the fire department, the county, the state. It gives everybody a large chunk of money. He wants on record, this is about encouraging people to come to a very prosperous opportunity by which they're drawn to our community, to invest billions of dollars into the city of Fernley, which will have a long-standing effect beyond the lifespan of a power plant if we came up with new generation in the future and everybody was producing their own power the City would still get that property tax.

Mayor McIntyre was in a favor and believed this is far reaching financial decision for the City of Fernley. He urged the council to pass this tonight.

There was a legal brief.

Cody Wagner, not here on behalf of the Planning Commission or any fellow Planning Commissioners. He stated the discussion tonight has been finances and he is more worried about safety and sustainability of our community.

Doug Larned encouraged the council to not be short-sited. In the past, the city has

missed out on a lot of money from the state and if the city wants the parks and fire departments, etc. we should approve the power district.

Owen Wergler requested clarity on any outstanding or existing NV Energy franchise agreements and any potential repercussions this may have.

Motion: I MOVE TO TABLE THIS ITEM ON BILL 386 UNTIL THE COMPLETION OF OUR THIRD-PARTY CONSULTANTS REPORT RETURNS AND THE APPROPRIATE CORRECTIONS ARE MADE. **Action:** Table, **Moved by:** Councilman Joe Mendoza, **Seconded by:** Councilman Albert Torres. **Vote:** Passed, **Summary:** Yes 3, No 1 **Yes:** Councilwoman Zoberski, Councilman Torres, Councilman Mendoza, **No:** Councilman Hanan

6.2. (For Possible Action) Discussion and second reading regarding DA22002AMD1, an amendment to a Development Agreement associated with Sherwood Village requested by 890 Fremont Street, LP to reflect changes in the project form and layout of the proposed development. The subject site consists of approximately $\pm$ 26.47 acres, is designated Mixed Residential in the Master Plan and zoned MDR14 (Medium Density Residential, maximum 14 du/ac), and is generally located north of Fremont Street, south of U.S. Interstate 80, west of Wildwood Drive, and east of Vine Street, Fernley, Nevada (APNs: 021-092-05, 021-092-23, 021-092-26, 021-092-27, 021-092-55, 021-092-58, 021-092-59, 021-092-60).

Senior Planner Treston Rodriguez presented the second reading of Bill No. 388. The amendment updates the project layout, infrastructure obligations, Fremont Street frontage improvements, secondary emergency access to Vine Street, right-of-way acquisition procedures, and related financial responsibilities.

Garrett Gordon and Brian Maloney of Lincoln Avenue Communities spoke in support of the project, noting the approximately 26.5-acre infill development will include two-, three-, and four-bedroom units ranging from 944 to 1,500 square feet, targeting workforce housing households at approximately 50%–70% AML.

City staff clarified that compensation for affected property owners would include the value of the land as well as associated relocation costs. The representative also highlighted provisions requiring the developer to reimburse the City and provide financial security to ensure completion and payment of required improvements, emphasizing the project's goal of providing workforce and attainable housing.

Hector Gamboa asked about the extent of right-of-way acquisition, compensation, and potential impacts to existing structures and driveway access; staff stated that additional information would be provided during the following eminent-domain agenda item.

Motion: BASED ON THE ANALYSIS PRESENTED IN THE STAFF REPORT, I MOVE TO APPROVE BILL 388 AND DA22002AMD1 AN AMENDMENT TO THE DEVELOPMENT AGREEMENT DA 22002 ASSOCIATED WITH THE SHERWOOD

VILLAGE PROJECT AS PRESENTED BY STAFF. **Action:** Approve, **Moved by:** Councilman Ryan Hanan, **Seconded by:** Councilman Joe Mendoza. **Vote:** Passed, **Summary:** Yes 4 **Yes:** Councilwoman Zoberski, Councilman Torres, Councilman Hanan, Councilman Mendoza

6.3. (For Possible Action) Discussion and Possible Action Regarding Resolution No. 26-016, a Resolution declaring the City's intent to acquire certain real property interests by eminent domain for public street improvements to Fremont Street and a public emergency access road (Vine ROW) associated with the Sherwood Village development. APNs: 020-181-01, -04, -05, 021-092-16, -17, -22, -51, -52, -53.

Senior Planner Treston Rodriguez presented Resolution 26-016. The resolution would authorize the City to make the required public-use and necessity findings and allow the City Attorney and special counsel to pursue condemnation proceedings under NRS Chapter 37 if necessary. The Fremont Street interests are needed for frontage improvements, including curb, gutter, and sidewalk, while the Vine Street easement is required to provide emergency and evacuation access approved by the North Lyon County Fire Protection District. An ownership gap was identified beneath a portion of the existing Vine Street gravel roadway, making condemnation necessary to address known and unknown ownership interests. Mr. Rodriguez emphasized that adoption of the resolution would not immediately transfer property and that good-faith negotiations and just compensation would continue. The acquired interests would be held by the City for public use, and the developer would be responsible for acquisition costs and related City expenses under the development agreement. Staff recommended approval of Resolution 26-016.

Brian Maloney from Lincoln Avenue Communities confirmed this project was approved 3 years ago that is when discussions with the property owners began and there are currently 5 properties that have not been accessed. He also clarified after this meeting that they will communicate with the property owners before it comes to eminent domain and offer to come in with fair market value plus additional costs of fencing and moving sheds and avoid condemnation with one caveat you saw for Vine Street. There's a strip that has been identified with no clear owner. It will need to condemn that no matter what to ensure ownership.

Hector Gamboa, lives on Vine Street and he had questions about the fire department needed a 20-foot easement.

Brian Maloney from Lincoln Avenue Communities responded, it's an existing 20-foot road so the new and improved road will be on top of the existing road.

Motion: BASED ON THE ANALYSIS PRESENTED IN THE STAFF REPORT, I MOVE TO ADOPT RESOLUTION NUMBER 26-016, DECLARING THE CITIES INTENT TO ACQUIRE THE DESCRIBED PROPERTY INTEREST BY EMINENT DOMAIN, FINDING THAT THE ACQUISITIONS ARE FOR PUBLIC USE AND ARE NECESSARY AND AUTHORIZING THE CITY ATTORNEY AND THE CITY'S SPECIAL COUNSEL TO COMMENCE CONDEMNATION AND RELATED

PROCEEDINGS UNDER NRS CHAPTER 37. **Action:** Approve, **Moved by:** Councilwoman Felicity Zoberski, **Seconded by:** Councilman Ryan Hanan. **Vote:** Passed, **Summary:** Yes 4 **Yes:** Councilwoman Zoberski, Councilman Torres, Councilman Hanan, Councilman Mendoza

6.4. Discussion and Possible Action to approve Bill #389 amending Fernley Municipal Code Title 2, Chapter 8 to remove the City Manager and add new evaluation requirements.

Aaron Mouritsen City Attorney explained the new structure will require that the mayor evaluates the HR Director, the Chief Development Officer and the Chief Operations Officer. The mayor will continue evaluating the city attorney, the city clerk, and the city finance director. Additionally, when the mayor does these evaluations, he'll have an evaluation form that council approves.

Motion: I MOVE TO APPROVE BILL NUMBER 389 AMENDING THE FERNLEY MUNICIPAL CODE, TITLE II, CHAPTER 8, TO REMOVE THE CITY MANAGER. **Action:** Approve, **Moved by:** Councilman Albert Torres, **Seconded by:** Councilman Ryan Hanan. **Vote:** Passed, **Summary:** Yes 4 **Yes:** Councilwoman Zoberski, Councilman Torres, Councilman Hanan, Councilman Mendoza

Motion: I MOVE TO CONTINUE THE MEETING PAST 9:00 PM AND FINISH THE ITEMS ON THE AGENDA. **Action:** Approve **Moved by:** Councilman Ryan Hanan, **Seconded by:** Councilwoman Felicity Zoberski. **Vote:** Passed, **Summary:** Yes 4, **Yes:** Councilwoman Zoberski, Councilman Torres, Councilman Hanan, Councilman Mendoza.

7. STAFF REPORTS

7.1. Presentation, discussion, and possible action on the fiscal year 2027 Community Development Block Grant Program update, priorities, and citizen participation process.

Trisha Lovington, Grant Administrator presented. The Community Development Block Grant Program, or CDBG, is tasked with promoting and facilitating community development throughout rural Nevada. The city has used the funding for several phase projects in the past.

Motion: I MOVE TO ACCEPT THE ANNUAL COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM OVERVIEW PRESENTATION PRIORITIES AND SUPPORT THE CITIZEN PARTICIPATION PROCESS. **Action:** Approve **Moved by:** Councilwoman Felicity Zoberski, **Seconded by:** Councilman Albert Torres **Vote:** Passed, **Summary:** Yes 4, **Yes:** Councilwoman Zoberski, Councilman Torres, Councilman Hanan, Councilman Mendoza

7.2. Discussion and possible approval of a contract with CDM Smith for the engineering and design of the Surface Water Treatment Expansion project at the Water Treatment Plant. The contract amount will be \$10,899,764.00

Ozzie Hinke, Utilities Director, presented the proposal for design work for the Fernley

Treatment Plant Expansion Improvements for Surface Water Treatment Engineering and Design Services. This design enhance the treatment plant to treat surface water from the Truckee Canal in addition to its existing groundwater wells, expand the capacity of its wastewater plant from 20 million to 30 million gallons per day, and implements a PFAS.

Servando Molina with CDM Smith presented. The current drinking water treatment plant was constructed about 17 years ago in 2009. Its primary function is to remove arsenic from the groundwater. In the design, some provisions were included for modifications for the future treatment of surface water. Currently it only treats groundwater. The current plant capacity is 20 million gallons per day of groundwater treatment. The city does have rights to surface water from the Truckee Canal, approximately 9,700 acre feet annually, or 3,160 million gallons annually. Unfortunately, PFAS has been found above regulatory limits in your groundwater, and then PFAS has also been detected in the surface water from the Truckee Canal. The objective of the project is to add facilities to equip the plant to remove PFAS and comply with water quality regulations. Enabling the plant to treat surface water from the Truckee Canal and thus improve the city's overall water supply reliability and flexibility. The project will also expand the plant to 30 MGD and replace out-of-date equipment.

Motion: I MOVE TO APPROVE THIS CONTRACT WITH CDM SMITH FOR THE ENGINEERING AND DESIGN OF THE SURFACE WATER TREATMENT EXPANSION PROJECT. **Action:** Approve, **Moved by:** Councilman Albert Torres, **Seconded by:** Councilman Ryan Hanan. **Vote:** Passed, **Summary:** Yes 4, **Yes:** Councilwoman Zoberski, Councilman Torres, Councilman Hanan, Councilman Mendoza.

8. RESOLUTIONS

8.1. Possible Action to adopt Resolution 26-017, establishing low-cost spay/neuter fees for the City of Fernley Animal Control Program.

Randee Gahr, Animal Services Program Manager presented.

Motion: I MOVE TO APPROVE THE FEE SCHEDULE FOR THE LOW-COST SPAY/NEUTER FEES. **Action:** Approve, **Moved by:** Councilman Ryan Hanan, **Seconded by:** Councilwoman Felicity Zoberski. **Vote:** Passed, **Summary:** Yes 4, **Yes:** Councilwoman Zoberski, Councilman Torres, Councilman Hanan, Councilman Mendoza.

8.2. Discussion and Possible Action to adopt Resolution 26-019, updating the Business License Fee Schedule by adding a special event organizer and updating the special event licensing process.

Kim Swanson, City Clerk presented.

Motion: I MOVE TO APPROVE RESOLUTION 26-019, UPDATING THE BUSINESS LICENSE FEE SCHEDULE BY ADDING A SPECIAL EVENT ORGANIZER AND UPDATING THE SPECIAL EVENT LICENSING PROCESS.

Action: Approve, **Moved by:** Councilman Ryan Hanan, **Seconded by:** Councilman Albert Torres. **Vote:** Passed, **Summary:** Yes 4 **Yes:** Councilwoman Zoberski, Councilman Torres, Councilman Hanan, Councilman Mendoza.

9. PUBLIC FORUM

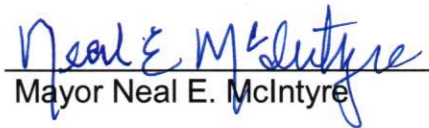
None.

10. ADJOURNMENT

There being no further business to come before it, the Fernley City Council meeting adjourned at 9:07 PM.

Approved by the Fernley City Council on September 2, 2026 by a vote of:

AYES: 3 NAYS: 0 ABSTENTIONS: 0 ABSENT: 1



Mayor Neal E. McIntyre



ATTEST: City Clerk Kim Swanson